

AKK  
03/10/08

No. 3-11/2004-PW  
ANDAMAN AND NICOBAR ADMINISTRATION  
SECRETARIAT.

Port Blair, dated the 30<sup>th</sup> Sept., 2008.

**ENDORSEMENT**

A copy of the Resolution No. 38/37/08-P&PW(A) dated 29<sup>th</sup> August, 2008 received from the GOI, M/O Perl, PG & Pensions, Deptt. of Pension & Pensioners Welfare, New Delhi is forwarded to the following for their information and necessary action :-

1. All Head of Department/Offices, A&N Administration.
2. The Director of Accounts & Budget, Port Blair
3. All Nationalized Bank
4. All Pay and Accounts Offices.
5. All Sub- PAOs



( V. Hamza)

Assistant Secretary(Perl)

29/9

15	15 वर्ष के बराबर अथवा इससे अधिक किन्तु 20 वर्ष से कम की एक सेवा पूरी करने पर स्वेच्छिक सेवानिवृत्ति चाहने वाले केन्द्र सरकार के सभी सरकारी कर्मचारियों को एक बार, एकमुश्त, 80 माह के अन्तिम आहरित वेतन अथवा औसत वेतन के बराबर सेवानिवृत्ति के लाभ, इनमें से जो भी सेवानिवृत्त होने वाले कर्मचारी के लिए अधिक लाभप्रद है दिए जाएं तथा इसमें सेवा उपदान और मृत्यु-सह-सेवानिवृत्ति उपदान जैसे लाभ, जो सम्मिलित रूप में होंगे, शामिल होंगे।	स्वीकार नहीं की गई
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(6.2.10)

ASCP  
Smt. P.L.  
26/9/08

MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS

(Department of Pension and Pensioners' Welfare)

RESOLUTION

New Delhi, the 29th August, 2008



No. 38/37/08-P&PW (A).— The terms of reference of the Sixth Central Pay Commission as contained in the Ministry of Finance (Department of Expenditure) Resolution No.5/2/2006-E.III(A) dated 5.10.2006, as amended from time to time, inter-alia included: "to examine the principles which should govern the structure of pension, death-cum-retirement gratuity, family pension and other terminal or recurring benefits having financial implications to the present and former Central Government employees appointed before January 1, 2004". The Commission submitted its Report to the Government on the 24<sup>th</sup> March, 2008. Government have considered the recommendations of the Commission on pensionary benefits to Central Government Civil employees, including employees of the Union Territories and Members of the All India Services, contained in Chapters 4, 5 and 6 of the Report of the Commission and have decided that the recommendations shall be broadly accepted subject to certain modifications.

2. The revised pension structure will be effective from 1<sup>st</sup> January, 2008. 40% of the arrears of pension will be paid in cash in the year 2008-09 and the remaining 60% in the year 2009-10.
3. Detailed recommendations of the Commission and the decisions taken thereon by the Government are listed in the statement annexed to this Resolution. The recommendations made by the Commission, which are not included in the Annexure are being examined by the Government and decisions thereon will be taken as early as possible.
4. Government of India wish to express their deep appreciation of the work done by the Commission in dealing with the various complicated issues involved and presenting a valuable Report.

RAJNI RAZDAN, Secy. (Pension & Pensioners' Welfare and AR & PG)

## ANNEXURE

Statement showing the recommendations of the Sixth Central Pay Commission relating to principles which should govern the structure of pension and other terminal benefits - contained in Chapter 4, 5 and 6 of the Report and decisions of Government thereon.

