

Government of India  
Ministry of Defence  
(Deptt. of Defence)  
D (CIV.II)

Following OMs received from Ministry of Personnel, Public Grievances and Pensions (Department of Pension & Pensioners 'Welfare) and Ministry of Finance (Department of Expenditure) on the subject cited below are uploaded on the Website of MoD, for information and necessary action.

S. No	Letter/OM Ref. No & Date	Subject
1.	F.No.38/37/2016-P&PW(A) Dated 12.5.2017. Ministry of Personnel, PG & Pensioners (Department of P&PW) dated 12.5.2017 alongwith a copy of F.No.38/37/2016-P&PW(A)(ii) Dated 04.08.2016	Implementation of Government's decisions of the 7 <sup>th</sup> CPC- Revision of pension of pre-2016 pensioners/family pensioners' etc.
2.	No.1/13/EV/2017- Ministry of Finance, Department of Expenditure Dated 23.5.2017	Procedural actions for revision of pre 01.01.2016 retirees of Central Government in pursuance of the OM of Department of Pension and Pensioners' Welfare dated 12.5.2017.

*(Signature)*

(Gurdeep Singh)

Under Secretary to the Govt of India  
Telefax : 23014675

To  
The Chief of Army Staff  
The Chief of Naval Staff  
The Chief of Air Staff  
Controller General of Defence Accounts  
Chairman, Ordnance Factories Board

Copy to: D(JT) It is requested that the above mentioned OMs may be uploaded in the Website: [MoD.nic.in/DoD/Employees Corner/7<sup>th</sup> CPC](http://MoD.nic.in/DoD/Employees_Corner/7th_CPC)

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DAD(Coord)	HQs IDS(Dir of Pers)	
MOD ID No. 12 (8)/2017/ D(Civ-II) dated 09.6.2017		

4/A

No.38/37/2016-P&PW(A)  
Ministry of Personnel, PG & Pensions  
Department of Pension & Pensioners' Welfare

3<sup>rd</sup> Floor, Lok Nayak Bhawan  
Khan Market, New Delhi  
Dated, the 12<sup>th</sup> May, 2017

Office Memorandum

Sub:- Implementation of Government's decision on the recommendations of the Seventh Central Pay Commission – Revision of pension of pre-2016 pensioners/family pensioners, etc.

The undersigned is directed to say that the 7<sup>th</sup> Central Pay Commission (7<sup>th</sup> CPC), in its Report, recommended two formulations for revision of pension of pre-2016 pensioners. A Resolution No. 38/37/2016-P&PW (A) dated 04.08.2016 was issued by this Department indicating the decisions taken by the Government on the various recommendations of the 7<sup>th</sup> CPC on pensionary matters.

2. Based on the decisions taken by the Government on the recommendations of the 7<sup>th</sup> CPC, orders for revision of pension of pre-2016 pensioners/family pensioners in accordance with second Formulation were issued vide this Department's OM No. 38/37/2016-P&PW (A) (ii) dated 04.08.2016. It was provided in this O.M. that the revised pension/family pension w.e.f. 1.1.2016 of pre-2016 pensioners/family pensioners shall be determined by multiplying the pension/family pension as had been fixed at the time of implementation of the recommendations of the 6<sup>th</sup> CPC, by 2.57.

3. In accordance with the decision mentioned in this Department's Resolution No. 38/37/2016-P&PW (A) dated 04.08.2016 and OM No. 38/37/2016-P&PW(A) (ii) dated 04.08.2016, the feasibility of the first option recommended by 7<sup>th</sup> CPC has been examined by a Committee headed by Secretary, Department of Pension & Pensioners' Welfare.

