

## The old and the new: On the demand for the Old Pension Scheme

A **combination** of the features of the two pension schemes **seems prudent**

The Union Finance Ministry's **reiteration** in the Rajya Sabha recently, of the legal position, i.e., the absence of any provision to allow the **accumulated corpus** of members of the National Pension System (NPS) to be "refunded and deposited back" to States, **should** have a **deterrent** effect on those States **contemplating** a return to the Old Pension Scheme (OPS). The Ministry's **stand reflects** what the Pension Fund Regulatory and Development Authority (PFRDA) Act, 2013, the PFRDA (Exits and Withdrawals under the National Pension System) Regulations, 2015, and other regulations say. The Centre has also been **making it clear**, for the right reasons, that it is not **considering** any proposal to **restore** the OPS. As experts and the Reserve Bank of India (RBI) **point out**, **the annual saving** in fiscal resources that a **reversion** to the OPS **entails is short-lived**. The **potential** fiscal benefit would be **overtaken** by the huge **liability** later in the form of pension payment. The former RBI Governor, D. Subbarao, even called the idea "**regressive**", with more **privilege** for government servants than the public, many of whom have no **social safety net**.

However, the issue refuses to **die down**, as government employees or those in government-controlled enterprises have been fighting for it. **Be it** Maharashtra, Uttar Pradesh or Karnataka, staff have **struck** work, demanding, among others, the re-introduction of the OPS. But their **concern** about the **uncertainty** over the amount of pension under the NPS **is** genuine as they are **justified** in **aspiring** for a quality retired life. **The NPS**, despite being PFRDA regulated, **is** a **market-linked** and **defined contribution** product, while the OPS is a **defined benefit pension scheme**, where **beneficiaries** generally get 50% of their final salary, and the whole cost is **borne** by the government. So, the **flat rejection** of the demand for the OPS **would** only **exacerbate** the situation. It is time that the Centre formulated a scheme that combines features of the old and the new. While **retaining** the element of employees' contribution, the scheme can have higher contributions by the government, which should also **step in** if the returns do not ensure the **prescribed** minimum pension amount. A **proposal** by Andhra Pradesh last year **deserves** attention. **Holding on** to the contributory character of the NPS, the proposal guarantees 33% of basic pay. If required, it can be improved upon to **suit** the requirements of other States too. **Better health facilities** that include a liberal insurance scheme **can** be considered. On their part, the employees should be both **pragmatic** and willing to **resolve** the issue. **[Practice]**

- Red/blue coloring of words in the sentence includes subject verb relationship; where 'red' denotes 'subject' and 'blue' denotes 'verb'.

## Vocabulary

1. **Prudent** (adjective) – cautious, careful, judicious, wise, sensible विवेकपूर्ण, बुद्धिमान, दूरदर्शी
2. **Reiteration** (noun) – Recurrence, repetition, replication दोहराना
3. **Accumulated** (adjective) – Accrued, amassed, gathered, added, build up संचित
4. **Corpus** (noun) – Corpus is described as the total money invested in a particular scheme by all investors. कोष
5. **Deterrent** (adjective) – preventive, hindering, discouraging, dissuasive निवारक
6. **Contemplate** (verb) – consider, ponder, study, meditate, reflect विचार करना
7. **Stand** (noun) – Stance, Viewpoint, Standpoint View रुख
8. **Reflect** (verb) – indicate, show, display, demonstrate, disclose, signify दर्शाना
9. **Make clear** (phrase) – explain, elucidate, spell out, clarify स्पष्ट करना
10. **Consider** (verb) – Think, believe, deem, judge विचार करना
11. **Restore** (verb) – reinstate, put back, replace, bring back, reinstitute बहाल/पुनर्स्थापित करना
12. **Point out** (phrasal verb) – indicate, denote, point out, imply इशारा करना
13. **Fiscal** (adjective) – Financial राजकोषीय
14. **Reversion** (noun) – a return to a previous state वापसी
15. **Entail** (verb) – involve, necessitate, require, demand आवश्यक बनाना
16. **Short-lived** (adjective) – lasting only a short time अल्पकालिक
17. **Potential** (adjective) – possible, likely, prospective, latent, probable, budding संभावित
18. **Overtake** (verb) – Engulf, overwhelm, hit, strike, swamp पर हावी होना
19. **Liability** (noun) – Responsibility, obligation, legal responsibility दायित्व
20. **Regressive** (adjective) – retrograde, retrogressive, backward, unprogressive प्रतिगामी
21. **Privilege** (noun) – the special right विशेषाधिकार
22. **Social safety net** (noun) – A set of governmental programs, entitlements, or benefits providing citizens and residents with a minimum level of financial protection, food, access to public infrastructure, or medical services.

