



कार्यालय रक्षालेखाप्रधाननियंत्रक (पेंशन)
OFFICE OF THE PR. CONTROLLER OF DEFENCE ACCOUNTS (PENSIONS)
द्रौपदी घाटइलाहाबाद-211014
DRAUPADI GHAT, ALLAHABAD- 211014

Circular No.C- 164

No:G1/C/0199/Vol-I/Tech
Dated: - 30.05.2017.

To,

(All Head of Department under Min. of Defence)

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.

Reference: - This office important circular no. C-153, bearing no.G1/C/0199/Vol-I/Tech, dated 12th August 2016.

[Available on this office website www.pcdapension.nic.in]

Attention is invited to above cited circular wherein instructions were issued for implementation of GOI, DP&PW OM NO. 38/49/2016-P&PW (A)(ii), dated 04.08.2016. It was provided in the ibid OM 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 6th CPC, by 2.57.

2. Now, GOI, Ministry of P, PG and pension, Deptt. of P&PW have issued further orders under their OM No. 38/49/2016-P&PW (A), dated 12.05.2017, which is **self - explanatory** and is enclosed for guidance and necessary action. The salient points of ibid OM are given in succeeding paras:-

3. ***Revised pension/ family pension in r/o all Defence Civilian pensioners/family pensioners who retired/ died prior to 01.01.2016, may be revised by notionally fixing their pay in the pay matrix recommended by the 7th 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 revised pension and 30% of this notional pay shall be the revised family pension w.e.f. 1.1.2016.*** 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.

4. The 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 3 above, shall

be granted to pre-2016 Defence civilian 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.

5. Instructions were issued vide GOI, DP&PW 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 5th Central Pay Commission.

6. 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 GOI, DP&PW 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.

7. 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). The maximum ceiling limit would not be applicable in case of retiree under CCS(Extra Ordinary Pension) Rule.

8. The pension/family pension as worked out in accordance with provisions of Para 3 and 4 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.

9. 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.

10. 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 GOI, DP&PW.O.M. No. OM No. 38/37/2016-P&PW (A) (ii) dated 4.8.2016.

11. 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 GOI, DP&PW from time to time.

12. 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, the family pension being drawn by family pensioners will be updated in accordance with these orders.

13. 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.

14. The quantum of **age-related 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 is Rs.10,000 pm, the pension will be shown as (i). Basic pension=Rs.10,000 and (ii) Additional pension=Rs.2,000pm. 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.

15. A few examples of calculation of pension/family pension in the manner prescribed above are given in **Annexure -(I-A) to (I-D)** to this circular.

16. 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 GOI, DP&PW OM No. 38/37/2016-P&PW (A) (ii) dated 04.08.2016 shall be adjusted.

17. It shall be the responsibility of the Head of Department and Pay and Accounts Office (PAO) attached to that office from which the Government servant had retired or was working last before his death to fix the pay on the notional basis as on 01.01.2016 in respect of pre-2016 Defence Civilian pensioners/family pensioners in accordance with these orders. **In the annexed proforma of LPC-Cum-Data Sheet, the claim will be forwarded along with all concerned documents by the H.O.O/H.O.D to PCDA (Pension) Allahabad after getting it vetted from PAO/LAO attached. Simultaneously, Soft copy of the filled proforma of LPC-cum-Data Sheet will also be sent to PCDA (Pension) in CD, through an utility to be provided by PCDA(Pension) for speedy issue of PPOs. PCDA (Pension), Allahabad will issue a revised Pension Payment Order i.e. Corrigendum Pension Payment Order in new PPO no. series and the same would travel to Pension Disbursing Authority through Head of Office.**

18. In order to facilitate HOO to identify living pensioners for issue of corrigendum PPO, this office will provide a list of living pensioners/family pensioners from e-scrolls received to this end to the Head of Department for segregating and circulating to their respective sub offices functioning as Head of Office. However, such list of living pensioners will not be exhaustive. Hence, HODs/HOOs are advised to make further efforts at their end to identify all remaining pensioners and submit their notional pay fixation with required information to this office in the prescribed LPC-cum- Data Sheet duly vetted by the PAO/LAO.