4. The aforesaid Committee has submitted its Report and the recommendations made by the Committee have been considered by the Government. Accordingly, it has been decided that the revised pension/family pension w.e.f. 01.01.2016 in respect of all Central civil pensioners/family pensioners, including CAPF's, who retired/died prior to 01.01.2016, may be revised by notionally fixing their pay in the pay matrix recommended by the 7<sup>th</sup> CPC in the level corresponding to the pay in the pay scale/pay band and grade pay at which they retired/died. This will be done by notional pay fixation under each intervening Pay Commission based on the Formula for revision of pay. While fixing pay on notional basis, the pay fixation formulae approved by the Government and other relevant instructions on the subject in force at the relevant time shall be strictly followed. 50% of the notional pay as on 01.01.2016 shall be the revised pension and 30% of this notional pay shall be the revised family pension w.e.f. 1.1.2016 as per the first Formulation. In the case of family pensioners who were entitled to family pension at enhanced rate, the revised family pension shall be 50% of the notional pay as on 01.01.2016 and shall be



payable till the period up to which family pension at enhanced rate is admissible as per rules. The amount of revised pension/family pension so arrived at shall be rounded off to next higher rupee.

5. It has also been decided that higher of the two Formulations i.e. the pension/family pension already revised in accordance with this Department's OM No. 38/37/2016-P&PW(A) (ii) dated 04.08.2016 or the revised pension/family pension as worked out in accordance with para 4 above, shall be granted to pre-2016 central civil pensioners as revised pension/family pension w.e.f. 01.01.2016. In cases where pension/family pension being paid w.e.f. 1.1.2016 in accordance with this Department's OM No. 38/37/2016-P&PW(A) (ii) dated 04.08.2016 happens to be more than pension/family pension as worked out in accordance with para 4 above, the pension/family pension already being paid shall be treated as revised pension/family pension w.e.f. 1.1.2016.

6. Instructions were issued vide this Department's OM No. 45/86/97-P&PW(A) (iii) dated 10.02.1998 for revision of pension/ family pension in respect of Government servants who retired or died before 01.01.1986, by notional fixation of their pay in the scale of pay introduced with effect from 01.01.1986. The notional pay so worked out as on 01.01.1986 was treated as average emoluments/last pay for the purpose of calculation of notional pension/family pension as on 01.01.1986. The notional pension/family pension so arrived at was further revised with effect from 01.01.1996 and was paid in accordance with the instructions issued for revision of pension/family pension of pre-1996 pensioners/family pensioners in implementation of the recommendations of the 5<sup>th</sup> Central Pay Commission.

7. Accordingly, for the purpose of calculation of notional pay w.e.f. 1.1.2016 of those Government servants who retired or died before 01.01.1986, the pay scale and the notional pay as on 1.1.1986, as arrived at in terms of the instructions issued vide this Department's OM 45/86/97-P&PW(A) dated 10.02.1998, will be treated as the pay scale and the pay of the concerned Government servant as on 1.1.1986. In the case of those Government servants who retired or died on or after 01.01.1986 but before 1.1.2016, the actual pay and the pay scale from which they retired or died would be taken into consideration for the purpose of calculation of the notional pay as on 1.1.2016 in accordance with para 4 above.

8. The minimum pension with effect from 01.01.2016 will be Rs. 9000/- per month (excluding the element of additional pension to old pensioners). The upper ceiling on pension/family pension will be 50% and 30% respectively of the highest pay in the Government (The highest pay in the Government is Rs. 2,50,000 with effect from 01.01.2016).

9. The pension/family pension as worked out in accordance with provisions of Para 4 and 5 above shall be treated as 'Basic Pension' with effect from 01.01.2016. The revised pension/family pension includes dearness relief sanctioned from 1.1.2016 and shall qualify for grant of Dearness Relief sanctioned thereafter.



10. The existing instructions regarding regulation of dearness relief to employed/re-employed pensioners/family pensioners, as contained in Department of Pension & Pensioners Welfare O.M. No. 45/73/97-P&PW(G) dated 02.07.1999, as amended from time to time, shall continue to apply.

11. These orders would not be applicable for the purpose of revision of pension of those pensioners who were drawing compulsory retirement pension under Rule 40 of the CCS (Pension) Rules or compassionate allowance under Rule 41 of the CCS (Pension) Rules. The pensioners in these categories would continue to be entitled to revised pension in accordance with the instructions contained in this Department's O.M. No. 38/37/2016-P&PW(A)(ii) dated 4.8.2016.

12. The pension of the pensioners who are drawing monthly pension from the Government on permanent absorption in public sector undertakings/autonomous bodies will also be revised in accordance with these orders. However, separate orders will be issued for revision of pension of those pensioners who had earlier drawn one time lump sum terminal benefits on absorption in public sector undertakings, etc. and are drawing one-third restored pension as per the instructions issued by this Department from time to time.

