

No.G.12011/1/2010/F3
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT

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Puducherry, dated 14.09.2017

I.D.NOTE / OFFICE MEMORANDUM

Sub: Finance Department –Restoration of full pension of absorbee pensioners in view of the order dated 01.09.2016 of Hon'ble Supreme Court in Civil Appeal No.6048 and Civil Appeal No.6371/2010 - Communicated.

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A Copy of the Office Memorandum on the subject indicated below is communicated for information and necessary action.

Sl. No	Reference: No. & Date	Issued by	Subject
1	O.M.F.No.4/34/2002-P&PW(D)Vol-II, dated 23 rd June, 2017	Government of India, Ministry of Personnel, Public Grievance & Pensions, Department of Pension & Pensioners Welfare, New Delhi	Restoration of full pension of absorbee pensioners in view of the order dated 01.09.2016 of Hon'ble Supreme Court in Civil Appeal No.60482010 and Civil Appeal No.6371/2010.


(K. GOVINDARAJAN)

UNDER SECRETARY TO GOVT. (FINANCE)

To

All Secretaries to Government/All Secretariat Departments/
All Heads of Departments/Offices.

Copy to:

1. The Director of Accounts and Treasuries, Puducherry
2. The Dy. Director of Accounts and Treasuries, Karaikal/Mahe/Yanam.
3. The Director, Information & Technology Department,
Puducherry - **to be hosted in State Web Site.**
4. The Web Site of Finance Department – **to be hosted in the official Web Site.**

F.No. 4/34/2002-P&PW(D).Vol.II
Government of India
Ministry of Personnel, Public Grievances & Pensions
Department of Pension & Pensioners Welfare
3rd Floor, Lok Nayak Bhavan,
Khan Market, New Delhi
Dated the 23rd June, 2017

OFFICE MEMORANDUM

Subject: Restoration of full pension of absorbee pensioners in view of the order dated 01.09.2016 of Hon'ble Supreme Court in Civil Appeal No. 6048/2010 and Civil Appeal No. 6371/2010.

The undersigned is directed to say that in accordance with the instructions which existed before 31.03.1995, a Government servant, on absorption in a Public Sector Undertaking or an Autonomous Body, had the option to draw pro-rata gratuity and a lump sum amount in lieu of pension. The option regarding payment of lump sum amount in lieu of monthly pension on absorption in a PSU or autonomous body was available in terms of the instructions issued vide Department of Expenditure's O.M. No. 26(18)-E.V(B)/75 dated 08.04.1976, Department of Personnel & Training's O.M. No. 28016/5/85-Estt.(C) dated 31.01.1986 and Department of Pension & Pensioners' Welfare' O.M. No. 4(12)/85-P&PW dated 31.03.1987. This option was also available to Government employees on absorption in PSUs/autonomous bodies of the State Governments and Joint Sector undertakings in terms of this Department's O.M. No. 4/43/88-P&PW(D) dated 16.10.1989. The terms and conditions for absorption of Government employees consequent on conversion of a Government Department into a PSU or autonomous body issued vide this Department's O.M. No. 4/18/87-P&PW(D) dated 5.7.1989 also provided for a similar option of lump sum payment in lieu of monthly pension.

2. In accordance with Rule 37-A of the Central Civil Services (Pension) Rules, 1972, incorporated vide Department of Expenditure's Notification No. 44(1)-E.V./71 dated 09.04.1973, on exercise of the above option, an employee was entitled to a lump sum amount not exceeding the commuted value of one-third of the pension and terminal benefit equal to twice the aforesaid lump-sum amount, subject to the condition that the Government servant surrendered his right of drawing two-thirds of his pension.

3. The option to draw a lump sum amount in lieu of pension was withdrawn vide this Department's O.M. No. 4/42/91-P&PW(D) dated 31st March, 1995. Accordingly, the erstwhile Rule 37-A was omitted from the CCS(Pension) Rules, 1972 vide Notification No. 4/42/91-P&PW(D) dated 25.06.1997.

4. In implementation of the Order dated 15.12.1995 of Hon'ble Supreme Court in WP(C) No. 11855/85, instructions were issued vide this Department's O.M. No. 4/3/86-P&PW(D) dated 30.09.1996 for restoration of one-third commuted portion of pension of Government servants who had drawn lump sum payment on absorption in