

FSSAI PENSION/GPF RULES

1. TITLE

These rules may be called the FSSAI Pension/GPF Rules.

2. OBJECTIVE

This policy is designed to provide a certain measure of social security to employees of FSSAI and their family members on superannuation/death.

3. SCOPE

This would apply to all (i) regular employees of FSSAI and those on probation, extension, (ii) those employees who are on deputation from a Government department, or other Public Sector Undertakings/Autonomous Bodies. This policy is not applicable to casual and daily rated / ad hoc employees and those engaged on contract basis unless specifically provided for in their appointment terms. (iii) ***In respect of employees transferred under section 90 of the Food Safety and Standards Act, 2006, the provision of the CCS Rules on the subject would be applicable.***

4. DEFINITIONS

In this policy unless there is anything repugnant to the context, the following words shall have the meaning assigned to them:

- i) "Authority" means "Food Safety and Standards Authority of India" (FSSAI).
- ii) "Basic Pay" means pay in the Pay Band plus Grade Pay plus NPA, if any. "D.A." means Dearness Allowance to which an employee is entitled.
- iii) An employee refers to an employee of the Authority.
- iv) "Category I" employees are those employees who were working in a Government Department as on 31.12.2003 and were entitled to Pension/GPF as per the rules in Government and have now become employees of the Authority.
- v) "Category II" employees are those employees who joined any Government Department/Authority on or after 1-1-2004 and are now regular employees of the Authority.
- vi) "Category III" employees are those employees who are on deputation from the Government / Autonomous Bodies / Public Sector for a limited period and are to revert back to the parent organisation on completion of their tenure in the Authority.

5. Pension Scheme

5.1 Category I employees

- i) These employees will continue to be governed by the Central Civil Services (Pension) Rules, 1972 /GPF Scheme of the Central Government as modified from time to time. Their pension contribution will be made by the Authority in accordance with the rules of the Central Government.
- ii) The employee shall be eligible for pensionary benefits on the basis of the combined service rendered by him/her in the Government and in the Authority, in accordance with the formula for calculation of pension /family pension under the rules as may be in force at the time of his/her retirement from the Authority.

- iii) In addition to pension or family pension, as the case may be, the employee shall also be eligible to dearness relief as per Government rules.
- iv) The benefits of pension and family pension shall be available to quasi-permanent and temporary transferred Government servants after they have been confirmed in the Authority.
- v) The Central Government shall create a Pension Fund in the form of a Trust and the pensionary benefits of absorbed employees shall be paid out of such Pension Fund.
- vi) The Secretary of the Ministry of Health & Family Welfare shall be the Chairperson of the Board of Trustees, which shall include representatives of the Ministries of Finance, Personnel, Public Grievances and Pensions, Labour, Authority and their employees and experts in the relevant field to be nominated by the Central Government.
- vii) The procedure and the manner in which pensionary benefits are to be sanctioned and disbursed from the Pension Fund shall be determined by the Government on the recommendation of the Board of Trustees.
- viii) The Government shall discharge its pensionary liability by paying in lump sum as a one time payment to the Pension Fund, the pro-rata pension or service gratuity and retirement gratuity for the service rendered till the date of absorption of the Government servant in the Authority.
- ix) The manner of sharing the financial liability on account of payment of pensionary benefits by the Authority shall be determined by the Government.
- x) Lump sum amount of the pro-rata pension shall be determined with reference to the Commutation table laid down in Central Civil Services (Commutation of Pension) Rules, 1981, as amended from time to time.
- xi) The Authority shall make pensionary contribution to the Pension Fund for the period of service to be rendered by the concerned employees under the Authority at the rates as may be determined by the Board of Trustees so that the Pension Fund shall be self-supporting.
- xii) If, for any financial or operational reason, the Trust is unable to discharge its liabilities fully from the Pension Fund and the Authority is also not in a position to meet the shortfall, the Government shall be liable to meet such expenditure and such expenditure shall be debited to either the Fund or to the Authority, as the case may be.
- xiii) Payments of pensionary benefits of the pensioners of the Government Department(s) on the date(s) of its/their conversion into Authority shall continue to be the responsibility of the Government and the mechanism for sharing its liabilities on this account shall be determined by the Government.
- xiv) The balance of provident fund standing at the credit of the absorbed employees on the date of their absorption in the Authority shall be transferred to the new Provident Fund Account of the employees in the Authority.
- xv) Earned leave and half pay leave at the credit of the employees on the date of absorption shall stand transferred to the Authority.
- xvi) The dismissal or removal from service of the Authority of any employee, after his/her absorption in the Authority for any subsequent misconduct shall not amount to forfeiture of the retirement benefits for the service rendered under the Government and in the event of his/her dismissal or removal or retrenchment, the decisions of the Authority shall be subject to review by the Ministry of Health & Family Welfare.

5.2 Category II employees

i) These employees will be governed by a scheme similar to the New Pension Scheme of the Central Government, which works on defined contribution basis and will have two tiers – Tier-I and II. Contribution to Tier-I is mandatory for all employees, whereas Tier-II will be optional and at the discretion of the employee.

ii) In Tier-I, the employee will have to make a contribution of 10% of his/her basic pay plus DA, which will be deducted from his/her salary bill every month. The Authority will make an equal matching contribution. However, there will be no contribution from the Authority in respect of individuals who are not regular employees of the Authority i.e. in the case of deputationists.

iii) Tier-I contributions (and the investment returns) will be deposited in a non-withdrawable Pension Tier-I Account.

iv) In addition to the above pension account, each individual may also have a voluntary Tier-II withdrawable account at his/her option. This option is given as the facility of GPF will not be available to such employees. The Authority will make no contribution into this account. These assets would be managed through exactly the above procedures. However, the employee would be free to withdraw part or all of the 'second tier' of his/her money anytime. This withdrawable account does not constitute pension investment, and would attract no special tax treatment.

v) The provisions of Defined Benefit Pension and GPF would not be available to these employees.

vi) An employee can normally exit at or after the age of 60 years from the Tier-I of the Scheme. At exit, it would be mandatory for him/ her to invest 40 per cent of the pension wealth to purchase an annuity (from an IRDA-regulated Life Insurance Company) which will provide for pension for the lifetime of the employee and his/ her dependent parents/spouse/dependent children at the time of retirement. He/ she would receive a lump-sum of the remaining pension wealth which he/ she would be free to utilize in any manner.

vii) Individuals would have the flexibility to leave the pension system prior to the age of 60. However, in this case, the mandatory, annuitisation would be 80% of the pension wealth.

viii) There will be a Central Record Keeping Agency (CRA) in the Authority and the Pension Fund Managers (PFM) selected by the Authority will offer three categories of Schemes to the employees, viz., options A, B and C based on the ratio of investment in fixed income instruments and equities. The participating entities (PFMs and CRA) would give out easily understood information about past performance, so that the individuals are able to make informed choices about which scheme to choose.

ix) Till the Pension Fund Managers are in place and the accumulated balances under each individual account are transferred to them, such amounts representing the contributions made by the employees and the matching contribution made by the Authority will be kept in the Authority.

5.3 Category III employees

These employees will be governed by the Pension/GPF/CPF rules of the parent organization. The Authority will make the necessary deductions from the salary bill of the employee every month and remit the same to the Government /Parent Autonomous Organization / Public Sector Undertaking. The Authority's contribution towards Pension/Leave Salary/PF etc. will be made as per the Government's rules in force/agreement with the parent organization.