13. In cases where, on permanent absorption in public sector undertakings/autonomous bodies, the terms of absorption and/or the rules permit grant of family pension under the CCS (Pension) Rules, 1972 or the corresponding rules applicable to Railway employees/members of All India Services, the family pension being drawn by family pensioners will be updated in accordance with these orders.

14. Since the consolidated pension will be inclusive of commuted portion of pension, if any, the commuted portion will be deducted from the said amount while making monthly disbursements.

15. The quantum of age-related pension/family pension available to the old pensioners/ family pensioners shall continue to be as follows:-

<b>Age of pensioner/family pensioner</b>	<b>Additional quantum of pension</b>
From 80 years to less than 85 years	20% of revised basic pension/ family pension
From 85 years to less than 90 years	30% of revised basic pension / family pension
From 90 years to less than 95 years	40% of revised basic pension / family pension
From 95 years to less than 100 years	50% of revised basic pension / family pension
100 years or more	100% of revised basic pension / family pension

The amount of additional pension will be shown distinctly in the pension payment order. For example, in case where a pensioner is more than 80 years of age and



his/her revised pension is Rs.10,000 pm, the pension will be shown as (i).Basic pension=Rs.10,000 and (ii) Additional pension = Rs.2,000 pm. The pension on his/her attaining the age of 85 years will be shown as (i).Basic Pension = Rs.10,000 and (ii) additional pension = Rs.3,000 pm. Dearness relief will be admissible on the additional pension available to the old pensioners also.

16. A few examples of calculation of pension/family pension in the manner prescribed above are given in Annexure-I to this O.M.

17. No arrears on account of revision of Pension/Family pension on notional fixation of pay will be admissible for the period prior to 1.1.2016. The arrears on account of revision of pension/family pension in terms of these orders would be admissible with effect from 01.01.2016. For calculation of arrears becoming due on the revision of pension/ family pension on the basis of this O.M., the arrears of pension and the revised pension/family pension already paid on revision of pension/family pension in accordance with the instructions contained in this Department's OM No. 38/37/2016-P&PW(A) (ii) dated 04.08.2016 shall be adjusted.

18. It shall be the responsibility of the Head of Department and Pay and Accounts Office attached to that office from which the Government servant had retired or was working last before his death to revise the pension/ family pension of pre – 2016 pensioners/ family pensioners with effect from 01.01.2016 in accordance with these orders and to issue a revised pension payment authority. The Pension Sanctioning Authority would impress upon the concerned Head of Office for fixation of pay on notional basis at the earliest and issue revised authority at the earliest. The revised authority will be issued under the existing PPO number, and would travel to the Pension Disbursing Authority through the same channel through which the original PPO had travelled.

19. These orders shall apply to all pensioners/family pensioners who were drawing pension/family pension before 1.1.2016 under the Central Civil Services (Pension) Rules, 1972, and the corresponding rules applicable to Railway pensioners and pensioners of All India Services, including officers of the Indian Civil Service retired from service on or after 1.1.1973. A pensioner/family pensioner who became entitled to pension/family pension with effect from 01.01.2016 consequent on retirement/death of Government servant on 31.12.2015, would also be covered by these orders. Separate orders will be issued by the Ministry of Defence in regard to Armed Forces pensioners/family pensioners.

20. These orders do not apply to retired High Court and Supreme Court Judges and other Constitutional/Statutory Authorities whose pension etc. is governed by separate rules/orders.

21. These orders issue with the concurrence of Ministry of Finance (Department of Expenditure) vide their I.D. No. 30-1/33(c)/2016-IC dated 11.05.2017 and I.D. No. 30-1/33(c)/2016-IC dated 12.05.2017.

22. In their application to the persons belonging to the Indian Audit and Accounts Department, these orders issue in consultation with the Comptroller and Auditor General of India.



