

PC-VII No. 70/2017
R.B.E. No.: 49/2017

GOVERNMENT OF INDIA (BHARAT SARKAR)
MINISTRY OF RAILWAYS (RAIL MANTRALAYA)
(RAILWAY BOARD)

No. 2016/F(E)III/1(1)/7

New Delhi, Dated : 22.05.2017

The GMs/FA&CAOs,
All Zonal Railways/Production Units,
(As per mailing list)

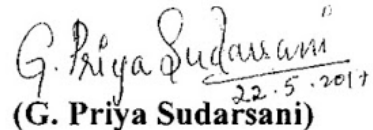
Subject: Implementation of Government's decision on the recommendations of the Seventh Central Pay Commission – Revision of pension of pre-2016 pensioners/family pensioners, etc.

A copy of Department of Pension and Pensioners' Welfare (DOP&PW)'s O.M. No. 38/37/2016-P&PW(A) dated 12th May, 2017 on the above cited subject is enclosed for information and compliance. These instructions shall apply mutatis mutandis on the Railways also. Rule 40 and 41 of CCS (Pension) Rules, 1972, mentioned in DOP&PW's O.M., correspond to Rule 64 and 65 of the Railway Services (Pension) Rules, 1993 respectively.

2. The Railway Board's instructions corresponding to the DOP&PW's instructions referred to in their aforesaid O.M. dated 12.05.2017 (enclosed) are given under:

S.No.	DOP&PW's instructions	Railway Board's corresponding instructions.
1.	O.M. No. 45/86/97-P&PW(A) Part(iii) dated 10.02.1998	Letter No. F(E)III/98/PN1/2 dated 10.03.1998.
2.	O.M. No. 45/73/97-P&PW(G) dated 02.07.1999.	Letter No. F(E)III/99/PN1/21 dated 05.08.1999.
3.	O.M.No.38/37/2016-P&PW(A)(ii) dated 04.08.2016.	Letter No. 2016/F(E)III/1(1)/7 dated 10.08.2016.

3. Please acknowledge receipt.


22.5.2017

(G. Priya Sudarsani)
Joint Director, Finance (Estt.),
Railway Board.

D.A.: One.

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

**GOVERNMENT OF INDIA (BHARAT SARKAR)
MINISTRY OF RAILWAYS/RAIL MANTRALAYA
(RAILWAY BOARD)**

RBE No. 55/1998

No. F(E)III/98/PN 1/2 dated 10-03-1998

Subject :- Implementation of Government's decision on the recommendations of the Fifth Central Pay Commission— Revision of pension of Pre - 1986 pensioners/family pensioners.

A copy of Department of Pension & Pensioners' Welfare's [O.M. No. 45/86/97-P&PW \(A\) - Part III Dated 10.02.1998](#), together with its enclosures, is circulated for information and guidance. These instructions shall apply, mutatis mutandis to Pre - 1.1.1986 Railway family pensioners/ pensioners who were in receipt of (i) Retiring Pension (ii) Superannuation Pension, (iii) Compensation Pension and (iv) Invalid Pension as on 1.1.1996 under Railway Pension Rules.

2. DOP&PW's Resolution No. 45/86/97-P&PW (A) Dated 30.09.1997 referred to in the enclosed O.M. Dated 10.02.1998 was published in 'The Gazette of India' Extraordinary, Part-I, Section-I Dated 30.09.1997. Their [O.M. No. 45/86/97-P&PW \(A\) - Part II Dated 27.10.1997](#) referred to therein was circulated on the Railways vide Board's letter No. [F\(E\)III/97/PN1/23 Dated 7.11.1997](#) (RBE 143/1997)

3. For revision of pension under these orders, each Pre-1986 pensioner/family pensioner has to apply in the prescribed form in duplicate as at Annexure II to his/her pension sanctioning authority within a period of 180 days from the date of issue of these orders of Ministry of Railways.

F.No.45/86/97-P&PW(A)-Part-III
Government of India
Ministry of Personnel, Public Grievances & Pensions
Department of Pension & Pensioners' Welfare
New Delhi-110003

Dated the 10th February, 1998

OFFICE MEMORANDUM

Implementation of Government's decision on the recommendations of the Fifth Central Pay Commission-Revision of pension of pre-1986 pensioners/ family pensioners etc.

1. The undersigned is directed to say that in pursuance of Government's decision on the recommendations of Fifth Central Pay Commission announced in this Department's Resolution No. 45/86/97-P&PW(A) dated 30.9.1997 and in continuation of instructions contained in this Department's [O.M. No. 45/86/97-P&PW\(A\)-Part II dated 27.10.97](#), the

President is now pleased to decide that the pension/family pension of all pre-1986 pensioners/family pensioners who were in receipt of the following types of pension as on 1.1.1996 under Liberalised Pension Rules, 1950, CCS (Pension) Rules 1972 as amended from time to time or the corresponding rules applicable to Railway pensioners and pensioners of All India Services may be revised w.e.f. 1.1.1996 in the manner indicated in the succeeding paragraphs:-

- i. Retiring Pension.
- ii. Superannuation Pension.
- iii. Compensation Pension.
- iv. Invalid Pension.

