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**Important Circular No.C-153
No.GI/C/0199/VOL-I/Tech
O/O The Pr. C.D.A.(P)
Allahabad.
Date 12th August, 2016**

To,

**The Treasury Officer
The PO- Master, Kathua, Srinagar (J&K)
The PO- Master, Campbell Bay (Andman & Nicobar)
The Defence Pension Disbursing Officer**

Pay & Accounts Officer

**Military & Air Attache, Indian Embassy, Kathmandu, Nepal (through Gorkha
Record Officer, Kurnaghat, Gorakhpur)
Director of Accounts, Panji (Goa)
Finance Secretary, Gangtok, PO-I, Thimpu Bhutan
The General Manager (Nodal Officer, PSBs)
All Managers, CPPC of Public Sector Banks.
All Managers, CPPC of Authorized Private Banks.**

Subject: - Implementation of Govt's decisions on the recommendations of the Seventh Central Pay Commission-Revision of Pension of Pre-2016 Pensioners/Family Pensioners etc.

A copy of GOI, Ministry of P, PG and Pensions, Deptt. of P&PW OM No. 38/37/2016-P&PW (A) (ii) dated 4th August, 2016 is enclosed for immediate implementation of Govt's decision on recommendations of the Seventh Central Pay Commission relating to revision of pension of pre 1-1-2016 pensioners/family pensioners w.e.f. 1-1-2016.

- 2.** The following further instructions are issued for smooth implementation of the ibid Govt. OM on the subject: -

APPLICABILITY

- 3.1** Para-2 of the enclosed Govt. OM provides the extent of its applicability. Present orders are applicable to the pensioners/family pensioners in whose respect Pension Payment Order (PPO) have been issued by CDA (Pensions)/Chief CDA (Pensions)/Pr. CDA (Pensions) from time to time in respect of Defence Civilians/Civilians under Ministry of Defence (MoD).

- 3.2 As stated in Para 2.2 of the enclosed OM, nothing contained in the enclosed OM applies to Commissioned Officers and Personnel Below Officer Rank (PBOR) of Armed Forces. Separate orders will be issued for them by Ministry of Defence.
- 3.3 Consolidation of pension in respect of categories mentioned in para-3.1 above is to be done only in r/o Civilians/their families who retired/died before 1.1.2016. In other words, cases of retirement/death in service on or after 1.1.2016 are not covered by these orders.

REVISION OF PENSION

- 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 6th Central Pay Commission (CPC) recommendations, by a factor of 2.57. The amount of revised pension/family pension so arrived at shall be rounded off to next higher rupee.
- 4.2 For calculation of revised pension, 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 Pensions/Family Pension payable to old pensioners/family pensioners will be worked out in accordance with para 4.5 of the OM.
- 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 **MINIMUM / MAXIMUM PENSION/FAMILY PENSION** : The minimum pension w.e.f. 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 w.e.f. 01.01.2016).
- 4.5 **ADDITIONAL PENSION** : The quantum of pension/family pension available to the old pensioners/family pensioners shall continue to be as follows:-

Age of pensioner/family pensioner	Addition quantum of pension
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 cases 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 = 10,000 and (ii) additional pension = Rs. 3000 pm. Dearness relief will be admissible on additional pension available to the old pensioners also.

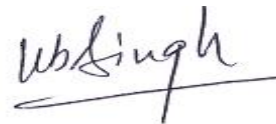
- 4.6 In cases, where the Govt. Servants have drawn one time lump-sum terminal benefits equal to 100% of their pensions and have become entitled to the restoration of one third commuted portion of pension, their cases will not be covered by these orders. Orders for regulating pension of such pensioners will be issued separately.
- 4.7 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 w.e.f 01.01.16.
- 6 **PENSIONER EMPLOYED/RE-EMPLOYED:** 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. **CONSTANT ATTENDANT ALLOWANCE:** The matter regarding CAA admissible to existing pensioners shall be examined by the Committee constituted by the Gol. For this purpose, till a final decision is taken based on the recommendation of the Committee, Constant Attendant Allowance shall be paid at the existing rates.
8. **DEARNESS RELIEF:** The pension/family pension as worked out in accordance with provision of Para 4.1 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 there after.
9. **ARREARS OF PENSION:-** The arrears of Pension/Family Pension, as a result of consolidation of Pension, will be worked out by PDAs and will be paid to pensioner or credited to their accounts by 31st August 2016 positively.
10. **If any overpayment is in the process of recovery, the amount still due for recovery should be adjusted in lump- sum against the arrears payable.**
11. **PROCEDURE:-** The Govt. has authorised the Pension Disbursing Authorities including Public Sector Banks to pay the consolidated Pension/ Family Pension without further authorization from this office at the revised rates in terms of Para 4.1 and 5 above. Wherever the age of pensioner/family pensioner is available in the PPO, the additional pension/family pension in terms of Para 4.5 above may also be