23. Ministry of Agriculture etc. are requested to bring the contents of these orders to the notice of Heads of Department/Controller of Accounts, Pay and Accounts Officers, and Attached and Subordinate Offices under them on top priority basis. All Ministries/Departments are requested to accord top priority to the work of revision of pension of pre-2016 pensioners/family pensioners and issue the revised Pension Payment Authority in respect of all pre-2016 pensioners.

24. Hindi version will follow.

  
(Harjit Singh)  
Director

To

1. All Ministries/Departments of Government of India (as per standard mailing list)
2. Central Pension Accounting Office, New Delhi
3. Comptroller & Auditor General of India, New Delhi



EXAMPLES

ANNEXURE I

(Reference Para 16 of OM No.38/37/2016-P&PW(A) dated 12<sup>th</sup> May, 2017.)

S.No	Description	1 <sup>st</sup> case	2 <sup>nd</sup> Case	3 <sup>rd</sup> Case	4 <sup>th</sup> Case
1.	Date of Retirement	31.12.1984	31.01.1989	30.06.1999	31.05.2015
2.	Scale of Pay (or Pay Band & G.P.) at the time of retirement  OR Notional pay scale as on 1.1.1986 for those retired before 1.1.1986	975-1860 (4 <sup>th</sup> CPC Scale)	3000-4500 (4 <sup>th</sup> CPC Scale)	4000-6000 (5 <sup>th</sup> CPC Scale)	67000-79000 (6 <sup>th</sup> CPC Scale)
3.	Pay on retirement  OR Notional pay as on 1.1.1986 for those retired before 1.1.1986	1210	4000	4800	79000
4.	Pension as on 01.01.2016 before revision	4191	12600	5424	39500
5.	Family pension as on 01.01.2016 before revision	3500	7560	3500	23700
6.	Family pension at enhanced rate as on 01.01.2016 before revision (if applicable)	NA	N.A.	NA	39500
7.	Revised pension by multiplying pre-revised pension by 2.57	10771	32382	13940	101515
8.	Revised family pension by multiplying pre-revised family pension by 2.57	9000	19430	9000	60909
9.	Revised family pension at enhanced rate by multiplying pre-revised enhanced family pension by 2.57	NA	NA	N.A.	101515
10.	Pay fixed on notional basis on 1.1.1996	3710 (3200-4900)	11300 (10000-15200)	N.A.	NA
11.	Pay fixed on notional basis on 1.1.2006	8910 (PB-1, GP 2000)	27620 (PB-3, GP 6600)	11330 (PB-1, GP-2400)	NA
12.	Pay fixed on notional basis on 1.1.2016	23100 (Level-3)	71800 (Level-11)	29600 (Level-4)	205100 (Level-15)
13.	Revised pension w.e.f. 1.1.2016 as per first formulation.	11550	35900	14800	102550
14.	Revised family pension w.e.f. 1.1.2016 as per first formulation.	9000	21540	9000	61530
15.	Revised family pension at enhanced rate w.e.f. 1.1.2016 as per first formulation.	NA	N.A.	N.A.	102550
16.	Revised pension payable (Higher of S.No. 7 and 13)	11550	35900	14800	102550
17.	Revised family pension payable (Higher of S.No. 8 and 14)	9000	21540	9000	61530
18.	Revised family pension at enhanced rate payable (Higher of S.No. 9 and 15)	NA	N.A.	N.A.	102550



3/A

F.No.38/37/2016-P&PW(A) (ii)

Government of India

Ministry of Personnel, Public Grievances & Pensions

Department of Pension & Pensioners' Welfare

Lok Nayak Bhawan, New Delhi-110003

Dated the 4<sup>th</sup> August, 2016.

**OFFICE MEMORANDUM**

**Sub: Implementation of Government's decisions on the recommendations of the Seventh Central Pay Commission - Revision of pension of pre-2016 pensioners/family pensioners etc.**

The undersigned is directed to say that in pursuance of Government's decision on the recommendations of Seventh Central Pay Commission, sanction of the President is hereby accorded to the regulation, with effect from 01.01.2016, of pension/ family pension of all the pre-2016 pensioners/ family pensioners in the manner indicated in the succeeding paragraphs. Separate orders are being issued in respect of employees who retired/died on or after 01.01.2016.