19. HOOs may endeavor to mention Aadhaar no., Mobile no., PAN no., E Mail Id of pensioner/family pensioner or spouse in the prescribed LPC-cum- Data Sheet, if readily

available. In case these details are not available, efforts may be made to obtain these details from the Pensioner/family pensioner/Spouse and subsequently propose amendments through use of the same LPC-cum- Data Sheet for issue of Corrigendum PPO.

20. While preparing LPC-cum-Data Sheet for revision, H.O.O.s shall mention an HOO code. This code can be obtained either by sending email to pcdapedp.cgda@nic.in in the prescribed proforma or by one-time registration through logging on website of PCDA (Pension) Allahabad at url www.pcdapension.nic.in (when the same become functional). H.O.O. code will be generated after HOD verifies the details through email. Thereafter, the code will be transmitted to HOO and HOD. All email communication will be made on Govt. email id only. Also, all LPC-cum-Data Sheet of H.O.O will bear a running serial number.

21. In case of need of any clarification, HOO may contact to Shri Rajeev Ranjan Kumar, Dy.CDA (P), office of the PCDA (Pension) Draupadi Ghat, Allahabad-211014. Email i.d=gograntonecivil.dad@gov.in Phone No. 0532-2420662, Mob. No. 9971647385.

22. In view of the foregoing, Head of Departments are requested to issue suitable instructions (along with copy of this circular) to all the Head of Offices under their administrative control to ensure that claims on the subject matter are floated in accordance with clarification given in above Paras without delay. It is further requested that HOD's may evolve suitable mechanism to monitor progress in forwarding of LPC-cum-Data Sheet by their sub offices functioning as on Head of Office.



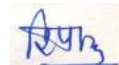
(Rajeev Ranjan Kumar)
Dy. CDA (P)

No: G1/C/0199/ Vol-I/Tech
Dated: 30/05/2017

Enclosure: - As above

Copy to:-

1. The CGDA, Ulan Batar Road Palam, Delhi Cantt-10
2. All Pr. CDA /CDA / C of F&A (Fys)/CDA (Fund)
3. All G.M. Fys.
4. All CE/Nodal CE of various Commands.



(S. P. Pandey)
Sr. AO (P)

EXAMPLES

(Reference Para 15 to PCDA(P) Circular No.164

dated 29/05/2017)

