**TAMIL NADU POWER DISTRIBUTION CORPORATION LIMITED**
**(ABSTRACT)**

PENSION - Maximum limit of Retirement Gratuity and Death Gratuity enhanced by 25% i.e. from Rs.20 Lakhs to Rs.25 Lakhs - Orders issued by the Government – Adoption in TNPDCL – Orders – Issued.

**(SECRETARIAT BRANCH)**

**(PER) CMD TNPDCL PROCEEDINGS NO.247** **DATED THE 20th NOVEMBER, 2026.**
Karthigai -4, Paraabhava Varudam,
Thiruvalluvar Aandu-2057.

**READ:**

1. G.O.Ms.No.313, Finance (Pay Cell) Department, dated 25.10.2017.
2. (Per.) CMD TANGEDCO Proceedings No.52, (SB), dated 02.03.2018.
3. G.O.Ms. No.132, Finance (Allowance) Department, dated 12.03.2024.
4. G.O.Ms. No.134, Finance (Pension) Department, dated 12.03.2024.
5. (Per.) FB TANGEDCO Proceedings No.3, (SB) dated 13.03.2024.
6. (Per.) FB TANGEDCO Proceedings No.8, (SB) dated 07.06.2024.
7. G.O.Ms.No.281, Finance (Pension) Department, dated 06.09.2024.
8. From the Secretary to Government (Expenditure) letter No.195/Finance (BPE)/2025-2, dated 18.06.2026.
9. From the Principal Secretary to Government/Energy Department, letter No.5163/ B2/2025-2, dt.18.11.2026.
10. From the Principal Secretary to Government/Energy Department, letter No.5163/B2/ 2025-3, dt.18.11.2026.

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**PROCEEDINGS:**

In the Government Order first read above, among others, orders were issued enhancing the ceiling limit of Retirement Gratuity and Death Gratuity from Rs.10 Lakhs to Rs.20 Lakhs with effect from 01.01.2016 and the ceiling on gratuity shall be increased by 25% of Rs.20 lakh, i.e. Rs.5 lakh each time the rate of dearness allowance crosses a multiple of 50 percentage points. Based on the said Government Order, orders were issued extending the same benefit to the pensioners/family pensioners of TNPDCL (Erstwhile TANGEDCO) w.e.f. 01.01.2016 – vide Proceedings second read above.

**2.** In the Government Order third and fourth read above, orders were issued enhancing the rate of Dearness Allowance from 46% to 50% (4% increase) to the State Government Servants and Pensioners/Family Pensioners respectively. The said Government Orders had been adopted in TNPDCL and issued orders enhancing the rate of Dearness Allowance from 46% to 50% (4% increase) to the employees/ Pensioners and Family Pensioners of TNPDCL respectively – vide Proceedings fifth and sixth read above.

**3.** The Government in G.O. seventh read above, had issued orders enhancing the maximum limit of Retirement Gratuity and Death Gratuity from Rs.20 Lakhs to Rs.25 Lakhs to the State Government Servants with effect from 01.01.2024. A proposal for adoption of the said G.O. in TNPDCL was placed before the Board of

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TNPDCL for its deliberations. The Board of TNPDCL in its 133rd Meeting held on 28.10.2025 had directed to obtain necessary concurrence from the Government Finance (BPE) Department for adoption of the said orders.

**4.** The Government in its letter ninth read above, have given its concurrence for extending the enhanced Death-cum-Retirement Gratuity ceiling of Rs.25 lakhs to the eligible employees of TNPDCL with effect from 01.01.2024 (those who are covered under Old Pension Scheme), subject to adherence of the directions issued in the Government's letter eighth read above, according to which, gratuity paid upto Rs.20 lakhs is exempted under section 10(10)(ii) of the Income Tax Act, 1961 (and correspondingly under Schedule III, Table Clause (38) of Income Tax Act, 2025), and any amount exceeding Rs.20 lakhs shall be treated as income under the head "Salaries" and taxed accordingly.

**5.** Accordingly, it is hereby ordered that the maximum ceiling limit of Death-cum-Retirement Gratuity be enhanced from Rs.20 lakhs to Rs.25 lakhs to the employees of TNPDCL (Erstwhile TANGEDCO) who are covered under Old Pension Scheme with effect from 01.01.2024.

**6.** All the Pension Sanctioning Authorities are instructed to sanction the difference amount of Death-cum-Retirement Gratuity in respect of the employees retired/expired during the period from 01.01.2024 to till date. The enhanced Death-cum-Retirement Gratuity beyond the exempted amount is liable for deduction of Income Tax at source as per the direction given by the Government as stated in paragraph 4 above. The procedure for deducting the TDS will be issued separately.