2.1 These orders shall apply to all pensioners/family pensioners who were drawing pension/family pension before 1.1.2016 under the Central Civil Services (Pension) Rules, 1972, Central Civil Services (Extraordinary Pension) Rules and the corresponding rules applicable to Railway pensioners and pensioners of All India Services, including officers of the Indian Civil Service retired from service on or after 1.1.1973. A pensioner/family pensioner who became entitled to pension/family pension with effect from 01.01.2016 consequent on retirement/death of Government servant on 31.12.2015, would also be covered by these orders.

2.2 Separate orders will be issued by the Ministry of Defence in regard to Armed Forces pensioners/family pensioners.

2.3 These orders also do not apply to retired High Court and Supreme Court Judges and other Constitutional/Statutory Authorities whose pension etc. is governed by separate rules/orders.

3. In these orders :

- a. 'Existing pensioner' or 'Existing Family pensioner' means a pensioner/family pensioner to whom these orders are applicable in terms of para 2.1 above.
- b. 'Existing pension' or 'Existing Family Pension' means the basic pension (inclusive of commuted portion, if any) or basic family pension, as had been fixed at the time



of implementation of 6<sup>th</sup> CPC recommendations, which an existing pensioner or family pensioner was entitled to.

4.1 For existing pensioners, who have retired before 01.01.2016, the revised pension/family pension with effect from 01.01.2016 shall be determined by multiplying the pension/family pension, as had been fixed at the time of implementation of 6<sup>th</sup> Central Pay Commission (CPC) recommendations, by 2.57. The amount of revised pension/family pension so arrived at shall be rounded off to next higher rupee.

Illustration:

Case I

Pensioner 'A' retired at last pay drawn of Rs. 79,000 on 31<sup>st</sup> May, 2015 under the 6<sup>th</sup> CPC regime in the scale of Rs. 67000-79000:

		Amount in Rs.
1.	Basic Pension fixed in 6 <sup>th</sup> CPC	39500
2.	Revised Pension fixed under 7 <sup>th</sup> CPC (using a multiple of 2.57)	101515

Case II

Pensioner 'B' retired at last pay drawn of Rs. 4,000 on 31<sup>st</sup> January, 1989 under the 4<sup>th</sup> CPC regime in the pay scale of Rs. 3000-100-3500-125-4500:

		Amount in Rs.
1.	Basic Pension fixed in 4 <sup>th</sup> CPC	1940
2.	Basic Pension as revised in 6 <sup>th</sup> CPC	12600
3.	Revised Pension fixed under 7 <sup>th</sup> CPC (using a multiple of 2.57)	32,382

4.2 For this purpose, the existing pension/family pension will be the basic pension/family pension only without the element of additional pension available to the old pensioners/family pensioners of the age of 80 years and above. The additional pension/family pension payable to the old pensioners/family pensioners will be worked out in accordance with para 4.5 of this O.M.

4.3 Since the consolidated pension will be inclusive of commuted portion of pension, if any, the commuted portion will be deducted from the said amount while making monthly disbursements.

4.4 The minimum pension with effect from 01.01.2016 will be Rs. 9000/- per month (excluding the element of additional pension to old pensioners). The upper ceiling on pension/family pension will be 50% and 30% respectively of the highest pay in the Government (The highest pay in the Government is Rs. 2,50,000 with effect from 01.01.2016).



4.5 The quantum of pension/family pension available to the old pensioners/ family pensioners shall continue to be as follows:-

<u>Age of pensioner/family pensioner</u>	<u>Additional quantum of pension</u>
From 80 years to less than 85 years	20% of revised basic pension/ family pension
From 85 years to less than 90 years	30% of revised basic pension / family pension
From 90 years to less than 95 years	40% of revised basic pension / family pension
From 95 years to less than 100 years	50% of revised basic pension / family pension
100 years or more	100% of revised basic pension / family pension

The amount of additional pension will be shown distinctly in the pension payment order. For example, in case where a pensioner is more than 80 years of age and his/her revised pension in terms para 4.1 above is Rs.10,000 pm, the pension will be shown as (i). Basic pension=Rs.10,000 and (ii) Additional pension = Rs.2,000 pm. The pension on his/her attaining the age of 85 years will be shown as (i).Basic Pension = Rs.10,000 and (ii) additional pension = Rs.3,000 pm. Dearness relief will be admissible on the additional pension available to the old pensioners also.