23. **Die down** (phrasal verb) – abate, subside, drop, drop off, drop away शांत होना
24. **Be it** (phrase) – whether it is, regardless of whether, even if it is, चाहे वह हो
25. **Strike** (verb) – (of employees) refuse to work as a form of organized protest, (काम) ठप करना
26. **Uncertainty** (noun) – Improbability, changeableness, variability, inconstancy अनिश्चितता
27. **Justified** (adjective) – reasonable, warranted, right, legitimate, befitting वाजिब, न्यायोचित
28. **Aspire** (for) (verb) – aim, hope, desire, want, wish आकांक्षा करना
29. **Market-linked** (adjective) – connected to the stock market or financial markets
30. **Defined contribution** (noun) – A defined-contribution plan allows employees to contribute and invest in funds and other securities over time to save for retirement.
31. **Defined benefit pension scheme** (noun) – a retirement plan in which the employer guarantees a specific retirement benefit based on factors such as salary and length of service
32. **Beneficiary** (noun) – recipient, receiver, payee, done लाभार्थी
33. **Bear** (by) (verb) – sustain, carry, support, shoulder, uphold, absorb (लागत) वहन करना, सहना
34. **Flat** (adjective) – (of a denial, rejection) completely definite and firm; absolute. पूरी तरह से
35. **Exacerbate** (verb) – aggravate, worsen, inflame, intensify, exasperate बिगड़ना/बदतर होना
36. **Retain** (verb) – keep, hold, maintain, preserve बनाए/ बरकरार रखना
37. **Step in** (phrasal verb) – interfere, intervene, get involved, take action हस्तक्षेप करना
38. **Prescribed** (adjective) –stipulated, mandated, recommended, ordered निर्धारित
39. **Hold on** (phrasal verb) – keep or retain something बनाए रखना
40. **Suit** (verb) – fit, match, be appropriate, be suitable अनुकूल होना
41. **Pragmatic** (adjective) – practical, matter-of-fact, realistic, sensible व्यावहारिक
42. **Resolve** (verb) – Solve settle, come to a decision समाधान करना

## Practice Exercise

1. Which of the following statements is **Correct** with respect to the passage? Editorial Page
  - (i) The Andhra Pradesh proposal retains the contributory character of the NPS while guaranteeing 33% of basic pay
  - (ii) The Centre is considering proposals to restore the Old Pension Scheme (OPS).
  - (iii) The NPS is a market-linked and defined contribution product, while the OPS is a defined benefit pension scheme.
  - (iv) The Union Finance Ministry supports the return to the Old Pension Scheme (OPS).
  - A. (i), (iii)
  - B. (ii), (iii), (iv)
  - C. (ii), (iv)
  - D. (i), (ii), (iii), (iv)
2. **What tone does the passage take towards the possibility of returning to the Old Pension Scheme (OPS)?**
  - A. Supportive
  - B. Indifferent
  - C. Critical
  - D. Encouraging
3. **According to the passage, what is a possible solution to the pension issue that the Centre should consider?**
  - A. Restoring the Old Pension Scheme
  - B. Formulating a scheme that combines features of the old and the new pension systems
  - C. Ignoring the concerns of government employees and retaining the current National Pension System
  - D. Eliminating pensions altogether
4. **What is the main theme of the passage?**
  - A. The importance of the Reserve Bank of India's role in pension schemes
  - B. The struggle of government employees to receive better health facilities
  - C. The challenges and concerns related to the National Pension System (NPS) and Old Pension Scheme (OPS)
  - D. The impact of fiscal resources on pension schemes
5. **What is the legal position of the Union Finance Ministry regarding the refund and deposit of the accumulated corpus of members of the National Pension System (NPS) to States?**
  - A. The Ministry supports refunding and depositing the corpus back to States.
  - B. The Ministry is considering changes to allow refunding and depositing the corpus back to States.
  - C. The Ministry states that there is no provision to allow the accumulated corpus to be refunded and deposited back to States.
  - D. The Ministry has not clarified its position on this issue.