paid by the PDAs without any further authorization from this office. The following points may specially be kept in view while authorizing disbursement under the captioned order:

- (a) A suitable entry regarding the revised pension shall be recorded by the Pension Disbursing Authorities on face of Pension Payment Orders.
- (b) A suitable entry regarding revised consolidated pension/ Family Pension w.e.f. 1-1-2016 should also be recorded in the check register/Payment Register/ Pension Payment scroll.
- (c) In every case, where revision is done by PDA's, intimation to this office in the form given as Annexure-I to this circular will be prepared in triplicate. Two copies thereof will be sent to this office in covers bearing the following address in convenient batch(s):-
SAO, O/IC Audit Section, O/o the Pr. C.D.A. (P.) ,Allahabad- 211014.
A consolidated soft copy of all such payment in CSV format may be sent in a CD to this office and also be mailed to us in the format attached in Annexure-II on the email sevenpaycomalbd.dad@hub.nic.in specially created for the purpose.
- (d) All cases where such revision is carried out will 'change' entitlements and other data which must be reflected as such in the Pension Payment Account in a separate schedule/scroll.

12. In cases where the PDAs are in doubt about the entitlement on revision in individual cases or in regulation of minimum pensions/revised pension for pensioners in receipt of more than one pension, the cases with full details of pensioner and PPO NO. may be referred to **Audit Section** of this office for advice and further action on the same address mentioned in para 11(c) or a mail may be sent on the email address given in para 11(c).

(The copy of this circular is available on the website of this office www.pcdapension.nic.in)



(Dr. Upinderbir Singh)
DCDA (P)

Annexure-I
(Defence Civilian)

Form of intimation by the Pension Disbursing Authority to the P.C.D.A.(P) regarding revision of Pension in terms of Department of Pension and Pensioners Welfare Office Memorandum No. 38/37/2016-P&PW (A) (ii) dated 04 -8-2016.

1. Name of the Pensioner/Family Pensioner
2. PPO No. (in the format prescribed by this office)
3. Date of Birth
4. (a) Date of retirement (in case of live Pensioner)
(b) Date of death (in case of family pensioner)
5. Savings Bank A/C No.
6. CPPC Code (BSR)
7. (a) Paying Branch Code(BSR)
(b) Bank Name
- 8. Computation of revised pension/family pension**

Pension	Amount	Family Pension/Enhanced Family Pension	Amount
(A) Existing basic pension without the element of additional pension (inclusive of commuted portion if any), as had been fixed at the time of implementation of 6 th CPC recommendation.		(A) Existing basic Family Pension/Enhanced Family Pension without the element of additional pension as had been fixed at the time of implementation of 6 th CPC recommendation.	
(B) Revised Pension as on 01.01.2016: 2.57* (A) above (rounded off to next higher)		(B) Revised Family Pension/Enhanced Family Pension as on 01.01.2016: 2.57* (A) above (rounded off to next higher)	

9.

- a. Additional Pension due to old age/Family Pension Rs.-----PM, if any.
- b. Arrears of Pension/Family Pension up to (date)----- (amount)Rs.-----
- c. Arrears Paid on (date)-----

SIGNATURE OF PENSION DISBURSING AUTHORITY

Note: - 1. Where the Revised Pension/Family Pension works out to an amount less than Rs. 9000/-, the same is required to stepped upto Rs. 9000/-.

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 4th 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

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of implementation of 6th 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 6th 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 31st May, 2015 under the 6th CPC regime in the scale of Rs. 67000-79000:

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

Case II

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

		Amount in Rs.
1.	Basic Pension fixed in 4 th CPC	1940
2.	Basic Pension as revised in 6 th CPC	12600
3.	Revised Pension fixed under 7 th 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).

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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.

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(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 4th 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

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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 31st 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.


(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