4.6 The revised pension/family pension arrived at as per paragraph 4.1 includes dearness relief sanctioned from 1.1.2016.

5. Where the revised pension/family pension in terms of paragraph 4.1 above works out to an amount less than Rs. 9000/-, the same shall be stepped up to Rs. 9000/-. This will be regarded as pension/family pension with effect from 1.1.2016.

6. The existing instructions regarding regulation of dearness relief to employed/re-employed pensioners/family pensioners, as contained in Department of Pension & Pensioners Welfare O.M. No. 45/73/97-P&PW(G) dated 02.07.1999, as amended from time to time, shall continue to apply.

7. The cases of Central Government employees who have been permanently absorbed in public sector undertakings/autonomous bodies will be regulated as follows:-

(a) **PENSION**

Where the Government servants on permanent absorption in public sector undertakings/autonomous bodies continue to draw pension separately from the Government, the pension of such absorbees will be updated in terms of these orders. In cases where the Government servants have drawn one time lump sum terminal benefits equal to 100% of their pensions and have become entitled to the restoration of one-third commuted portion of pension as per the instructions issued by this Department from time to time, their cases will not be covered by these orders. Orders for regulating pension of such pensioners will be issued separately.

100



**(b) FAMILY PENSION**

In cases where, on permanent absorption in public sector undertakings/autonomous bodies, the terms of absorption and/or the rules permit grant of family pension under the CCS (Pension) Rules, 1972 or the corresponding rules applicable to Railway employees/members of All India Services, the family pension being drawn by family pensioners will be updated in accordance with these orders.

8. The matter regarding Constant Attendant Allowance admissible to the existing pensioners shall be examined by a Committee comprising Finance Secretary and Secretary (Expenditure) as Chairman and Secretaries of Home Affairs, Defence, Posts, Health & Family Welfare, Personnel & Training and Chairman, Railway Board as Members. Till a final decision is taken based on the recommendations of the Committee, Constant Attendant Allowance shall be paid at existing rates.

9. All Pension Disbursing Authorities including Public Sector Banks handling disbursement of pension to the Central Government pensioners are hereby authorised to pay pension/family pension to existing pensioners/family pensioners at the revised rates in terms of para 4.1 and 5 above without any further authorisation from the concerned Accounts Officers/Head of Office etc. Wherever the age of pensioner/ family pensioner is available on the pension payment order, the additional pension/ family pension in terms of para 4.4. above may also be paid by the pension disbursing authorities immediately without any further authorisation from the concerned Account Officer/ Head of Office, etc. A suitable entry regarding the revised pension shall be recorded by the pension Disbursing Authorities in both halves of the Pension Payment Order.

10. The pension/family pension as worked out in accordance with provisions of Para 4.1. and 5 above shall be treated as 'Basic Pension' with effect from 01.01.2016. The revised pension/family pension includes dearness relief sanctioned from 1.1.2016 and shall qualify for grant of Dearness Relief sanctioned thereafter.

11. Further orders in regard to revision of pension based on the recommendations of the Committee to be constituted in terms of the Government's decision on Item No. 11 of this Department's Resolution No. 38/37/2016-P&PW (A) dated 4<sup>th</sup> August, 2016, will be issued in due course.

12. After a decision as in para 11 above is taken by the Government and orders are issued in this regard, the Head of the Department of the Ministry, Department, Office, etc. from which the government servant had retired or where he was working prior to his demise will revise the pension/family pension of all pensioners/ family pensioners with



effect from 1st January 2016 in accordance with those orders and issue revised Pension Payment Order (PPOs) accordingly.

13. It is considered desirable that the benefit of these orders should reach the pensioners as expeditiously as possible. To achieve this objective it is desired that all Pension Disbursing Authorities should ensure that the revised pension and the arrears due to the pensioners in terms of para 4.1. and para 5 above is paid to the pensioners or credited to their account by 31<sup>st</sup> August, 2016 or before positively.

14. In their application to the persons belonging to Indian Audit and Accounts Department, these orders issue in consultation with the Comptroller and Auditor General of India.

