ABSTRACT

Budget Announcement 2025-2026 - Treasuries and Accounts Department – State Government Salary Package – Salary accounts maintained by employees – Memorandum of Understanding (MoU) between the Director of Treasuries and Accounts and Banks – Permission accorded – Orders – Issued.

FINANCE (T&A-III) DEPARTMENT

G.O.(Ms).No.29 **Date: 04.02.2026**

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திருவள்ளுவர் ஆண்டு–2057.

Read: -

1. G.O.(Ms) No.113, Finance (T&A-III) Department, dated 14.05.2025.
2. From the Directorate of Treasuries and Accounts ROC.No.1388206/2025/K1, dated 25.10.2025 & 12.11.2025.
3. Government Letter No.12122187/Finance(T&A-III)/2025, dated 20.11.2025.
4. From the Directorate of Treasuries and Accounts ROC.No.1388206/2025/K1, dated 06.01.2026.

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ORDER:

In the letter fourth read above, the Director of Treasuries and Accounts has stated that,

- As per the Budget Speech for the financial year 2025-2026, the Hon'ble Minister for Finance has announced that leading banks have agreed to provide certain benefits to State Government employees, including term and accidental insurance policies. Additionally, special concessions on specific loan products will also be extended to Government employees.
- Based on the announcement in the Government order first read above, orders have been issued to accord permission to the Director of Treasuries and Accounts for execution of Memorandum of Understanding (MoU) with the 7 Banks to extend the benefits to Government Employees who are maintaining their salary accounts.

- The empanelled banks maintaining employee salary accounts are agreed to provide minimum benefits of Rs.10 Lakh Term life insurance coverage, Rs.100 Lakh Personal Accident Insurance Coverage to Government employees. Further, in case of death of employee due to personal accident, the children of the employee to be provided with educational benefits and unmarried daughters are provided with marriage assistance with a condition that the banks are insisted to give the above assistance / coverage / benefits to the Government employees without any cost to the employee and the benefits of insurance coverage should be provided to all employees irrespective of their salary bands.
- By agreeing the above conditions, 7 Major Scheduled Commercial Banks came forward and signed a Memorandum of Agreement (MoU) on 19.05.2025. The Empanelled banks lists are detailed below.

  i. State Bank of India
  ii. Indian Bank
  iii. Indian Overseas Bank
  iv. Canara Bank
  v. AXIS Bank
  vi. Bank of Baroda
  vii. Union Bank of India

2. The Director of Treasuries and Accounts has stated that in addition to those banks mentioned above, three more banks have now agreed to offer the same set of benefits to employees of the Tamil Nadu State Government.

i. Punjab National Bank
ii. Tamil Nadu State Apex Cooperative Bank (TNSC)
iii. Bank of India

3. In this regard, the Director of Treasuries and Accounts has requested to the Government to accord permission for entering into a Memorandum of Understanding with the Punjab National Bank, Tamil Nadu State Apex Cooperative Bank (TNSC) and Bank of India towards extension of benefits to Government Employees who are maintaining their salary accounts.

4. The Government after careful examination of the proposal of the Director of Treasuries and Accounts, accords permission to the Director of Treasuries and Accounts to execute Memorandum of Understanding (MoUs) with the Banks mentioned at para 3 above for extending benefits to Government Employees who are maintaining their salary accounts. The draft Memorandum of Understanding is annexed to this order.

5. The Director of Treasuries and Accounts shall coordinate the timely disbursement of the benefits to the families of the deceased Government employees through the banks.

(BY ORDER OF THE GOVERNOR)

T. UDHAYACHANDRAN
ADDITIONAL CHIEF SECRETARY TO GOVERNMENT

To
The Director of Treasuries and Accounts, Chennai-35.
The Banks Concerned
Copy to
Stock File / Spare Copy

//FORWARDED: BY ORDER//

SECTION OFFICER