

## 8.92 Tamil Nadu Government Employees' Special Provident Fund-cum-Gratuity Scheme - Extension to the employees of Urban Local Bodies - Enhancement of Government contribution from Rs. 5,000/- to 10,000 - Orders - Issued.

Municipal Administration and Water Supply (ME. 3(2)) Department

G.O. (Ms) No. 111

Dated : 13.08.2007

Read :

1. G.O. (Ms) No. 136, Finance (Pension) Department, dated 11.3.1986
2. G.O. (Ms) No. 333, Municipal Administration and Water Supply Department, dated 11.3.1986.
3. G.O. (Ms) No. 429, Finance Department, dated 15.9.2000
4. From the Commissioner of Municipal Administration, Lr. Roc. No. 48967/2006/L3, dated 18.10.2006
5. From the Commissioner, Corporation of Chennai, Letter ACC Roc. No. Aa8/5569/05, dated 7.10.2005
6. From the Director of Town Panchayats, Chennai-108. Lr. Roc. No. 3670/2007/D2, dated 28.5.2007.

### Order

In the Government Order first read above, the Government introduced the Tamil Nadu Government Employees' Special Provident Fund-cum-Gratuity Scheme with effect from 1.4.1984. According to the scheme all regular Government Employees are required to pay a uniform rate of Rs. 20/- per month till one month prior to the date of superannuation or till the subscription together with the interest thereon adds upto Rs.5,000/- whichever is earlier. An employee while retiring on Superannuation, Voluntary Retirement or Retirement on Medical invalidation would be paid the actual amount of subscription together with interest thereon and in addition the Government would be contributing a fixed amount of Rs. 5,000/-

2. In the Government Order second read above, the above scheme was extended to the Employees of Urban Local Bodies with effect from 1.4.1984 subject to the following conditions :-

- (i) The scheme should be a self-financing one
- (ii) The Special Provident Fund-cum-Gratuity Scheme will be administered by the Examiner of Local Fund Accounts.
- (iii) The Examiner of Local Fund Accounts will formulate necessary rules for implementation of the above scheme in consultation with the Director of Municipal Administration.
- (iv) The lumpsum contribution of Rs. 5,000/- on retirement to the employees will be paid by the respective Municipalities / Township Committees from their own general funds.
- (v) No financial assistance will be given by the State Government for implementing the scheme.

3. In the Government Order third read above, the amount of Government contribution has been enhanced from Rs. 5,000/- to Rs. 10,000/- from the date of issue of the Order for the Government Servants.

4. The Service Association of Urban Local Bodies has now requested the Government that the benefit of enhancement of Government contribution from Rs. 5,000/- to Rs. 10,000/- given to Government Servants may be extended to the employees of Urban Local Bodies also. In the letter 4th, 5th ad 6th read above, the Commissioner of Municipal Administration, the Commissioner, Corporation of Chennai and the Director of Town Panchayats respectively have recommended for enhancement of employer's contribution from Rs. 5,000/- to Rs. 10,000/-

5. The Government after careful examination have decided to accept the proposal for enhancement of employer's contribution to the employees of Urban Local Bodies. Accordingly, the Government direct that the Special Provident Fund-cum-Gratuity Scheme shall be enhanced from Rs. 5,000/- to 10,000/- in the case of retirement on superannuation, voluntary retirement and medical invalidation of the employees of the Urban Local Bodies (i.e. All Corporations, Municipalities, 3rd Grade Municipalities, Town Panchayats subject to the condition that, the enhanced contribution will be paid from their own general funds of Urban Local Bodies.

6. This order shall take effect from the date of issue of this order.

7. This order issues with the concurrence of Finance Department vide its U.O. No. 49840/MAWS/07, dated 8.8.2007

(By order of the Governor)

**K. DEENABANDU**  
Secretary to Government