2. In accordance with the provisions contained in CCS (Pension) Rules, 1972 and the Government's orders issued thereunder, at present pension of all pre-1986 pensioners is based on the average emoluments drawn by them during last completed 10 months immediately preceding the date of retirement and similarly family pension is based on the last pay drawn by the deceased Government servant/pensioner. Government has, inter-alia accepted the recommendation of Fifth Central Pay Commission to the effect that the pension of all the pre-1986 retirees may be updated by notional fixation of their pay as on 1.1.1986 by adopting the same formula as for the serving employees and thereafter for the purpose of consolidation of their pension/family pension as on 1.1.1986, they may be treated alike those who have retired on or after 1.1.1986. Accordingly pay of all those government servants who retired prior to 1.1.1986 and were in receipt of pension as on 1.1.1986 and also in cases of those Central Government employees who died prior to 1.1.1986, in respect of whom family pension was being paid on 1.1.1986, will be fixed on notional basis in the revised scale of pay for the post held by the pensioner as the time of retirement or on the date of death of Government employee, introduced subsequent to retirement/death of Government employee consequent upon promulgation of Revised Pay Rules on implementation of recommendations of successive Pay Commissions or of award of Board of arbitration or judgement of Court or due to general revision of the scale of pay for the as etc. The number of occasions on which pay shall be required to be fixed on notional basis in each individual case would vary and may be required to be revised on several occasions in respect of those employees who retired in the 'fifties and sixties'. In all such cases pay fixed on notional basis on the first occasion shall be treated as 'pay' for the purpose of emoluments for re-fixation of pay in the revised scale of pay on the second occasion and other elements like DA/Adhoc DA/Additional DA, IR etc. based on this notional pay shall be taken into account. In the same manner pay on notional basis shall be fixed on subsequent occasions. The last occasion shall be fixation of pay in the scale introduced on the basis of Fourth Central Pay Commission and made effective from 1.1.1986. While fixation of pay on notional basis on each occasion, 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. However, the benefit of any notional increments admissible in terms of the rules and instructions applicable at the relevant time shall not be extended in any case of re-fixation of pay

on notional basis. The notional pay so arrived as on 1.1.1986 shall be treated as average emoluments for the purpose of calculation of pension and accordingly the pension shall be calculated as on 1.1.1986 as per the pension formula then prescribed. The pension so worked out shall be consolidated as on 1.1.1996 in accordance with the provisions contained in paragraph 4.1 of this Department's [O.M. No. 45/86/97-P&PW\(A\)-Part II dated the 27th October, 1997](#) and shall be treated as basis pension for the purpose of grant of Dearness Relief in future.

3. In the case of family pension, the notional pay as on 1.1.1986 shall be treated as pay last drawn by the deceased Government employee/pensioner and family pension shall be calculated thereon at the rate in force as on 1.1.1986. This family pension shall be consolidated as on 1.1.1996 in accordance with the provisions contained in Para 4.1 of this Department's [O.M. No. 45/86/97-P&PW\(A\)-Part II dated the 27th October, 1997](#).
4. It has been separately decided that w.e.f. 1.1.1996 family pension shall be calculated at a uniform rate of 30% of basic pay in all cases instead of slab system and shall be subject to a minimum of Rs.1275/- and maximum of 30% of the highest pay in the Government. It has also been decided that the benefit of increased rate of family pension introduced w.e.f. 1.1.1996 may also be extended to pre-1996 family pensioners from the same date. Accordingly in case of those pre-1986 pensioners whose family pension has been calculated on notional pay under the slab system, family pension as on 1.1.1996 shall be re-calculated at the rate of 30% of the notional pay as determined on 1.1.1986. The additional family pension becoming due on account of difference between family pension admissible under slab system and at a rate of 30% shall be added to the consolidated family pension worked out in accordance with the provision of Para 3 above. The total of these two amounts i.e. consolidated pension plus additional family pension shall be basic family pension w.e.f. 1.1.1996 and shall be subject to a minimum of Rs. 1275/- and a maximum of 30% of highest pay in the Government as on 1.1.1996. Dearness Relief thereon shall be admissible in accordance with the orders issued from time to time after 1.1.1996. A few examples of calculation of family pension in the manner prescribed above are given in [Annexure I](#) to this O.M.
5. In the case of existing pre-1986 pensioners in whose case the family pension has not come into operation as pensioners are/were alive as on 1.1.1996, while updating their pension on the basis of notional pay as on 1.1.1986, the family pension shall also be revised, consolidated and updated, wherever necessary, in terms of these orders and noted on their Pension Payment Order by the Pension Sanctioning Authority. The updated rates of family pension will apply as and when family pension becomes payable in such cases.
6. No arrears on account of revision of Pension/Family pension on notional fixation of pay will be admissible for the period prior to 1.1.1996.
7. No commutation will be admissible for the additional amount of pension accruing as a result of this revision. The existing commuted portion of pension, if any, would continue to be deducted from the consolidated pension while making monthly disbursement.
8. Notional fixation of pay as on **1.1.1996** ~~##~~{1.1.86} will not effect DCRG entitlement already determined and paid with reference to rules in force at the time of retirement/death of the Government employee.