| Sl. No. | DESCRIPTION | CASE -1 | REMARKS |
|---------|---|---|--|
| 1. | DATE OF RETIREMENT | 31.12.1984 | |
| 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 1.1.186 | 975-1660 (4 th CPC Scale) | |
| 3. | Pay(or Pay Band & G.P.) at the time of retirement OR Notional pay as on 1.1.1986 for those retired before 1.1.186 | 1210 | As per Table -10 of RPR 1986 |
| 4. | PENSION AS ON 1.1.2016 BEFORE REVISION | 4191 | Consolidated as on 1.1.96 and 01.01.2006 |
| 5. | FAMILY PENSION AS ON 01.01.2016 BEFORE REVISION | 3500 | Consolidated FP as on 1.1.96 & 1.1.2006 |
| 6. | FAMILY PENSION AT ENHANCED RATE AS ON 01.01.2016 BEFORE REVISION (IF APPLICABLE) | NA | NA at present |
| 7. | REVISED PENSION BY MULTIPLYIN PRE-REVISED PENSION BY 2.57 | 10771 | 4191*2.57=10771 |
| 8. | REVISED FAMILY PENSION BY MULTIPLYIN PRE-REVISED FAMILY PENSION BY 2.57 | 9000 | Minimum Family Pension |
| 9. | REVISED FAMILY PENSION AT ENHANCED RATE BY MULTIPLYIN PRE-REVISED FAMILY PENSION BY 2.57 | NA | NA at present |
| 10. | PAY FIXED ON NOTIONAL BASIS ON 1.1.1996 | 3710 (3200-4900) | Table S/6 of RPR -1997 |
| 11. | PAY FIXED ON NOTIONAL BASIS ON 01.01.2006 | 8910 (PB-1, GP 2000) | Table S/6 of RPR -2008 |
| 12. | PAY FIXED ON NOTIONAL BASIS ON 01.01.2016 | 23100(Level-3) Sl. No. 3 | As per Pay Matrix of RPR -2016 |
| 13. | REVISED PENSION W.E.F . 01.01.2016 AS PER NOTIONAL PAY FIXATION FORMULATION | 11550 | 50% of 23100 |
| 14. | REVISED FAMILY PENSION W.E.F 01.01.2016 AS PER NOTIONAL PAY FIXATION FORMULATION | 9000 | Minimum Family Pension |
| 15. | REVISED FAMILY PENSION AT ENHANCED RATE W.E.F 01.01.2016 AS PER NOTIONAL PAY FIXATION FORMULATION | NA | NA at present |
| 16. | REVISED PENSION PAYABLE(HIGHER OF S. NO. 07 AND 13) | 11550 | As on 01.01.2016 |
| 17. | REVISED FAMILY PENSION PAYABLE(HIGHER OF S. NO. 08 AND 14) | 9000 | As on 01.01.2016 |
| 18. | REVISED FAMILY PENSION AT ENHANCED RATE PAYABLE(HIGHER OF S. NO. 09 AND 15) | NA | NA at present |

EXAMPLES

(Reference Para 15 to PCDA(P) Circular No.164

dated 29/05/2017)

| Sl. No. | DESCRIPTION | CASE-2 | REMARKS |
|---------|---|--|--|
| 1. | DATE OF RETIREMENT | 31.01.1989 | |
| 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 1.1.186 | 3000-4500 (4 th CPC Scale) | |
| 3. | Pay(or Pay Band & G.P.) at the time of retirement OR Notional pay as on 1.1.1986 for those retired before 1.1.186 | 4000 | Last Pay Drawn |
| 4. | PENSION AS ON 1.1.2016 BEFORE REVISION | 12600 | As per Concordance table of GOI, DP&PW OM dated 28.1..2013 |
| 5. | FAMILY PENSION AS ON 01.01.2016 BEFORE REVISION | 7560 | -----do----- |
| 6. | FAMILY PENSION AT ENHANCED RATE AS ON 01.01.2016 BEFORE REVISION (IF APPLICABLE) | NA | NA at present |
| 7. | REVISED PENSION BY MULTIPLYIN PRE-REVISED PENSION BY 2.57 | 32382 | 12600*2.57=32,382/- |
| 8. | REVISED FAMILY PENSION BY MULTIPLYIN PRE-REVISED FAMILY PENSION BY 2.57 | 19430 | 7560*2.57=19,430/- |
| 9. | REVISED FAMILY PENSION AT ENHANCED RATE BY MULTIPLYIN PRE-REVISED FAMILY PENSION BY 2.57 | NA | NA at present |
| 10. | PAY FIXED ON NOTIONAL BASIS ON 1.1.1996 | 11300 (10000-15200) | Table No. S-19 of RPR -1997 |
| 11. | PAY FIXED ON NOTIONAL BASIS ON 01.01.2006 | 27620 (PB-3, GP 6600) | Table No. S-19 of RPR -2008 (Grade Pay is included) |
| 12. | PAY FIXED ON NOTIONAL BASIS ON 01.01.2016 | 71800(Level-11) Sl. No. 3 | As per Pay Matrix of RPR 2016 |
| 13. | REVISED PENSION W.E.F . 01.01.2016 AS PER NOTIONAL PAY FIXATION FORMULATION | 35900 | 50% of 71800= 35,900/- |
| 14. | REVISED FAMILY PENSION W.E.F 01.01.2016 AS PER NOTIONAL PAY FIXATION FORMULATION | 21540 | 30% of 71800=21,540/- |
| 15. | REVISED FAMILY PENSION AT ENHANCED RATE W.E.F 01.01.2016 AS PER NOTIONAL PAY FIXATION FORMULATION | NA | NA at present |
| 16. | REVISED PENSION PAYABLE(HIGHER OF S. NO. 07 AND 13) | 35900 | As on 01.01.2016 |
| 17. | REVISED FAMILY PENSION PAYABLE(HIGHER OF S. NO. 08 AND 14) | 21540 | As on 01.01.2016 |
| 18. | REVISED FAMILY PENSION AT ENHANCED RATE PAYABLE(HIGHER OF S. NO. 09 AND 15) | NA | NA at present. |

