

Government of Puducherry

Abstract

Finance Department - Implementation of Seventh Central Pay Commission Recommendations - Revision of provisions regulating pension/gratuity/commutation of pension/disability pension/ ex-gratia, lumpsum compensation etc. - Revision of pension of pre-2016 pensioners/family pensioners etc. - Orders issued.

Finance Department

G.O. Ms. No.30 /F3/2016

Puducherry dt.17.09.2016

Read: G.O. Ms. No.28/F3/2016 dt.17.09.2016
of Finance Department, Puducherry.

ORDER:-

The Resolution No.38/37/2016-P&PW(A) dt.04.08.2016 of Government of India, Ministry of Personnel, Public Grievances & Pensions (Department of Pension and Pensioner's Welfare), New Delhi has been re-published vide G.O. read above.

2. The orders of Government of India with regard to regulation of pension and pensionary benefits as per Seventh CPC Recommendations are communicated for implementation:
 - i. O.M. F.No.38/37/2016-P&PW(A) (i) dt.04.08.2016 of Department of Pension and Pensioner's Welfare, GoI, New Delhi on Revision of provisions regulating pension/gratuity/commutation of pension/disability pension/ex-gratia, lumpsum compensation etc.
 - ii. O.M. No. F.No.38/37/2016-P&PW(A) (ii) dt.04.08.2016 of Department of Pension and Pensioner's Welfare, GoI, New Delhi on Revision of pension of pre-2016 pensioners/family pensioners etc.
3. This is subject to the following conditions:-
 - (i) Revised pension/family pension in terms of the above Office Memoranda shall be payable with effect from the month **September 2016**.
 - (ii) For payment of arrears on account of the revised pension/family pension for the period from **01.01.2016 to 31.08.2016**, orders will be issued separately.

Contd.

- (iii) All the Pension Disbursing Authorities including the Public Sector Banks handling the disbursement of Pension to the Government of Puducherry Pensioners are instructed to comply with the instructions contained in para 9 of the O.M. No.38/37/2016-P&PW(A)(ii) dt.04.08.2016 of Department of Pension and Pensioner's Welfare, GoI, New Delhi.
- (iv) All the instructions contained in the O.M.s referred to in para 2 of this order shall be adhered to subject to conditions enunciated in (i) and (ii) above in this para.

(By order of the Lieutenant Governor)

Dr. V. Candavelou
Development Commissioner/
Secretary to Government
(Finance)

Encl.: As above.

To

1. All Secretariat Departments.
2. All Heads of Departments/Offices.
3. The Collector, Karaikal
4. The Regional Administrator, Mahe/Yanam.
5. The Director of Accounts & Treasuries, Puducherry
6. The Deputy Director of Accounts & Treasuries, Karaikal/Mahe/Yanam
7. The Assistant General Manager, State Bank of India, Puducherry.
8. The Branch Manager, Indian Overseas Bank/Indian Bank/UCO Bank, Puducherry.
9. The Director, IT Department - with a request to upload this G.O. in the official website of Government of Puducherry.
10. The Senior Technical Director& State Informatics Officer, NIC, Puducherry.
11. Stock File/G.O. File

/FORWARDED BY ORDER/


(K. GOVINDARAJAN)
Under Secretary(Finance)

F. No 38/37/2016-P&PW(A) (i)
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 decision on the recommendation of the Seventh Central Pay Commission - Revision of provisions regulating pension/gratuity/ commutation of pension/family pension/disability pension/ex-gratia lump-sum compensation, etc.

The undersigned is directed to state that in pursuance of Government's decision on the recommendation of the Seventh Central Pay Commission, the President is pleased to introduce the following modifications in the rules regulating pension, Retirement/Death/Service Gratuity, Family Pension, disability pension, ex-gratia lump-sum compensation, etc. under the CCS (Pension) Rules, 1972 and Commutation of Pension under CCS (Commutation of Pension) Rules, 1981, CCS (Extraordinary Pension) Rules, 1939, etc.

2. These orders apply to Central Government Employees governed by the CCS (Pension) Rules, 1972. Separate orders will be issued by the Ministry of Defence, Ministry of Railways and the AIS Division of the DOPT in respect of Armed Forces personnel, Railway employees and the officers of All India Services respectively on the basis of these orders.

DATE OF EFFECT

3.1 The revised provisions as per these orders shall apply to Government servants who retire/die in harness on or after 1.1.2016. Separate order have been issued in respect of employees who retired/died before 1.1.2016.

3.2 Where pension/family pension/Gratuity/Commutation of pension, etc has already been sanctioned in cases occurring on or after 1.1.2016, the same shall be revised in terms of these orders. In cases where pension has been finally sanctioned on the pre-revised orders and if it happens to be more beneficial than the pension

becoming due under these orders, the pension already sanctioned shall not be revised to the disadvantage of the pensioner in view of Rule 70 of the CCS (Pension) Rules, 1972.

EMOLUMENTS

4.1 The term 'Emoluments' for purposes of calculating various pensionary benefits other than various kinds of Gratuity shall have the same meaning as in Rule 33 of the Central Civil Services (Pension) Rules, 1972.

4.2 Basic pay in the revised pay structure means the pay drawn in the prescribed level in the Pay Matrix with effect from 01.01.2016 but does not include any other type of pay like special pay, etc.

4.3 In the case of all kinds of gratuity, dearness allowance admissible on the date of retirement/death shall continue to be treated as emoluments along with the emoluments as defined in Paragraph 4.1 above.

PENSION

5.1 Subject to para 5.2, there shall be no change in the provisions regulating the amount of pension as contained in Rule 49 of the CCS(Pension) Rules.