S. No	Recommendation	Decision of Government																		
1	<p>Older pensioners require a better deal because their needs, especially those relating to health, increase with age. Quantum of pension available to the old pensioners should be increased as follows:-</p> <table border="0"> <tr> <td>On attaining age of</td> <td></td> <td>Additional quantum of pension</td> </tr> <tr> <td>80 years</td> <td>-</td> <td>20% of basic pension</td> </tr> <tr> <td>85 years</td> <td>-</td> <td>30% of basic pension</td> </tr> <tr> <td>90 years</td> <td>-</td> <td>40% of basic pension</td> </tr> <tr> <td>95 years</td> <td>-</td> <td>50% of basic pension</td> </tr> <tr> <td>100 years</td> <td>-</td> <td>100% of basic pension</td> </tr> </table> <p>(5.1.32)</p>	On attaining age of		Additional quantum of pension	80 years	-	20% of basic pension	85 years	-	30% of basic pension	90 years	-	40% of basic pension	95 years	-	50% of basic pension	100 years	-	100% of basic pension	Accepted
On attaining age of		Additional quantum of pension																		
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2	<p>Linkage of full pension with 33 years of qualifying service should be dispensed with. Once an employee renders the minimum pensionable service of 20 years, pension should be paid at 50% of the average emoluments received during the past 10 months or the pay last drawn, whichever is more beneficial to the retiring employee. Simultaneously, the extant benefit of adding years of qualifying service for purposes of computing pension/related benefits should be withdrawn as it would no longer be relevant. (5.1.33)</p>	Accepted.																		
3	<p>The recommendation regarding payment of full pension on completion of 20 years of qualifying service will take effect only prospectively for all Government employees other than PBORs in Defence Forces from the date it is accepted by the Government. (6.5.3)</p>	Accepted.																		
4	<p>All future cases of commutation of pension should be considered as per the revised commutation table annexed to the Report which may be revised periodically by the Government keeping in view the interest rates and the mortality table. (5.1.35)</p>	Accepted.																		
5	<p>The revised commutation table will only be used for all future commutations and will not be applied for the past commutations in respect of post 31.12.2005 pensioners who have already commuted their pension, the revised commutation table shall be used only to compute the amount of pension that has become additionally commutable on account of retrospective implementation of the revised pay scales. In case such an option is exercised by the retiree. For all future pensioners, the commutation of pension shall be computed and paid as per the revised commutation table (6.5.3)</p>	Accepted																		

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6	The maximum pecuniary limit of Rs.3.5 lakh on paymer* of gratuity should be raised to Rs.10 lakh. (5.1.37)	Accepted												
7	In case of Government employees dying in harness, family pension may be paid at enhanced rates for a period of 10 years. (5.1.42)	Accepted												
8	The dependency criteria for all purposes should be the minimum family pension along with dearness relief thereon. This should also be followed in cases relating to payment of family pension as well. (5.1.42)	Accepted												
9	<p>In accordance with recommendations for paying higher quantum of pension to very old pensioners, quantum of family pension payable to similarly old family pensioners would also need to be increased. Quantum of pension available to the family pensioners should also be increased on par with that recommended for pensioners as under:-</p> <table border="0" data-bbox="284 619 771 850"> <tr> <td style="padding-right: 20px;">On attaining age of</td> <td>Additional quantum of family pension</td> </tr> <tr> <td>80 years -</td> <td>20% of basic family pension</td> </tr> <tr> <td>85 years -</td> <td>30% of basic family pension</td> </tr> <tr> <td>90 years -</td> <td>40% of basic family pension</td> </tr> <tr> <td>95 years -</td> <td>50% of basic family pension</td> </tr> <tr> <td>100 years-</td> <td>100% of basic family pension</td> </tr> </table> <p style="text-align: right;">(5.1.42)</p>	On attaining age of	Additional quantum of family pension	80 years -	20% of basic family pension	85 years -	30% of basic family pension	90 years -	40% of basic family pension	95 years -	50% of basic family pension	100 years-	100% of basic family pension	Accepted
On attaining age of	Additional quantum of family pension													
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10	In the case of disability pension, for 100% disability where the individual is completely dependent on somebody else for day to day functions, no Constant Attendant Allowance is available under the CCS (Extraordinary) Pension Rules, 1939. Such Constant Attendant Allowance is available in the Defence Forces. A similar allowance needs to be extended in respect of civilian retirees as well because their requirement would be similar. Accordingly, a constant attendant allowance should be introduced, on the lines existing in Defence Forces under the CCS (Extraordinary) Pension Rules, 1939 as well. (5.1.42)	Accepted												
11	The rates of exgratia may be doubled and raised to Rs.10 lakhs in cases of death occurring due to accidents in the course of performance of duty whether attributable to acts of violence by terrorists, anti-social elements etc. or otherwise and to Rs.15 lakhs in cases of death occurring due to enemy action in international war or border skirmishes or action against militants, terrorists, extremists in the border posts or on account of natural disasters, extreme weather conditions while on duty in the specified high altitude, inaccessible border posts, etc. (5.1.45)	Accepted												
12	All past pensioners should be allowed fitment benefit equal to 40% of the pension excluding the effect of merger of 50% dearness allowance/ dearness relief as pension (in respect of pensioners retiring on or after 1/4/2004) and dearness pension (for other pensioners) respectively. The increase will be allowed by subsuming the effect of conversion of 50% of dearness relief/ dearness allowance as dearness pension/dearness pay. Consequently, dearness relief	Accepted with the modification that fixation of pension shall be based on a multiplication factor of 1.86, i.e. basic pension + Dearness Pension (wherever applicable) + dearness relief of 24% as on 1.1.2006, instead of 1.74.												