9. Arrears already paid on account of consolidation of pension/family pension or in continuance of grant of personal pension as an interim measure in the case of pre-1986 pensioners/family pensioners in accordance with the provisions contained in Paras 9.2 & 4.2 of this Department's [O.M. No. 45/86/97-P&PW\(A\)-Part II dated 27.10.1997](#) shall be adjusted by Pension Disbursing Authorities against arrears becoming due on the revision of pension/family pension on the basis of this order.
10. It shall be the responsibility of the Head of the Department and pay and Accounts Office attached to the Office from which the government servant had retired or was working last before his death to revise the pension/family pension of pre-1986 pensioner/family pensioner w.e.f. 1.1.1996 in accordance with these orders and issue a revised Pension Payment Authority.
11. Each pre-1986 pensioner/family pensioner who was in receipt of pension as on 1.1.1996 is required to apply for revision of his/her pension in the prescribed form (in duplicate) as at [Annexure II](#) to his/her Pension Sanctioning Authority viz Ministry, Department, Office etc. **within a period of 180 days from the date of issue of these orders##**{by 30th September, 1998}. Those who fail to submit their application within the stipulated period will be deemed to have opted to continue to draw their existing pension/family pension. However, any delay in submission of application for revision of pension will be condoned only with the approval of Department of Pension & Pensioners Welfare. It will be in the interest of the pensioner to furnish full details available with him/her, which may facilitate fixation of his/her pay on notional basis, in the application submitted by him/her.

Corrected vide Railway Board's letter No. [F\(E\)III/98/PN1/2 dated 1.6.98](#) (RBE 116/98).

12. In cases where the pensioner/family pensioner was alive as on 1.1.1996 and died subsequently, his/her legal heir(s) is/are also entitled to life time arrears w.e.f. 1.1.1996 till the date of death of pensioner/family pensioner. For this purpose legal heir(s) may also apply to Pension Sanctioning Authority.
13. On receipt of application from the pensioner/family pensioner, the Pension Sanctioning Authority will pass on these documents along with one copy of the application after verifying relevant entries to the respective Head of Office within a period of 30 days from the date of the receipt of application under intimation to pensioner/family pensioner. It will be the responsibility of the Pension Sanctioning Authority to impress upon the concerned Head of Office for fixation of pay on notional basis at the earliest and issue revised authority within a period of 90 days from the date of receipt of application form the pensioner/family pensioner. However, the Pension Sanctioning Authority, in no case will ask the pensioner/family pensioner to surrender his/her original PPO for issuing revised authority. His 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. The Pension Disbursing Authority would affix this authority to both halves of PPO. In case a Department/Office has been abolished or merged with another Department, the case of revision of pay would have to be processed by the office in which the parent Department of the retired/deceased government servant has been merged or the office which is keeping the records of the abolished Department/Office.