**7.** The receipt of these Proceedings shall be acknowledged.

**RAJESH LAKHONI**
**CHAIRMAN AND MANAGING DIRECTOR**

To
All Chief Engineers.
All Chief Financial Controllers/TNPDCL/TNGECL/TNPGCL & TANTRANSCO.
The Chief Internal Audit Officer/Audit Branch.
All Superintending Engineers.
All Deputy Secretaries/Secretariat Branch, Chennai-2.
All Senior Personnel Officers/Administrative Branch, Chennai-2.

**Copy to:**
The Chairman and Managing Director's Table, Chennai-2.
The Director General of Police/Vigilance, Chennai-2.
The Managing Director/TNGECL, TNPGCL and TANTRANSCO Chennai-2.
The Joint Managing Director (Finance)/TNPDCL & TANTRANSCO, Chennai-2.
All Directors/TNPDCL, TNPGCL, TNGECL & TANTRANSCO, Chennai-2.
The Secretary/TNPDCL, Chennai-2.
The Legal Adviser/TNPDCL, Chennai-2.
The Industrial Relations Adviser, Chennai-2.
The Company Secretary/TNPDCL & TANTRANSCO, Chennai-2.
All Under Secretaries/Secretariat Branch, Chennai-2.
The Under Secretary/TNGECL, TNPGCL & TANTRANSCO, Chennai-2.
All Sections in Secretariat Branch, Chennai-2.
The Vigilance Cell, Chennai-2.

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The Tamil Nadu Electricity Workers' Federation.
The Tamil Nadu Electricity Board Accounts and Executive Staffs' Union.
The Tamil Nadu Electricity Board Workers' Progressive Union.
The Central Organization of Tamil Nadu Electricity Employees' (COTEE).
The Minsara Pirivu Anna Thozhir Sangam.
The Tamil Nadu Minvariya Janatha Thozhilalar Sangam.
The Tamil Nadu National Electricity workers' Federation (Xavier Group).
The Tamil Nadu National Electricity Workers' Federation (Swarnaraj Group).
The Tamil Nadu Electricity Board Engineers' Sangam.
The Tamil Nadu Electricity Employees' Congress (NLO).
The Tamil Nadu Electricity Board Thozhilalar Poriyalar Aykkia Sangam.
The Tamil Nadu Electricity Board Engineers' Association.
The Tamil Nadu Electricity Board Finance & Accounts Officers' Association.
The Bharathiya Electricity Employees' Federation.
The Tamil Nadu Electricity Board Card Billing staffs' Union.
The Tamil Nadu Electricity Board Dr.Ambedkar Employees' Union.
The Tamil Nadu Electricity Board Engineers' Union.
The Tamil Nadu Electricity Board Employees' Federation.
The Tamil Nadu Minsara Variya Paattali Thozhir Sangam.
Bharathiya Electricity Engineers' Association.
Tamizhaga Minvariya Vetri Sangam
Stock File.

The General Secretary, TNEB Retired Officials' Association,
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The General Secretary/Federation of TNEB Pensioners Associations,
J-3, Vatsa Elite, Vasanthapuram Main Road, Mangadu, Chennai – 600 122.
The General Secretary/TNEB Pensioners' Progressive Union,
TANGEDCO's Campus, No.144, Anna Salai, Chennai-600 002.
The General Secretary/Tamil Nadu Electricity Board Retired Pensioners' Welfare Organisation,
No.27, Mosque Street, Chepauk, Chennai-600 005.
The General Secretary/Tamil Nadu Electricity Retired Workers' Association,
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The General Secretary/TNEB Retired Employees' & Officers' Association,
No.18, Ellaiyamman Koil Street, West Mambalam, Chennai-600 033.
The State General Secretary/Bharathiya Electricity Pensioners' Federation,
No. 2/3, IIIrd Floor, State Bank Street, Anna Salai, Chennai – 600 002.
The General Secretary, TNEB Retried Engineers' Sangam,
No.44, Ramasamy Garden Street, Royapettah, Chennai - 600 014.
The General Secretary, TNEB Retired Employees' and Officers' Sangam,
No.39/101, Singanna Street, Chintadripet, Chennai - 600 002.

**:: TRUE COPY :: FORWARDED :: BY ORDER ::**

20-11-2024

**ASSISTANT BOARD SECRETARIAT OFFICER**

20.11.2024