

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

RAJYA SABHA
UNSTARRED QUESTION NO. 1382

ANSWERED ON TUESDAY, 11 MARCH, 2025/ 20 PHALGUNA, 1946 (SAKA)

UNIFIED PENSION SCHEME

1382. Shri Javed Ali Khan

Will the Minister of Finance be pleased to state:

- (a) whether, as per the Gazette Notification of the Ministry dated 24th January, 2025, under Unified Pension Scheme (UPS), in cases of voluntary retirement after a minimum 25 years of qualifying service, assured payout will be commenced from the date on which the employee would have superannuated, if he had continued in service;
- (b) if so, the details thereof and rationale therefor;
- (c) whether Gratuity as in the case of Old Pension Scheme and New Pension Scheme is admissible under UPS;
- (d) if so, the details thereof; and
- (e) if not, the reasons therefor?

ANSWER

MINISTER OF STATE FOR FINANCE

(SHRI PANKAJ CHAUDHARY)

(a) to (e) Unified Pension Scheme (UPS) has been introduced, vide notification No. FX-1/3/2024-PR dated 24.01.2025, as an option under National Pension System (NPS) for the employees of Central Government who are covered under the NPS. UPS, being a fund-based Pension System, relies on the regular and timely accumulation and investment of applicable contribution (from both the employee and employer) for assured payouts to the employees.

Accordingly, keeping in view the growth of the fund over the actual length of the service, date for commencement of assured payouts in case of Voluntary Retirement will be from the date such employee would have superannuated, if the service period had continued to superannuation.

UPS being an option under NPS, gratuity is payable in terms of Central Civil Services (Payment of Gratuity under National Pension System) Rules, 2021, notified by the Department of Pensions and Pensioners' Welfare.