14. There may be cases where it would be difficult for the Head of Office to determine the revised scale of pay corresponding to pre-revised scale as the scales of pay have been revised from time to time and some of the scales might have become defunct after a particular period of time. In such cases it would be for the Head of Department to decide about equivalence of pre-revised scale with the revised scale after consulting the Integrated Finance Division. However, in cases where it is not feasible to arrive at a conclusion in this regard, the final decision can be taken by the Head of Department in consultation with the Ministry of Finance and DOPT.
15. Revision of pay on notional basis from time to time as indicated in the preceding paragraphs will require locating old records for past periods. As the Ministries, Department and Offices of the Central Government have been re-organised several times during this period, it is likely that the service records of a large number of employees may not be readily available. There is also possibility of the records having been destroyed on expiry of their scheduled retention period. In such cases the pensioner/family pensioner could be asked to produce copies of relevant orders etc. available with him/her indicating the scale of pay of the post held by the Government servant at the time of retirement/death as also qualifying service rendered (in case of pensioner only). However, in such cases the onus of verifying the correctness of the records made available by the pensioner/family pensioner shall be with the administrative authorities. In very rare cases of pre-1973 retirees, if the Head of Department is satisfied and records a certificate to the effect that inspite of all the best efforts of Department including that of contacting the concerned pensioner/family pensioner it had not been possible to revise the pay on notional basis on service records in a particular case due to non-availability of relevant records, the pay of pre-1973 pensioner/deceased Government servant could be fixed out right at the minimum of the revised scale of pay introduced w.e.f. 1.1.1973.
16. Under normal circumstances, pension becomes payable from the date on which a Government servant ceases to be borne on the establishment. As such the length of service could also be calculated taking into account the date of joining Government service and date of retirement of the Government servant as also the other relevant records available.
17. Concerted efforts should be made by all concerned authorities to ensure that pre-1986 pensioners/family pensioners are not put to any harassment or hardship in regard to re-fixation of their pay/pension/family pension.
18. The detailed procedure/guidelines about the action to be taken on the application received from pre-1986 pensioner/family pensioners by the Pension Sanctioning Authorities and other authorities for revising pay and re-computing pension/family pension are contained in the [Annexure III](#) to this O.M.
19. The cases of Central Government employees who have been permanently absorbed in Public Sector Undertakings/Autonomous Bodies will be regulated as follows:-
 - a. 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 absorbs will also be updated in terms of these orders. Cases of the government servants who have drawn one time terminal benefits in lump-sum equal to 100% of their pensions and are entitled

to the restoration of one-third commuted portion of pension as per Supreme Court judgement dated 15.12.1995, shall not, however, be covered by these orders.

b. FAMILY

PENSION

Orders have been issued by the government from time to time in regard to entitlement to family pension in case of those government servants who seek permanent absorption in Public Sector Undertakings/Autonomous bodies. In cases where eligible members of the family of the deceased absorbee were in receipt of/entitled to family pension as on 1.1.1986 in pursuance of the then existing orders their family pension will also be revised in accordance with these orders.

20. These orders are not applicable in case of Armed Forces pensioners but are applicable in the case of Civilian Defence pensioners.
21. 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.
22. 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 Pension Disbursing Authorities are also advised to prominently display these orders on their notice boards for the benefit of the pensioners/family pensioners.

(S LAKSHMINARYANAN)
Additional Secretary (Pension)

ANNEXURE I

EXAMPLES

(Reference Para 4 of OM No.45/86/97-P&PW(A)-Part.III, dated 10th February, 1998.

SNo.	Description	No. 1	No. 2	No. 3
1.	Date of Retirement	31.01.1985	30.06.1976	31.12.1980
2.	Scale of Pay at the time of retirement	1200-1600	1500-2000	500-900
3.	Pay last drawn	1200	2000	500
4.	Pay fixed on notional basis on 1.1.86	3100 (In the scale of 3000-4500)	4575 (In the scale of 3700-5000)	1640 (In the scale of 1640-2900)
5.	Family pension	600	687	450

	admissible on 1.1.1986 at the rate in force on date on notional pay at (iv) above			
6.	Consolidated family pension admissible on 1.1.96 with reference to (v) above in terms of Department of Pension & Pensioners Welfare OM No.45/86/97-P&PW(A)-Part-II dt. 27.10.1997.	1838	2098	1396
7.	Family pension admissible on 1.1.96 @ 30% pay fixed on notional basis as at (iv) above.	930	1373	492
8.	Additional Family Pension admissible on 1.1.1996 = 330 = 686 = 42 (column vii-col.v).	930-600	1373-687	492-450
9.	Total Family Pension admissible on 1.1.1996 = 2168 = 2784 = 1438 (Col.vi+col.viii)	1838+330	2098+686	1396+42

1.	Date of Retirement	31.01.1985	30.06.1976	31.12.1980
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ANNEXURE II

As referred to in Para II of OM No 45/86/97-P&PW(A)-Part-III dt.10th February, 1998.

FORM OF APPLICATION

To,

(PENSION SANCTIONING AUTHORITY)

Subject: Revision of Pension/family pension in the case of pre-1986 pensioners/family pensioners as on 1.1.1996 in terms of Department of Pension & Pensioners' Welfare OM. No.45/86/97- P&PW(A)-Part-III dated 10th February, 1998.