	at the rate of 74% on pension (excluding the effect of merge.) has been taken for the purposes of computing revised pension as on 1/1/2006. This is consistent with the fitment benefit being allowed in case of the existing employees. The fixation of pension will be subject to the provision that the revised pension, in no case, shall be lower than fifty percent of the sum of the minimum of the pay in the pay band and the grade pay thereon corresponding to the pre-revised pay scale from which the pensioner had retired. (5.1.47)	
13	For purposes of nomination for eligibility to get family pension etc., the term 'Family' is divided into two categories with the relations mentioned in first category having precedence over relations mentioned in the second category. The first category includes sons and unmarried daughters. However, widowed daughters have been placed in the second category. This is discriminatory towards the widowed daughters especially as sons, whether married/ unmarried/ widowers/divorced have been placed in the first category. For purposes of eligibility for Family Pension and other related benefits, the widowed daughters should also be placed in the first category. (5.1.53)	Accepted
14	The childless widow of a deceased Government employee should continue to be paid family pension even after her remarriage subject to the condition that the family pension shall cease once her independent income from all sources becomes equal to or higher than the minimum prescribed family pension in the Central Government. (5.1.55)	Accepted
15	All Central Government employees seeking voluntary retirement on completion of qualifying service equal to or more than 15 years but less than 20 years should be paid one time, lump-sum, retirement benefit equal to 80 months' salary last drawn or average salary, whichever is more beneficial to the retiring employee inclusive of benefits like service gratuity and death-cum-retirement gratuity that shall stand subsumed. (6.2.10)	Not accepted

No. 42/2/2008 P&PW (G)  
Government of India  
Ministry of Personnel, P.G. & Pensions  
Department of Pension & Pensioners' Welfare

3<sup>rd</sup> Floor, Lok Nayak Bhavan,  
Khan Market New Delhi  
12th September, 2008

**OFFICE MEMORANDUM**

**Subject: Recommendation of 6<sup>th</sup> Central Pay Commission - Decision of Government relating to grant of Dearness Relief to Central Government pensioners/ family pensioners - revised rates effective from 1-1-2006, 1-7-2006, 1-1-2007, 1-7-2007, 1-1-2008 and 1-7-2008**

The undersigned is directed to say that consequent upon the decision taken by the Government on the recommendation of 6<sup>th</sup> Central Pay Commission relating to Dearness Relief, the President is pleased to decide that the Dearness Relief admissible to all categories of Central government pensioners/ family pensioners shall be admissible from the dates mentioned below at the rates :-

Date from which payable	Rate of Dearness Relief per mensem
From 1.1.2006	No Dearness Relief
From 1.7.2006	2% of basic pension/ family pension
From 1.1.2007	6% of basic pension/ family pension
From 1.7.2007	9% of basic pension/ family pension
From 1.1.2008	12% of basic pension / family pension
From 1.7.2008	16% of basic pension / family pension

Note: Dearness Relief at the rates indicated in above table will also be admissible on the additional basic pension/additional family pension available to older pensioners/family pensioners based on their age as indicated in this Department's OM No. 38/37/08-P&PW (A) dated 1-9-2008 and 2-9-2008.