15. Ministry of Agriculture etc. are requested to bring the contents of these Orders to the notice of Controller of Accounts/Pay and Accounts Officers and Attached and subordinate Offices under them on a top priority basis. All pension disbursing offices are also advised to prominently display these orders on their notice boards for the benefit of pensioners.

16. Hindi version will follow.

*V Sharma*  
(Vandana Sharma)  
Joint Secretary to the Government of India

To

All Ministries/ Departments of Government of India

Copy to : As per mailing list

- Central Pension Accounting Office, New Delhi
- CMDs of All Pension Disbursing Banks

No.1(13)/EV/2017  
Government of India  
Ministry of Finance  
Department of Expenditure

S/A

New Delhi, the 23<sup>rd</sup> May, 2017

Office Memorandum

Subject: Procedural actions for revision of pension of pre-1.1.2016 retirees of Central Government in pursuance of the OM of Department of Pension and Pensioners' Welfare dated 12.5.2017 - Regarding.

The Ministries/Departments of the Central Government are aware of the orders issued by Department of Pension and Pensioners' Welfare (DoP&PW) contained in their OM No. 38/37/2016-P&PW(A) dated 12.5.2017 regarding revision of pension of pre-1.1.2016 retirees. In terms of para 4 thereof, the revised pension/family pension w.e.f. 1.1.2016 in respect of all Central civil pensioners/family pensioners, including GAPP's who retired/died prior to 1.1.2016 may be revised by notionally fixing their pay in the pay matrix recommended by the 7<sup>th</sup> Central Pay Commission in the level corresponding to the pay in the pay scale/pay band and grade pay at which they retired/died. The said OM further provides that this will be done by notional pay fixation under each intervening Pay Commission based on the formula for revision of pay. 50% of the notional pay as on 1.1.2016 shall be the revised pension and 30% of this notional pay shall be the revised family pension w.e.f. 1.1.2016.

2. The Ministries/Departments are aware that actual implementation of the aforesaid order contained in the OM dated 12.5.2017 of the Department of Pension and Pensioners' Welfare involves a procedure for revision of pension of such pensioners, which covers a number of agencies like the Heads of Departments/Heads of Offices, under whose administrative control a particular pensioner had worked before retirement/death, the concerned PAOs, pension accounting organizations like CPAO in case of civil pensioners and similar pension accounting organizations pertaining to pensioners in Ministries of Railways, Defence and Department of Posts, etc. Therefore, a coordinated action amongst these agencies is required to ensure that revision of pension in such cases is processed expeditiously.

3. Accordingly, while the substantive matter pertaining to revision of pension of pre-1.1.2016 Central Government retirees concerns Department of Pension and Pensioners' Welfare as already provided in their aforesaid OM dated 12.5.2017 and any further substantive order thereon issued by them, there are certain procedural actions which need to be taken by the concerned administrative agencies in each Ministry/Department as well as the pension accounting organisations like the Central Pension Accounting Office under the Ministry of Finance, Department of Expenditure; Controller General of Defence Accounts under the Ministry of Defence and similar pension accounting organisations under the Ministry of Railways and Department of



Posts etc so that appropriate implementation of the orders of Department of Pension and Pensioners' Welfare as per their OM dated 12.5.2017 is carried out expeditiously.

4. In order, therefore, to put the procedural issues in this regard in perspective and to provide for coordinated action amongst the concerned agencies, the following procedural points of action are to be taken by the concerned agencies as brought out below:-

**(A) Department of Expenditure, Ministry of Finance**

- (i) The fitment tables for fixation of notional pay will be worked out by the Department of Expenditure and provided to Department of Pension and Pensioners' Welfare for appropriate guidelines for the purpose of issue of any further substantive order in the matter.

**(B) Department of Pension & Pensioners' Welfare**

- (i) The appropriate guidelines/ instructions for revision of pension based on fitment tables for notional pay will be issued for use by the pension revising administrative authorities, PAOs and pension accounting organisations in the Central Government.