EXAMPLES

(Reference Para 15 to PCDA(P) Circular No.164

dated 29/05/2017)

| Sl. No. | DESCRIPTION | CASE-3 | REMARKS |
|---------|---|--|---------------------------------------|
| 1. | DATE OF RETIREMENT | 30.06.1999 | |
| 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 1.1.186 | 4000-6000 (5 th CPC Scale) | |
| 3. | Pay(or Pay Band & G.P.) at the time of retirement OR Notional pay as on 1.1.1986 for those retired before 1.1.186 | 4800 | Last Pay Drawn |
| 4. | PENSION AS ON 1.1.2016 BEFORE REVISION | 5424 | Consolidated as on 01.01.2006 |
| 5. | FAMILY PENSION AS ON 01.01.2016 BEFORE REVISION | 3500 | Consolidated FP as on 01.01.2006 |
| 6. | FAMILY PENSION AT ENHANCED RATE AS ON 01.01.2016 BEFORE REVISION (IF APPLICABLE) | NA | NA at present |
| 7. | REVISED PENSION BY MULTIPLYING PRE-REVISED PENSION BY 2.57 | 13940 | 5424*2.57=13940/- |
| 8. | REVISED FAMILY PENSION BY MULTIPLYING PRE-REVISED FAMILY PENSION BY 2.57 | 9000 | Minimum Family Pension as on 1.1.2016 |
| 9. | REVISED FAMILY PENSION AT ENHANCED RATE BY MULTIPLYING PRE-REVISED FAMILY PENSION BY 2.57 | NA | NA at present |
| 10. | PAY FIXED ON NOTIONAL BASIS ON 1.1.1996 | NA | NA at present |
| 11. | PAY FIXED ON NOTIONAL BASIS ON 01.01.2006 | 11330 (PB-1, GP 2400) | Table S-7 of RPR 2008 |
| 12. | PAY FIXED ON NOTIONAL BASIS ON 01.01.2016 | 29600(Level-4) Sl. No. 6 | As per Pay Matrix of RPR -16 |
| 13. | REVISED PENSION W.E.F . 01.01.2016 AS PER NOTIONAL PAY FIXATION FORMULATION | 14800 | 50% of 29600=14,800/- |
| 14. | REVISED FAMILY PENSION W.E.F 01.01.2016 AS PER NOTIONAL PAY FIXATION FORMULATION | 9000 | Minimum Family Pension |
| 15. | REVISED FAMILY PENSION AT ENHANCED RATE W.E.F 01.01.2016 AS PER NOTIONAL PAY FIXATION FORMULATION | NA | NA at present |
| 16. | REVISED PENSION PAYABLE(HIGHER OF S. NO. 07 AND 13) | 14800 | As on 01.01.2016 |
| 17. | REVISED FAMILY PENSION PAYABLE(HIGHER OF S. NO. 08 AND 14) | 9000 | As on 01.01.2016 |
| 18. | REVISED FAMILY PENSION AT ENHANCED RATE PAYABLE(HIGHER OF S. NO. 09 AND 15) | NA | NA at present |