2. The payment of Dearness Relief under these orders from the dates indicated above shall be made after adjusting the instalments of enhanced Dearness Relief already sanctioned and paid to Central Government pensioners/family pensioners w.e.f. 1-1-2006 vide OM No. 42/2/2006 P&PW (G) dated 3-4-2006, w.e.f. 1-7-2006 vide OM No. 42/2/2006 P&PW (G) dated 15-9-2006, w.e.f. 1-1-2007 vide OM No. 42/2/2007 P&PW (G) dated 29-3-2007, w.e.f. 1-7-2007 vide OM No. 42/2/2007 P&PW (G) dated 18-9-2007 and w.e.f. 1-1-2008 vide OM No. 42/2/2008 P&PW (G) dated 19-3-2008.

3. These orders apply to (i) All Civilian Central Government Pensioners/Family Pensioners (ii) The Armed Forces Pensioners/ family pensioners, Civilian Pensioners/ family pensioners paid out of the Defence Service Estimates, (iii) All India Service pensioners/ family pensioners (iv) Railway pensioners/ family pensioners and (v) The Burma Civilian pensioners/Family pensioners and pensioners/families of displaced Government pensioners from Pakistan, who are Indian Nationals but receiving pension/ family pension on behalf of Government of Pakistan, who are in receipt of ad-hoc ex-gratia allowance of Rs.1275/- p.m. in terms of this Department's OM No.23/1/97-P&PW(B) dated 23-2-1998.

4. Central Government employees who had drawn lumpsum amount on absorption in a PSU/ Autonomous Body and have become eligible for the restoration of 1/3<sup>rd</sup> commuted

portion of pension as well as revision of the restored amount in terms of this Department's OM No. 4/59/97-P&PV (D) dated 14-7-1998 will also be entitled to the payment of revised rates as per the table given above of Dearness Relief w.e.f. 1.1.2006 on the full pension/ family pension i.e. the revised pension/ family pension which the absorbed employee would have received on the date of restoration had he not drawn lumpsum payment on absorption and Dearness pension subject to fulfillment of the conditions laid down in para 5 of the OM dated 14-7-1998. In this connection instructions contained in this Department's OM No. 4/29/99 P&PW (D) dated 12.7.2000, O.M. No. 4/31/2000-P&PW (D) dated 16.1.2001 and OM No. 4/79/2006-P&PW (D) dated 6.9.2007 and OM No. 4/38/2008 P&PW (D) dated 12.9.2008, refers.

5. The other categories of CPF beneficiaries, their widows and diseased children who are in receipt of ex-gratia payment in terms of this Department's OM No.45/52/97 P&PW (E) dated 16-12-1997 will continue to be governed by the said OM.

6. Payment of DR involving a fraction of a rupee shall be rounded off to the next higher rupee.

7. Other provisions governing grant of DR in respect of employed family pensioners and re-employed Central Government Pensioners will be regulated in accordance with the provisions contained in this Department's OM No. 45/73/97-P&PW (G) dated 2-7-1999. The provisions relating to regulation of DR where pensioner is in receipt of more than one pension will remain unchanged.


8. In the case of retired Supreme Court and High Court Judges necessary orders will be issued by the Department of Justice separately.

9. It will be the responsibility of the pension disbursing authority, including the nationalized banks, etc. to calculate the quantum of DR payable in each individual case.

10. The offices of Accountant General and Authorised Public Sector Banks are requested to arrange payment of relief to pensioner etc. on the basis of above instructions without waiting for any further instructions from the Comptrollers and Auditor General of India and the Reserve Bank of India in view of letter No. 528 -TA, II/34-80-II dated 23-4-1981 of the Comptroller and Auditor General of India addressed to all Accountant Generals and Reserve Bank of India Circular No. GANB No.2958/GA-64 (ii) (CGL)/81 dated the 21<sup>st</sup> May, 1981 addressed to State Bank of India and its subsidiaries and all Nationalised Banks.

11. In their application to the pensioners/family pensioners belonging to Indian Audit and Accounts Department these orders issue in consultation with the C&AG.

12. The issues with the concurrence of Ministry of Finance, Department of Expenditure vide their UO No. 1 (4) EV/2004 dated 9-9-2008.

  
(M.P. Singh)

Director

Tel. No. 24624802

To

All Ministries of Government of India,  
Chief Secretaries and AG of all States/UTs

Please visit <http://permin.gov.in/pension> or [www.pensionersportal.gov.in](http://www.pensionersportal.gov.in) for orders on pension matters including above orders.