Sir,

Kindly revise my pension/family pension entitlement shown in my PPO (Photo copy enclosed) in terms of the Department of Pension & Pensioners' Welfare Office Memorandum No.45/86/97-P&PW(A)-Part-III dated 10th February, 1998. The requisite particulars are given below:-

1. Name of the Applicant in Block letters and Full Postal Address
2. Type of pension admissible
3. Name of the deceased Government servant/pensioner in case of family pension.*
4. Date of retirement/death of the Government employee.
5. Date from which pension/family pension is being drawn.
6. Pension Payment Order (PPO) No.
7. Office/Department/Ministry in which the pensioner/deceased government servant(Pensioner) served last and the post held by him.
8. The scale of pay of the post last held and the last pay drawn.
9. Name of the Pension Sanctioning Authority i.e. the authority which issued PPO.
10. If any documentary evidence is being attached to facilitate determination of length of qualifying service as also revised scale of pay for the post last held by the pensioners/deceased Government servant or pensioner. If yes, details thereof.

Date:

(SIGNATURE OF PENSIONER/FAMILY PENSIONER)
Particulars at 2,3,5 and 6 verified
SIGNATURE

Rubber Stamp of Pension Sanctioning Authority

* Applicable only in cases where the applicant is a family pensioner.

ANNEXURE-III

GUIDELINES FOR REVISION OF PAY & RE-FIXATION OF PENSION ETC. FOR PRE-1986 PENSIONERS/FAMILY PENSIONERS

I. FOR THE PENSION SANCTIONING AUTHORITIES.

- a. The Pension Sanctioning Authority will accept the application (in duplicate) for the revision of pension/family pension in respect of those pre-1986 pensioners/family pensioners who were in receipt of pension/family pension on 1.1.1996. An acknowledgement in respect of receipt of application with date may be given to the applicant.
- b. The relevant entries in regard to name, type of pension, Pension Payment Order no. and the date from which pension/family pension was sanctioned will be attested by the Pension Sanctioning Authority.
- c. After attestation, one copy of the application with relevant records will be sent to the concerned Head of Office immediately and in any case not later than 30 days from the date of receipt of application.
- d. It will be the responsibility of the Pension Sanctioning Authority to ensure that the revised PPO is issued within 90 days from the date of receipt of application.
- e. The Pension Sanctioning Authority in no case, will ask the pensioner/family pensioner to surrender his/her original PPO for issuing revised authority. This 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 traveled. The Pension Disbursing Authority would affix this authority to both halves of PPO.

II. FOR THE HEAD OF DEPARTMENT/PAO.

For implementation of the decision of fixation of pay on notional basis as on 1.1.1986 of all pre-1986 pensioners/deceased Government employees in respect of whom pension/family pension had been sanctioned, the following factual information will have to be collected in each individual case:-

- a. The date from which pension/family pension was sanctioned.
- b. Post, scale of pay for the post and stage of pay on the date of retirement/death of the Government employee;
- c. Occasions on which the pay of the post held by the pensioner/deceased Government employee in the case of family pension was revised between the period from the date from which pension/family pension was sanctioned till 1.1.1986. Such revision could have taken place due to promulgation of Revised Pay Rules or on implementation of recommendations of four successive Central Pay Commissions, or in implementation of judgement of Court or decision of Board of Arbitration, upward revision of the scale by the Government etc.

- d. The corresponding replacement scale of pay accepted for the pre- revised scale on each occasion.
- e. The standard formula adopted for fixation of pay in the revised scale for the then serving employees on each occasion. Thereafter in each individual case of pre-1986 pension / family pension. the pay of the retired / deceased employee would be fixed successively on notional basis. This implies that on the first occasion, the pay in the revised scale of pay would be fixed on the basis of pay last drawn by the retiree / Government employee before retirement / death as if he was drawing the same pay in the pre-revised scale on the date of new scale of pay. The notional pay so arrived at would be basis of fixation of pay in the revised scale on the second occasion meaning thereby as if he had drawn the same pay during the entire duration till the further revision of the scale of pay. This exercise shall be carried out till the pay is fixed in revised scale of pay effective from 1.1.1986 as notified by the Government in pursuance of recommendations of IVth CPC. It may be noted that in case of fixation of pay on notional basis, the normal benefit of increment beyond the period till the retiree / Government servant was in service shall not be admissible in any case. The notional pay so arrived at as on 1.1.1986 shall be treated as the average emoluments for the purpose of computation of pension and the last pay drawn in the case of family pension. The revised pension as on 1.1.1986 would be calculated by taking into account average emoluments as referred to above but the other constituents of the pensions formula would remain the same as provided under the relevant Pension Rules, i.e. fifty percent of average emoluments after qualifying service of not less than thirty three years and pro-rata less in case of lesser number of years of qualifying service but any case not less than 10 years of qualifying service for which no pension is admissible. The pension so arrived shall not be less than Rs. 375/- and more than Rs.4500/- p.m. Similarly family pension shall be re-calculated on the pay worked out notionally as on 1.1.1986 by applying the same formula as applicable on 1.1.1986. The next step would be to consolidate pension / family pension as on 1.1.1996. The same will be consolidated w.e.f. 1.1.1996 by adding together:
- i. Pension / family pension arrived at on 1.1.1986 on notional fixation of pay.
 - ii. D.R. upto CPI 1510 i.e. @ 148%, 111% and 96% of basic pension admissible vide this Deptt's O.M.No. 45/8/96-P&PW(G) dated 20.3.1996.
 - iii. IR(I) and IR(II)
 - iv. Fitment weightage @ 40% pension / family pension as at (i) above.