6. **Which of the following accurately describes the difference between the National Pension System (NPS) and the Old Pension Scheme (OPS)?**
- A. NPS is a market-linked, defined contribution product, while OPS is a defined benefit pension scheme.
  - B. NPS guarantees 50% of the final salary, while OPS does not have a guaranteed amount.
  - C. Both NPS and OPS are market-linked and defined contribution products.
  - D. Both NPS and OPS are defined benefit pension schemes with guaranteed amounts.
7. **Which of the following words is a synonym for "Reiteration" as used in the passage?**
- A. Emphasis
  - B. Discouragement
  - C. Attraction
  - D. Indulgence
8. **What is the antonym of 'accumulated' in the context of the passage?**
- A. Dissipated
  - B. Dispersed
  - C. Collected
  - D. Amassed
9. **What is the antonym of 'regressive' as used by the former RBI Governor, D. Subbarao?**
- A. Progressive
  - B. Repetitive
  - C. Conservative
  - D. Traditional
10. **Which of the following idioms best describes the situation where the issue of the Old Pension Scheme refuses to die down despite the government's stance against it?**
- A. Biting the bullet
  - B. Beating a dead horse
  - C. Throwing in the towel
  - D. Opening a can of worms

**Fill in the blanks with the most appropriate combinations of words**

The UN refugee agency, the UNHCR, has come down strongly on the U.K. Prime Minister, Rishi Sunak's plan to pass a new "Illegal Migration Law" that effectively stops the granting of \_\_\_\_\_1\_\_\_\_\_ to migrants who reach the U.K. illegally. Mr. Sunak, while standing at a \_\_\_\_\_2\_\_\_\_\_ marked "Stop the Boats", said the government is worried about the numbers of those attempting to travel to the U.K. and applying for asylum while on British soil, at considerable cost to the \_\_\_\_\_3\_\_\_\_\_. Instead, as Home Secretary Suella Braverman explained while introducing the Bill this week, asylum seekers who try to enter illegally would either be returned to their own countries or a "third country", presumably Rwanda, that has entered into an agreement to provide processing facilities for them. They also face a lifetime ban on citizenship and re-entry to the U.K. According to the UNHCR, the law would

\_\_\_\_\_4\_\_\_\_\_ international laws, including the 1951 Refugee Convention that Britain is a signatory to. To start with, those who flee their homes and countries often do so without proper paperwork, as they are forced to leave to save their lives. Many of the estimated 45,000 who came to the U.K. on “small boats” last year would have been economic refugees rather than political asylum seekers, and it is problematic that the British government does not make a \_\_\_\_\_5\_\_\_\_\_ between the two.

11. **Select the most appropriate option to fill in blank 1.**

- A. Shore
- B. Asylum
- C. Rhetoric
- D. Donation

12. **Select the most appropriate option to fill in blank 2.**

- A. Era
- B. Cocktail
- C. Dais
- D. Confrontation

13. **Select the most appropriate option to fill in blank 3.**

- A. Exchequer
- B. Openings
- C. Implication
- D. Tiding

14. **Select the most appropriate option to fill in blank 4.**

- A. Pare
- B. Reiterate
- C. Intercept
- D. Contravene

15. **Select the most appropriate option to fill in blank 5.**

- A. Ties
- B. Stability
- C. Distinction
- D. Surveillance

**Direction: Spot the grammatical error, if any –**

16. His assistants have (A)/ and are still doing (B)/ excellent work for the organization. (C)/no error(D)

17. They were having (A)/ a birthday party at home (B)/ next week. (C)/ no error(D)

18. The first task is provided (A)/ sufficient arable land (B)/ to the dispossessed farmers. (C)/no error (D)

**Direction (Q19 – Q23): Arrange the following sentences to form a coherent paragraph**

19. **P.** to strengthen in the wake of the Federal Reserve’s latest jumbo 75 basis points interest rate increase