EXAMPLES

(Reference Para 15 to PCDA(P) Circular No.164

dated 29/05/2017)

| Sl. No. | DESCRIPTION | CASE-3 | REMARKS |
|---------|---|--|-------------------------------|
| 1. | DATE OF RETIREMENT | 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 1.1.186 | 67000-79000 (6 th CPC Scale) | |
| 3. | Pay(or Pay Band & G.P.) at the time of retirement OR Notional pay as on 1.1.1986 for those retired before 1.1.186 | 79000 | Last Pay Drawn |
| 4. | PENSION AS ON 1.1.2016 BEFORE REVISION | 39500 | 50% of 79000= 39,500/- |
| 5. | FAMILY PENSION AS ON 01.01.2016 BEFORE REVISION | 23700 | 30% of 79000=23,700/- |
| 6. | FAMILY PENSION AT ENHANCED RATE AS ON 01.01.2016 BEFORE REVISION (IF APPLICABLE) | 39500 | 50% of 79000-23,700/- |
| 7. | REVISED PENSION BY MULTIPLYIN PRE-REVISED PENSION BY 2.57 | 101515 | 39500*2.57=101515/- |
| 8. | REVISED FAMILY PENSION BY MULTIPLYIN PRE-REVISED FAMILY PENSION BY 2.57 | 60909 | 23700*2.57=60,909/- |
| 9. | REVISED FAMILY PENSION AT ENHANCED RATE BY MULTIPLYIN PRE-REVISED FAMILY PENSION BY 2.57 | 101515 | 39,500*2.57=101515/- |
| 10. | PAY FIXED ON NOTIONAL BASIS ON 1.1.1996 | NA | NA at present |
| 11. | PAY FIXED ON NOTIONAL BASIS ON 01.01.2006 | NA | NA at present |
| 12. | PAY FIXED ON NOTIONAL BASIS ON 01.01.2016 | 205100(Level-15) Sl. No. 5 | As per Pay Matrix of RPR-2016 |
| 13. | REVISED PENSION W.E.F . 01.01.2016 AS PER NOTIONAL PAY FIXATION FORMULATION | 102550 | 50% of 205100= 102550/- |
| 14. | REVISED FAMILY PENSION W.E.F 01.01.2016 AS PER NOTIONAL PAY FIXATION FORMULATION | 61530 | 30% of 205100=61,530/- |
| 15. | REVISED FAMILY PENSION AT ENHANCED RATE W.E.F 01.01.2016 AS PER NOTIONAL PAY FIXATION FORMULATION | 102550 | 50% of 205100=102550/- |
| 16. | REVISED PENSION PAYABLE(HIGHER OF S. NO. 07 AND 13) | 102550 | As on 01.01.2016 |
| 17. | REVISED FAMILY PENSION PAYABLE(HIGHER OF S. NO. 08 AND 14) | 61530 | As on 01.01.2016 |
| 18. | REVISED FAMILY PENSION AT ENHANCED RATE PAYABLE(HIGHER OF S. NO. 09 AND 15) | 102550 | As on 01.01.2016 |

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

3rd Floor, Lok Nayak Bhawan
Khan Market, New Delhi
Dated, the 12th 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 7th Central Pay Commission (7th 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 7th CPC on pensionary matters.

2. Based on the decisions taken by the Government on the recommendations of the 7th 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 6th 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 7th 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 7th 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 5th 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:-

| <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 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

ANNEXURE I

EXAMPLES

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

| S.No | Description | 1 st case | 2 nd Case | 3 rd Case | 4 th 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 | 975-1660 (4 th CPC Scale) | 3000-4500 (4 th CPC Scale) | 4000-6000 (5 th CPC Scale) | 67000-79000 (6 th 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-I, GP 2000) | 27620 (PB-3, GP 6600) | 11330 (PB-I, 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 |