**(C) Pension Accounting Authorities**

- (i) The Central Pension Accounting Office in case of civil pensioners and similar pension accounting offices in the Ministry of Defence, Ministry of Railways, Department of Posts etc., shall pass on the available and relevant data of live pensioners to the concerned PAOs by 31.05.2017, if such data is already available with them. This action will be completed within two weeks. In cases where the data is not available, the same will be obtained by the pension accounting offices from the disbursing banks and shall be passed on to the concerned PAOs. This action will be taken up simultaneously and completed within four weeks.
- (ii) The pension accounting offices, while passing on the data to the concerned PAOs, may also devise a suitable mechanism for electronic revision, as far as possible, to enable PAOs to process the cases of pension revision expeditiously.
- (iii) The central pension accounting offices like the CPAO, at the time of passing on the data to the concerned PAOs, shall send a few illustrative examples on pension revision in such cases to the pension disbursing Banks to enable them to consider suitable changes in the software, if necessary, for the purpose.

**(D) Pay & Account Office (PAO)/Head of the Department.**


- (i) The concerned PAOs, on receiving data from the pension accounting organizations, shall immediately, and not later than 3 days from the receipt of data, pass on the data to the concerned administration/establishment Branches/Heads of the Office (HOO)s under various Heads of Department (HODs) of the Ministries/Departments. The HOOs will also check their records to ascertain the actual numbers of retirees.
- (ii) The concerned administration/establishment branches/Heads of Offices (HOO) under various Heads of Departments (HODs) of the Ministries/Departments shall take action to revise the pension in case of retirees who had worked under their administrative control, based on the orders issued by the Department of Pension and Pensioners' Welfare dated 12.5.2017 and any further order containing the fitment table providing for notional pay, after due verification of the relevant records.
- (iii) In cases where records are readily available with the HoD/DDO, the action to process revision of pension shall be initiated forthwith and not later than 30 days from the date of receipt of the list of pensioners by the PAOs from the CPAO. In such cases, revised pension cases will be sent to the PAOs for further necessary action by the concerned administrative Branches/HOOs, which normally process the pension cases in case of employees under their administrative domain on their retirement/death.
- (iv) In cases where records are not readily available, the concerned HOOs/HODs will ensure appropriate action for verification of such cases and ensure expeditious revision of pension as per the prescribed procedure and passing on the same to PAOs for further necessary action.
- (v) On receipt of revised pension cases from the administrative/establishment branches, the PAOs shall take further appropriate action expeditiously and pass on the duly verified pension revision authorities to the pension accounting offices like the CPAO, which will in turn take further action to issue necessary instructions/authority to the disbursing Banks without delay.
- (vi) Once the revised pension authority is received by the Banks, they will ensure timely payment of revised pension and arrears, if any, to the accounts of pensioners.





5. In order to ensure effective monitoring of the progress of pension revision based on the procedure outlined above, a monitoring mechanism will also be followed as brought out below:-

- (i) DOP&PW will periodically monitor the Ministry-wise progress of pension revision. For this purpose, Ministry-wise details would be made available by the respective pension accounting organisations, viz, CPAO, CGDA, etc, to the Department of P&PW.
- (ii) The progress of pension revision at the HOD/HOO level will be monitored by the concerned JS(Admn) of the Ministry/Department on a weekly basis. This will be included as one agenda in the Senior Officers Meetings (SOM) in each Ministry/Department.
- (iii) CPAO and similar pension accounting organisations shall place online a dashboard of the progress of revision of pension cases with PAOs, CCAs, nodal authorities of Ministries/Departments and Department of Pension and Pensioners' Welfare.
- (iv) In order to ensure timely action on the part of Chief Controller of Accounts/Controller of Accounts/PAOs and Pension Accounting Organisations, a weekly progress meeting shall be held at the level of Chief Controller of Pension and this shall be monitored on monthly basis by Controller General of Accounts, CGDA and similar levels in the Ministry of Railways, Department of Posts, etc.

  
(Amar Nath Singh)  
Director

To

1. All Secretaries to the Government of India.
2. Financial Commissioner (Railway), Railway Board, Ministry of Railways
3. Member (Finance), Department of Posts
4. Member (Finance), Department of Telecom
5. All Financial Advisors
6. Controller General of Defence Accounts
7. Controller General of Accounts
8. Chief Controller (Pension), Central Pension Accounting Organization