**Q.** and the U.S. central bank’s unequivocal message

- R. The rupee is yet again facing renewed pressure, along with major peers, as the dollar continues
- S. that it remains squarely focused on taming inflation.
- A. RPSQ
- B. PRQS
- C. RQSP
- D. RPQS
20. P. The Government will release a new foreign trade policy in the coming week,
- Q. Rein in the runaway import bill.
- R. Goods and services exports as well as
- S. That could include measures to help push up
- A. PSQR
- B. PSRQ
- C. PRSQ
- D. QPRS
21. P. and a readiness to escalate the conflict in response to setbacks.
- Q. His original plan was to meet his military objectives through a limited war.
- R. Russian President Vladimir Putin's announcement of a partial troop mobilisation marks an acknowledgement of the limits of his "special military operation" in Ukraine
- S. He had mobilised more than 1,50,000 troops and ordered a sharp thrust into Ukraine from multiple fronts on February 24,
- T. but this plan did not quite work as Ukrainian forces, backed militarily and economically by the U.S. and Europe, slowed down the enemy's advances and made the invasion costly for the Russians.
- A. RPSQT
- B. PRQST
- C. RQPST
- D. RPQST
22. P. The decision by the insurgent Nationalist Socialist Council of Nagalim (Isak-Muivah faction) to re-engage in talks with
- Q. the Union government, conditionally, on the basis of the Framework Agreement signed in August 2015,
- R. is a welcome one.
- S. This breaks a deadlock that has persisted in talks since October 2019, which was set as a deadline for the peace accord.
- A. RQPS
- B. PQRS
- C. PRSQ
- D. PQSR
23. P. As a salutary norm, the Supreme Court has laid down that the death penalty can be imposed only in the "rarest of rare" cases.
- Q. Sentencing after conviction is a knotty problem in cases relating to capital offences.

R. Subsequent judgments have sought to buttress this principle by holding that the gruesome nature of the offence may not be the sole criterion to decide what brings it under the 'rarest of rare' category.

S. Trial judges are called upon to make a decision on whether only a death sentence will meet the ends of justice, or a life term will be enough.

- A. QSRP
- B. SQPR
- C. QSPR
- D. SQRP

24. **Select the option that can be used as a one-word substitute for the given group of words.**

Fanatical patriotism, Activity indicative of belief in the superiority of men over women

- A. Episode
- B. Chauvinism
- C. Monologue
- D. Apostate

25. **Select the option that can be used as a one-word substitute for the given group of words.**

To explain a spiritual truth

- A. Parable
- B. Pious
- C. Explicable
- D. Usurper



## Answers

1. A    2. C    3. B    4. C    5. C    6. A    7. A    8. B    9. A    10. B    11. B    12. C  
13. A    14. D    15. C    16. A    17. A    18. A    19. D    20. B    21. D    22. B    23. C    24. B  
25. A

[\[Practice Exercise\]](#)

## Explanations

- The correct answer is A). The passage states that "the Centre has also been making it clear, for the right reasons, that it is not considering any proposal to restore the OPS." Therefore, the statement that the Centre is considering proposals to restore the Old Pension Scheme (OPS) and The Union Finance Ministry supports the return to the Old Pension Scheme (OPS) are incorrect.
- c) Critical  
Explanation: The passage adopts a critical tone towards the possibility of returning to the OPS, stating that the annual saving in fiscal resources would be short-lived and calling the idea "regressive." It also highlights the absence of any provision to allow the accumulated corpus of NPS members to be refunded and deposited back to States, which serves as a deterrent for States considering a return to OPS.
- b) Formulating a scheme that combines features of the old and the new pension systems  
Explanation: The passage suggests that the Centre should consider formulating a scheme that combines features of the old and the new pension systems, while retaining the element of employees' contribution and including higher contributions by the government. It also mentions a proposal by Andhra Pradesh that guarantees 33% of basic pay and suggests that it could be improved upon to suit the requirements of other States.
- c) The challenges and concerns related to the National Pension System (NPS) and Old Pension Scheme (OPS)  
Explanation: The passage primarily discusses the concerns and challenges faced by government employees and states regarding the National Pension System (NPS) and the Old Pension Scheme (OPS). It mentions the debate over the re-introduction of OPS and the genuine concerns of the employees about the uncertainty of pension under the NPS. The passage also suggests a possible solution of formulating a scheme that combines features of both old and new pension systems.
- c) The Ministry states that there is no provision to allow the accumulated corpus to be refunded and deposited back to States.  
Explanation: The passage mentions that the Union Finance Ministry reiterated the legal position, which is the absence of any provision to allow the accumulated corpus of NPS members to be refunded and deposited back to States.
- a) NPS is a market-linked, defined contribution product, while OPS is a defined benefit pension scheme.