In the case of pension, the consolidated amount so worked out will be regarded as consolidated basic pension w.e.f. 1.1.1996 and shall be subject to minimum / maximum ceiling prescribed in this Deptt's O.M.45/86/97-P&PW(A) Part-I dated 27.10.1997. Since this consolidated pension includes D.R. upto average index level 1510, dearness relief will be admissible thereon only beyond index average 1510 in accordance with the orders

contained in this Department's Order No.42/2/97-P&PW(G) dated 27.10.1997. However, it may be specifically indicated that the commuted portion of pension if any, shall continued to be deducted at the prevailing rates.

So far as family pension is concerned, in cases where the family pension as on 1.1.1986 has been calculated on notional pay at a rate of less than 30% of the notional pay. The difference between the family pension worked out at the rate in force on 1.1.1986 i.e. under slab system and that on 1.1.1996 i.e. at the rate of 30% shall be added to the consolidated amount of family pension as worked out on 1.1.1996 in accordance with the provision above. The total of these two amounts i.e. consolidated pension plus additional family pension shall be basic family pension w.e.f. 1.1.1996 and shall be subject to a minimum of Rs.1275 and a maximum of 30% of highest pay in the government on 1.1.1996. DR on this basic family pension beyond 1.1.1996 shall be admissible in the same manner as in the case of pension indicated above.

III. FOR PENSIONERS.

It will be in the interest of the pensioners/family pensioners to furnish full particulars in their application for revision of pension. They should extend their fullest co-operation to the Head of Office by supplying the relevant documents available with them which may facilitate revision of pay/pension/family pension in cases where no past records are available.

If revised pension is less then the amount of consolidated pension, no need for revision vide Railway Board's letter No. [F\(E\)III/98/PN1/2 Dated 2.9.1998](#) (RBE 199/1998)

Pension shall not be less then 50% of the minimum pay in the revised scale vide Railway Board's letter No. [F\(E\)III/98/PN1/29 Dated 15.01.1999](#) (RBE 8/1999)

Suo Moto Revision of Family Pension vide Railway Board's letter No. [F\(E\)III/98/PN1/29 Dated 15.10.1999](#) (RBE 269/1999)

For clarification See also [F\(E\)III/98/PN1/2 dated 30.10.2000](#) (RBE 189/2000).

Clarifications on points of doubt for fixation of pay Vide Railway Board's letter No. [F\(E\)III/98/PN1/2 Dated 12.01.2001](#) (RBE 8/2001)

Revision of Pension of Pre-1986 Retirees where Records are not available vide Railway Board's letter No. [F\(E\)III/99/PN1/33 Dated 30.1.2001](#) (RBE 18/2001)

Further clarification vide letter No. [F\(E\)III/2000/PN1/16 dated 19.4.2002](#) (RBE 50/2002).

**GOVERNMENT OF INDIA (BHARAT SARKAR)
MINISTRY OF RAILWAYS/RAIL MANTRALAYA
(RAILWAY BOARD)**

RBE No. 190/1999

No. F(E)III/99/PN 1/21 dated 05-08-1999

Subject :- Recommendation of the 5th Central Pay Commission - Payment of Dearness Relief to re-employed pensioners and employed family pensioners - decision regarding.

A copy of Department of Pension & Pensioners' Welfare's O.M. No. 45/73/97-P&PW (G) dated 2nd July 1999 is circulated for information and guidance. These instructions shall apply mutatis mutandis on the Railways also.

2. Department of Personnel & Training's O.M. No. 3/1/85-Estt. (Pay-II) dated 31.07.1986 referred to in the DOP&PW's enclosed O.M. dated 02.07.1999 was circulated on the Railways vide Board's letter No. [E\(G\)86 EM 1/8 dated 21.01.1987](#) and Central Civil Services (Pension) Rules, 1972 mentioned therein refer to Railway Services (Pension) Rules, 1993.

Copy of Department of Pension & Pensioners Welfare O.M. No. 45/73/97-P&PW (G), dated 02.07.1999

OFFICE MEMORANDUM

Subject :- Recommendation of the 5th Central Pay Commission - Payment of Dearness Relief to re-employed pensioners and employed family pensioners - decision regarding.

