

Registered/AD

**Important Circular No.57
No.GI/C/0198/VOL-I/Tech
O/O The pr. C.D.A.(P)
Allahabad.
Date 17 September, 2008**

TO,

**The Treasury Officer
The Post Master-Kathua and Campbell Bay
(Andaman & Nicobar)**

**The Defence Pension Disbursing officer
Pay &Accounts Officer
Military & Air Attaché, Indian Embassy
(Katmandu) Nepal**

**Director of Accounts, Panji, Goa
Financial Secretary, Gangtok, POI, Thimpu**

The Manager (Authorised Banks)

Subject: - Implementation of Govt's decision on the recommendations of the
the
Sixth Central Pay Commission-Revision of Pension of Pre-2006 Pensioners/Family Pensioners etc.

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A copy of GOI, Ministry of P, PG and Pension Dep't. of P&PW OM No. 38/37/08-P&PW(A) dated 1st September, 2008 is enclosed for immediate implementation of Govt's decision on the recommendation of Sixth Central Pay Commission relating to revision of pension of pre 1-1-2006 pensioners/family pensioners w.e.f. 1-1-2006.

2. The following further clarification/instruction are issued for smooth implementation of the Govt. orders on the subject: -

APPLICABILITY

3.1 Para-2.1 of the enclosed Govt. OM provides the extent of applicability of the said Govt. order. It is further clarified that the 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) in respect of Defence Civilians which includes pensioners of Defence Accounts

Department, General Reserve Engineer Force, Coast Guard, Military Nursing Service (Local) and National Cadet Corps Officers.

3.2 As stated in Para 2.2 of the enclosed Govt. orders, nothing contained in the enclosed Govt. order applies to Commissioned Officers and Personnel Below Officer Rank (PBOR) of Armed Forces, as 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 1.1.2006. In other words, cases of retirement/death in service on or after 1.1.2006 are not repeat not covered by these orders.

4.1 **REVISION INVOLVED:-** Pre-2006 pensioners are presently entitled to various elements of pension in addition to Basic Pension/Family Pension. These elements are: -

- (1) Dearness Pension
- (2) Dearness Relief
- (3) Personal pension, where applicable to those who retired between 31-03-1985 and 31-12-1985.

4.2 **CONSOLIDATED PENSION:-**The present orders envisage merger of Basic Pension/ Family Pension, Dearness Pension, where applicable, appropriate dearness relief i.e. 24% of basic Pension/basic Family Pension plus dearness Pension, and fitment Weightage of 40% of the existing Basic Pension/ Basic Family Pension to arrive at new total which will hereafter be treated as Basic Pension/ Basic Family Pension as on 1-1-2006. Where the existing pension includes the effect of merger of 50% of dearness relief w.e.f. 1-4-2004, the existing Pension for the purpose of fitment weightage will be recalculated after excluding the merged dearness relief of 50% from the pension. The consolidation is to be carried out as per Para- 4.1 of the ibid OM.

Few examples of consolidation of Pension/Family Pension are given in the **Appendix** to this circular.

4.3 However, where Personal Pension is in issue, that element shall continue to be paid with the consolidated revised pension under these orders.

5. **PENSION/FAMILY PENSION TO OLD PENSIONERS/F. PENSIONERS:-**

The Pensioners/Family pensioners who have attained the age of 80 Years or more will be entitled to additional quantum of Pension as per Para-4.5 of subject Govt. letter. This may be done by the PDA without any further authorization from this office. However, where the age of pensioner/Family Pensioner is not available in the pension payment

order of the pensioner/family pensioner, the pensioner/family pensioner shall submit application indicating his/her date of birth and present PDA, Bank A/c No. to his Head of Office for issue of revised PPO to the PDA.

- 6.1 **MINIMUM PENSION/FAMILY PENSION:-** Where the consolidated Pension/Family Pension works out to an amount less than Rs. 3500/- the same shall be stepped up to Rs. 3500/- This will be regarded as Basic Pension/Family Pension w.e.f. 1-1-2006.
- 6.2 **PENSIONER IN RECEIPT OF TWO PENSION:** - In the case of pensioners who are in receipt of more than one Pension, the floor ceiling of Rs. 3500/- will apply to the total of all pensions taken together.
- 6.3 **PENSIONER EMPLOYED/REEMPLOYED:-** Some of the re-employed Pensioners are not getting dearness relief on pension at present under the extant orders. In their case the normal Dearness Relief and Dearness Pension, which would have been admissible to them but for their re-employment will be taken into account for consolidation of their Pension, as if they were drawing their Dearness Relief/Dearness Pension. Dearness Relief beyond 1-1-2006 will continue to be not admissible to them during the period of reemployment.
7. **DEARNESS RELIEF:-** It may be noted that the installments of dearness relief already granted w.e.f.1-1-2006, 1-7-2006, 1-1-2007, 1-7-2007 and 1-1-2008 will not repeat not be payable on the revised consolidated Pension/Family Pension. Dearness Relief on consolidated Pension will be admissible at new rates Vide GOI, P&PW OM No.42/2/2008/ P&PW(G) dated 12-09-2008 (copy enclosed) which are as follows:-