Explanation: The passage states that NPS is a market-linked and defined contribution product, while OPS is a defined benefit pension scheme, where beneficiaries generally get 50% of their final salary, with the whole cost borne by the government.

7. a) Emphasis

Explanation: In the passage, "reiteration" refers to the act of repeating or restating something, in this case, the legal position by the Union Finance Ministry. "Emphasis" is a synonym for "reiteration" as it also means giving importance or special attention to something by repeating or stressing it.

8. b) Dispersed

Explanation: In the context of the passage, 'accumulated' refers to the gathered corpus of the National Pension System (NPS). The antonym 'dispersed' indicates the opposite action, which is to distribute or spread something over a wide area.

9. a) Progressive

Explanation: 'Regressive' refers to a return to an earlier, less advanced state, while 'progressive' implies the opposite, indicating development or advancement.

10. B) Beating a dead horse

Explanation: The idiom "beating a dead horse" means to continue to pursue or argue a point or issue that has already been resolved or has no chance of being resolved. In the passage, it is clear that the issue of the Old Pension Scheme refuses to die down, even though the government has made its stance clear against it. This is similar to "beating a dead horse" as the government employees continue to fight for the re-introduction of the OPS despite the government's position.

11. **Asylum** (noun) – the protection granted by a state to someone who has left their home country as a political refugee. आश्रयस्थान

- **Shore** (noun) – a country or other geographic area bounded by a coast
- **Rhetoric** (noun) – a way of speaking or writing that is intended to impress or influence people but is not always sincere लफ्फाजी, बयानबाजी
- **Donation** (noun) – contribution, grant, gift, present, offering दान

12. **Dais** (noun) – a raised platform, usually at end of a room for speakers or guests of honour मंच

- **Cocktail** (noun) – a mixture of different things/substances.
- **Confrontation** (noun) – discord, dissension, clash, conflict, disagreement, altercation टकराव
- **Era** (noun) – Period, age, time युग

13. **Exchequer** (noun) – funds, coffers, resources, money, finances सरकारी खजाना

- **Openings** (noun) – an opportunity to achieve something.
- **Implication** (noun) – effect, consequence, result, repercussion, knock-on effect प्रभाव

- **Tiding** (noun) – news, information, message समाचार, खबर
14. **Contravene** (verb) – Break, flout, breach, disobey, disregard, infringe उल्लंघन करना
- **Pare** (verb) – reduce, diminish, decrease, cut, cut back कम करना
  - **Reiterate** (verb) – repeat, say again, restate, retell, recapitulate दोहराना
  - **Intercept** (verb) – stop, prevent, seize, catch, cutoff रोकना
15. **Distinction** (noun) – difference, contrast, dissimilarity, dissimilitude, divergence अंतर
- **Ties** (noun) – connection, link, liaison, attachment, association संबंध
  - **Stability** (noun) – permanence, constancy, balance, solidity, firmness स्थिरता
  - **Surveillance** (noun) – observation, scrutiny, watch, view, inspection निगरानी
16. (A) 'have' के साथ 'done' का प्रयोग करना पड़ेगा।
- 'have' has to be used with 'done'.
17. (A) 'were having' के बदले 'will have' या 'are having' का प्रयोग करना पड़ेगा क्योंकि part(c) में 'next time' का प्रयोग है जिससे पता चलता है कि कार्य future में होने वाला है।
- 'will have' or 'are having' has to be used instead of 'were having' because in part (c) 'next time' is used which shows that the work is going to happen in future.
18. (A) 'provided' के बदले 'to provide' का प्रयोग करना पड़ेगा क्योंकि 'the first task' active subject है जिसके लिए 'Be' क्रिया का प्रयोग है और 'Be' क्रिया के complement के रूप में infinitive का प्रयोग होगा जिसका object 'sufficient arable land' है।
- 'to provide' has to be used instead of 'provided' because 'the first task' is the active subject for which the verb 'Be' is used and the infinitive will be used as the complement of the verb 'Be' Whose object is 'sufficient arable land'.
19. D) RPQS  
The rupee is yet again facing renewed pressure, along with major peers, as the dollar continues to strengthen in the wake of the Federal Reserve's latest jumbo 75 basis points interest rate increase and the U.S. central bank's unequivocal message that it remains squarely focused on taming inflation.
20. B) PSRQ  
The Government will release a new foreign trade policy in the coming week, that could include measures to help push up goods and services exports as well as rein in the runaway import bill.
21. D. RPQST  
Russian President Vladimir Putin's announcement of a partial troop mobilisation marks an acknowledgement of the limits of his "special military operation" in Ukraine and a readiness to escalate the conflict in response to setbacks. His original plan was to meet his military objectives through a limited war. He had mobilised more than 1,50,000 troops and ordered a sharp thrust into Ukraine from multiple fronts on February 24, but this plan did not quite work