In terms of the existing orders, dearness relief to pensioners and family pensioners is to remain suspended during the period a pensioner/ family pensioner is re-employed/ employed under the Central or State Government or in, a Statutory Corporation/ Company/ Body/ Bank under them in Indian or abroad. These orders are also applicable to pensioners and family pensioners permanently absorbed in a Statutory Corporation/ Company/ Body/ Bank under the Central or State Government.

2. In paragraph, 138.21 of their report, the 5th Central Pay Commission had recommended that dearness relief should be paid to employed family pensioners and re-employed pensioners in cases where their pay is fixed at the minimum of the pay scale of the post of re-employment ignoring the entire pension and that in other cases of re-employment, dearness relief shall be payable on pay plus the non-ignorable portion of pension as was the case at present. The Commission had further recommended in paragraph 141.12 that with a view to maintaining the

original value of the pension, the payment of dearness relief should not be suspended where pay is fixed at the minimum of the pay scale during employment/ re-employment of a family pensioner/pensioner.

3. These recommendations have been considered and accepted by the Government. The President is accordingly pleased to decide as follows :

- a. In so far as re-employed pensioners are concerned, the entire pension admissible is to be ignored at present only in case of those civilian pensioners who held posts below Group 'A' and those ex-servicemen who held posts below the ranks of Commissioned Officers at the time of their retirement. Their pay on re-employment is to be fixed at the minimum of the pay scale of the post in which they are re-employed. Such civilian pensioners will consequently be entitled to dearness relief on their pension in terms of the recommendations of the 5th Central Pay Commission at the rates applicable from time to time.
- b. In terms of the existing orders on the subject, the pay of re-employed pensioners who held Group 'A' post or posts of the ranks of Commissioned Officers at the time of their retirement is to be fixed at present.
 - o at the same stage as last drawn before retirement or, if there is no such stage, at the stage next above the pay last drawn.
 - o at the maximum of the pay scale, if the pay last drawn is more than the maximum of the pay scale of the post in which re-employed.
 - o at the minimum of the pay scale of the post in which re-employed, if it is more than the pay last drawn.

Further, the pay on re-employment is required to be fixed after ignoring only a portion of the pension (Rs.1500) received for the previous employment. In view of the fact that:

- iv. the pension is taken into account in such cases and is not entirely ignored,
 - v. the pay in the post of re-employment is not required to be fixed at the minimum of the scale in all cases; and
 - vi. Dearness Allowance at the rates applicable from time to time is also admissible on the pay fixed in terms of the orders on the subject, these re-employed pensioners will not be entitled, in addition to any dearness relief on their pension.
- c. As regards employed family pensioners, since the family pension received by the eligible dependents of Central Government employees is in any case, not taken into account in determining their pay on employment, dearness relief at the rates applicable from time to time shall be admissible on their family pension.
 - d. While implementing these decisions, orders issued by the Department of Personnel & Training vide O.M. No. 3/1/85-Estt.(Pay II) dated 31.7.86 and as

amended from time to time regarding fixation of pay of re-employed pensioners shall be duly kept in view.

- e. These orders shall be effective from July 18, 1997.

- I. In accordance with the Government's decisions referred to in the preceding paragraph, all family pensioners, in receipt of family pension from the Central Government who were are employed under the Central Government or the State Government or a Corporation/ Company/ Body/ Bank under them in India or abroad shall be eligible to draw dearness relief, at rates applicable from time to time, on the amount of family pension, with effect from July 18, 1997. A certificate may still be necessary to determine dependency. All pension payment authorities, including authorized Public Sector Banks are requested to forthwith release Dearness relief on family pensions in cases where this was withheld on account of the family pensioners concerned being employed, the arrears if any, due with effect from July 18, 1997 shall also be paid.

- II.
 - a. In the case of Central Government pensioners who were/are re-employed under the Central Government or the State Government or a Corporation/ Company/ Body/ Bank including an autonomous organization under them in India or abroad or had/ have been permanently absorbed in such Corporation/ company/ body/ bank or autonomous organization, dearness relief will now be admissible to such of those re-employed pensioners who satisfy the conditions referred to in Para 3(a) above. For this purpose, the Central Government Department concerned, including subordinate organisations, State Government, Corporation/ Company/ Body/ Bank etc. employing a Central Government pensioner shall be required to issue of certificate indicating the following :
 - i. The re-employed pensioner retired from a civil or military post in the Central Government and was holding a post not included in classified as group "A" or a post below the rank of commissioned officer in the armed forces.
 - ii. The entire amount of pension sanctioned by the Central Government was ignored in fixation of the pay on re-employment i.e. no part of the pension was taken into account in such fixation of pay in the pay scale of the post in which the Central Government retired/ retiree officer was re-employed/ absorbed; and
 - iii. The pay of the re-employed/ absorbee was/is fixed at the minimum of the pay scale of the post in which he had/has been initially re-employed after his retirement from the Central Government.
 - b. All Central Government Ministries/ Departments / Organizations shall bring these orders to the notice of all Central Government

pensioners who happened to be re-employed by them as on July 18, 1997 or were/ are re-employed subsequently. In cases such re-employed pensioners satisfy the conditions referred to above, the necessary certificate on the above lines shall be issued after verification from the details referred to in Para 17 of the Central Civil Services (Fixation of pay of re-employed pensioners) Order, 1986 issued vide Department of Personnel & Training O.M. No. 3/1/85-Estt.(Pay II) dated 31.7.86 and as amended from time to time.