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

- 8 **ARREARS OF PENSION:-** The arrears of Pension/Family Pension, as a result of consolidation of Pension, will be worked out by PDAs and credited to their accounts by 30th September 2008 positively and 40% of arrears of pension will be paid to the Pensioners. The remaining 60% will be paid in the year 2009-2010. Instructions regarding release of second installment of arrears will be issued later.
- 9 **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.**

10. **PROCEDURE:-** The Govt. has authorised the Pension Disbursing Authorities including Public Sector Banks to authorize and pay the consolidated Pension/ Family Pension without further authorization from this office at the rates indicated in Annexure-I to the subject order. The following points may specially be kept in view while authorizing disbursement under the captioned order:

- (a) A suitable entry regarding revised consolidated pension/ Family Pension w.e.f. 1-1-2006 should be recorded in the check register/Payment Register/ Pension Payment scroll Register.
- (b) In every case, where consolidation is done by you, intimation to this office in the form given as **Annexure-II** to the Govt. letter will be prepared by you in triplicate; two copies thereof will be sent to this office in covers bearing the following address. in convenient batch(s):-

Shri S.K. Bhatnagar, SAO O/IC Audit Section, O/o The Pr.C.D.A. (P), Draupadi Ghat, Allahabad-211014
- (c) In the form of intimation (**Annexure-II**), PDAs will indicate the revised consolidated amount payable from 1-1-2006 against item 8 (F). This amount will be inclusive of commuted portion of pension, if any. However, for arriving at net payable amount w.e.f. 1-1-2006 commuted portion of pension will be deducted from the consolidated pension as per extant orders.
- (d) Obviously all cases where such consolidation is carried out will be 'change' items and must be reflected as such in the Pension Payment Account in a separate schedule/scroll.

11. 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 this office for advice and further action.



(P.K. RAI)
Dy.C.D.A(P)

Annexure-II
(Defence Civilian)

Form of intimation by the Pension Disbursing Authority to the P.C.D.A. (P) regarding consolidation of Pension in terms of Department of Pension and Pensioners Welfare Office Memorandum No. 38/37/08-P&PW (A)- Part-II dated 1-9-2008.

1. Name of the Pensioner/Family Pensioner
2. PPO No.
3. Date of Birth/age
4. Date of retirement/Death (in case of Family Pension)
5. Savings Bank A/C No.
6. Name of the Bank/Paying Branch
7. Bank Code No.
8. Computation of consolidated pension/family pension
Pension/*Family Pension/*Family Pension (At enhanced rate)

Pension	Amount	Family Pension/Enhanced Family Pension	Family Amount
(A) Existing basic pension (inclusive of Commuted portion) (excluding the effect of merger of 50% of dearness relief)		(A) Existing basic Family Pension /Enhanced family pension (excluding the effect of merger of 50% of dearness relief)	
(B) Dearness Pension		(B) Dearness Pension	
(c) Dearness Relief up to CPI 550 (Base Year 1982=100) i.e. 24% of Family Pension as drawn.		(C) Dearness Relief up to CPI 550 (Base Year 1982=100) i.e. 24% of Family Pension as drawn.	
(D) 40% of the Basic Pension as at (A) above.		(D) 40% of the Basic Family Pension at (A) above.	
(F) Consolidated Pension (A+B+C+D)		(F) Consolidated Family Pension (A+B+C+D)	

9. Whether Consolidated pension/family pension is final or allowed as immediate relief.
10. Remarks, if any.
 1. Additional Pension due to old age/Family Pension Rs.-----PM
 2. Arrears of Pension/Family Pension up to (date)----- (amount)Rs.-----
 3. 1st instalment of Arrears Rs.-----
 4. Arrears (1st instalment) Paid on (date)-----

(* If not applicable draw a line across.)

SIGNATURE OF PENSION DISBURSING AUTHORITY

APPENDIX

Examples of consolidation of Pension/Family Pension

Various Elements of Pension/Family Pension	Example-I	Example-II	Example-III	Example-IV	Example-V
(A) Existing Basic Pension/Family Pension (excluding dearness pension)	1275	1688	6024	12550	12580
(B) Dearness Pension	638	844	3012	6275	6290
(C) Dearness Relief i.e. 24% of sum of Basic Pension/ Basic Family Pension and Dearness Pension.	460	608	2169	4518	4529
(D) 40% of the Basic Pension as at (A) above.	510	676	2410	5020	5032
(E) Consolidated Pension as on 1-1-2006 (A+B+C+D)	2883 (Min-3500/-)	3816	13615	28363	28431

- Note: - 1.** Where the existing Pension as shown at (A) above includes the effect of merger of 50% of dearness relief w.e.f 1-4-2004, the existing pension for the purpose of fitment weightage will be recalculated after excluding the merger dearness relief of 50% from the Pension.
2. Where the consolidated Pension/Family Pension works out to an amount less than Rs. 3500/-, the same is required to be stepped up to Rs. 3500/-.