as Ukrainian forces, backed militarily and economically by the U.S. and Europe, slowed down the enemy's advances and made the invasion costly for the Russians.

22. B. PQRS

The decision by the insurgent Nationalist Socialist Council of Nagalim (Isak-Muivah faction) to re-engage in talks with the Union government, conditionally, on the basis of the Framework Agreement signed in August 2015, is a welcome one. This breaks a deadlock that has persisted in talks since October 2019, which was set as a deadline for the peace accord.

23. C. QSPR

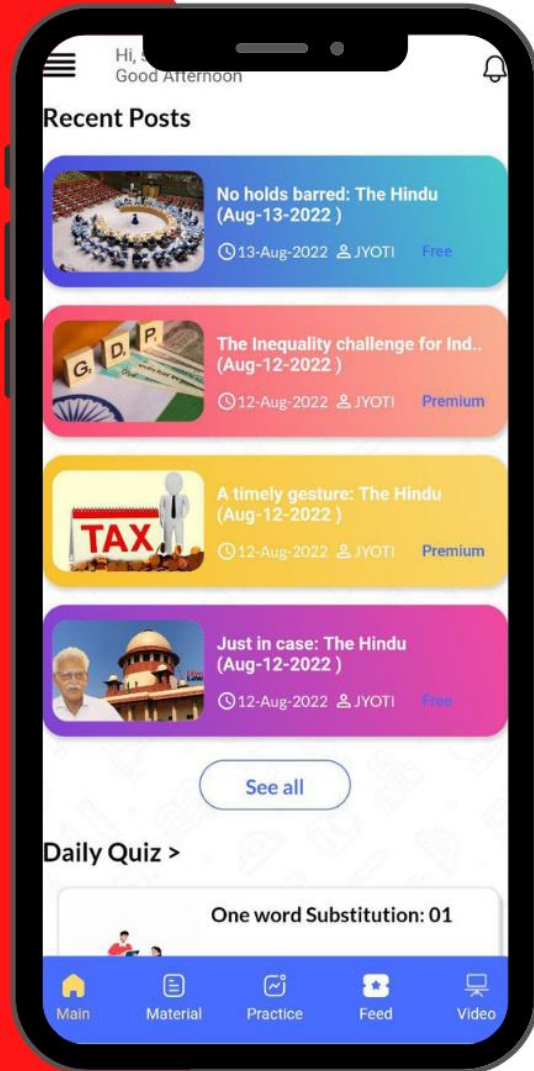
Sentencing after conviction is a knotty problem in cases relating to capital offences. Trial judges are called upon to make a decision on whether only a death sentence will meet the ends of justice, or a life term will be enough. As a salutary norm, the Supreme Court has laid down that the death penalty can be imposed only in the "rarest of rare" cases. Subsequent judgments have sought to buttress this principle by holding that the gruesome nature of the offence may not be the sole criterion to decide what brings it under the 'rarest of rare' category.

24. **Chauvinism** – Fanatical patriotism, Activity indicative of belief in the superiority of men over women अंध-देशभक्ति

- **Episode** – Part of a story (specially T.V. or Radio show)
- **Monologue** – Speech makes itself / a long boring speech. एकालाप
- **Apostate** – One who deserts his religion पक्षत्यागी

25. **Parable** – To explain a spiritual truth शिक्षाप्रद कथा

- **Pious** – Deeply religious धर्मपरायण
- **Explicable** – That which can be explained समझाने
- **Usurper** – One who wrongfully or illegally seizes and holds the place of another जबर्दस्ती कब्जा करने वाला



# Learn Vocabulary Through Reading Articles

English Madhyam