5.2 The amount of pension shall be subject to a minimum of Rs.9000/- and the maximum pension would be 50% of highest pay in the Government (The highest pay in the Govt. is Rs 2,50,000 with effect from 1.1.2016). The provisions of sub-rule (2) of Rule 49 of the CCS (Pension) Rules, 1972 shall stand modified to this extent.

5.3 The quantum of additional 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 Pension Sanctioning Authorities should ensure that the date of birth and the age of a pensioner is invariably indicated in the pension payment order to facilitate payment of additional pension by the Pension Disbursing Authority as soon as it becomes due. 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 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 attaining the age of 85 years will be shown as (i).Basic Pension = Rs.10,000 and (ii) additional pension = Rs.3,000 pm.

Retirement/ Death Gratuity

6.1 The rates for payment of death gratuity shall be revised as under:

| Length of qualifying service | Rate of Death Gratuity |
|---|--|
| Less than One year | 2 times of monthly emoluments |
| One Year or more but less than 5 years | 6 times of monthly emoluments |
| 5 years or more but less than 11 years | 12 times of monthly emoluments |
| 11 years or more but less than 20 years | 20 times of monthly emoluments |
| 20 years or more | Half month's emoluments for every completed six monthly period of qualifying service subject to a maximum of 33 times of emoluments. |

Accordingly, Rule 50(1)(b) of CCS (Pension) Rules, 1972 shall stand modified to this extent.

6.2 The maximum limit of Retirement gratuity and death gratuity shall be Rs. 20 lakh. The ceiling on gratuity will increase by 25% whenever the dearness allowance rises by 50% of the basic pay. Accordingly, first proviso under Rule 50(1)(b) of CCS (Pension) Rules, 1972 shall stand modified to this extent.

FAMILY PENSION 1964

7.1 Family pension shall be calculated at a uniform rate of 30% of basic pay in the revised pay structure and shall be subject to a minimum of Rs.9000/-p.m. and maximum of 30% of the highest pay in the Government. Rule 54(2) relating to Family Pension, 1964 under CCS (Pension) Rules, 1972 shall stand modified to this extent.

7.2 The amount of enhanced family pension shall be 50% of basic pay in the revised pay structure and shall be subject to a minimum of Rs.9000/-p.m. and maximum of 50% of the highest pay in the Government. (The highest pay in the Govt. is Rs. 2,50,000 with effect from 1.1.2016).

7.3 There will be no other change in the provisions regulating family pension, enhanced family pension and additional family pension to old family pensioners.

10

COMMUTATION OF PENSION

8.1 There will be no change in the provisions relating to commutation values, the limit upto which the pension can be commuted or the period after which the commuted pension is to be restored.

9.1 The pension/family pension under para 5 and 7 above shall qualify for dearness relief sanctioned from time to time, in accordance with the relevant rules/instructions.

FIXED MEDICAL ALLOWANCE

10.1 Fixed Medical Allowance to the pensioners who are residing in non-CGHS areas and are not availing OPD facility of CGHS shall continue to be paid at the existing rate till a final decision is taken on the basis of recommendations of the Committee constituted for the purpose.

CONSTANT ATTENDANT ALLOWANCE

11.1 The amount of Constant Attendant Allowance to pensioners who retired on disability pension with 100% disability under the CCS (Extraordinary) Pension Rules, 1939, (where the individual is completely dependent on somebody else for day to day functions) shall continue to be paid at the existing rate till a final decision is taken on the basis of recommendations of the Committee constituted for the purpose.

EX GRATIA LUMPSUM COMPENSATION

12.1 The amount of ex gratia lump sum compensation available to the families of Central Government Civilian employees, who die in the performance of their *bona fide* official duties under various circumstances shall be revised as under:

| Circumstances | Amount |
|---|---------|
| Death occurring due to accidents in course of performance of duties | 25 lakh |
| Death in the course of performance of duties attributed to acts of violence by terrorists, anti social elements etc. | 25 lakh |
| Death occurring in border skirmishes and action against militants, terrorists, extremists, sea pirates | 35 lakh |
| Death occurring while on duty in the specified high altitude, unaccessible border posts, etc. on account of natural disasters, extreme weather conditions | 35 lakh |
| Death occurring during enemy action in war or such war like engagements, which are specifically notified by Ministry of Defence and death occurring during evacuation of Indian Nationals from a war-torn zone in foreign country | 45 lakh |

13.1. Formal amendments to CCS (Pension) Rules, 1972 and CCS (Extraordinary) Pension Rules, 1939 in terms of the decisions contained in this order will be issued in due course. Provisions of the CCS (Pension) Rules 1972, CCS (Extraordinary) Pension Rules, 1939, and CCS(Commutation of Pension) Rules, 1981 which are not specifically modified by these orders, will remain unchanged.

14.1. These orders issue with concurrence of the Ministry of Finance Department of Expenditure vide their U.O. No. 30-1/33(c)/ 2016-IC dated 03.08.2016

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

16. 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.

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

To

1. All Ministries/ Departments of Government of India
2. Principal Director, Office of Comptroller & Auditor General of India, New Delhi
3. Controller General of Accounts, New Delhi
4. CCA, Central Pension Accounting Office, New Delhi.

/Copy Authorized for Issue/

A. Narendiran

(A. NARENDIRAN)
Superintendent(F3)
Finance Department
Puducherry

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

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).

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

| Age of pensioner/family pensioner | Additional 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 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.

5.

(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

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

/Copy Authorized for Issue/


(A. NARENDIRAN)
Superintendent(F3)
Finance Department
Puducherry