- c. The pension Disbursing Authority shall release dearness relief on pension to those re-employed pensioners who submit the certificate referred to above.
- d. In all other cases of re-employed pensioners, no dearness relief shall be admissible on pension during the period of their re-employment. Payment of dearness relief in these cases shall become admissible only with effect from the date they cease to be re-employed.
- e. The pension disbursing authority shall require such a pensioner to produce a certificate of cessation of re-employment from the office in which he had been re-employed.

5. Formal amendment to the Central Civil Services (Pension) Rules,1972, is being issued separately.

6. CPAO may take immediate action to suitably amend the relevant provision of the Scheme for payment of pension to Central Government Civil Pensioners, including the Proforma at Annexure XVII and notify the same to all Public Sector Banks disbursing pension to Central Government Pensioners/ Family Pensioners. A copy of the notification may be endorsed to this department.

7. Necessary orders in respect of re-employed defence pensioners and family pensioners will be issued separately by the Ministry of Defence.

8. Administrative Ministries may bring these orders to the notice of all subordinate organizations. Autonomous bodies and Public Sector Undertakings including Nationalized Banks, Financial Institutions, etc. under them so that the eligible Central Government pensioners re-employed in these organizations do not face any difficulty in obtaining the requisite certificate.

9. This issued with the concurrence of the Ministry of Finance Department of Expenditure.

10. In so far as these orders relate to personnel of the Indian Audit and Accounts Department, these have been issued in consolidation with the Comptroller & Auditor General of India.

Clarification vide Railway Board's letter No. [F\(E\)III/99/PN 1/21 dated 26.4.2000](#) (RBE 78/2000).

**GOVERNMENT OF INDIA (BHARAT SARKAR)
MINISTRY OF RAILWAYS (RAIL MANTRALAYA)
(RAILWAY BOARD)**

No.2016/F(E)III/1(1)/7

New Delhi, Dated: 10.08.2016.

**The GMs/FA&CAOs,
All Zonal Railways/Production Units,
(As per standard mailing list)**

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.

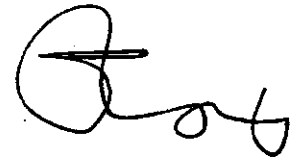
In pursuance of Government's decision on the recommendations of Seventh Central Pay Commission, the Department of Pension & Pensioners' Welfare (DOP&PW), vide their O.M. F.No.38/37/2016-P&PW(A)(ii) dated 4th August, 2016, has issued instructions for revision of pension of pre-2016 pensioners/family pensioners. In terms of para 2.1 of the said O.M., the instructions contained therein apply to all pensioners/family pensioners, who were drawing pension/family pension before 01.01.2016 under the Central Civil Services (Pension) Rules, 1972, Central Civil Services (Extraordinary Pension) Rules and the corresponding rules applicable to Railway pensioners. A pensioner/family pensioner who became entitled to pension/family pension w.e.f. 01.01.2016 consequent on retirement/death of railway servant on 31.12.2015, would also be covered by these orders. The corresponding rules applicable to Railway pensioners/family pensioners are Railway Services (Pension) Rules, 1993 and Railway Services (Extraordinary Pension) Rules, 1993.

2. Compliance of instructions contained in DOP&PW's O.M. ibid may be ensured expeditiously.

3. This letter along with DOP&PW's O.M. dated 4th August, 2016 referred to in para 1 above, has also been uploaded on Railways website: www.indianrailways.gov.in at following location:

Railway Board Directorates → Finance → F(E)III CIRCULARS

4. Please acknowledge receipt.



**(Sanjay Prashar)
Deputy Director, Finance (Estt.)III,
Railway Board.**

D.A.: One.

No. 2016/F(E)III/1(1)/7

New Delhi, Dated : 10.08.2016

Copy to Deputy Comptroller and Auditor General of India (Railways), Room No.224, Rail Bhawan, New Delhi (40 spares).

For Financial Commissioner/Railway.

1. The General Secretary, NFIR, Room No. 256-E, Rail Bhawan, New Delhi (with 35 spares)
2. The General Secretary, AIRF, Room No. 253, Rail Bhawan, New Delhi (with 35 spares)
3. The Members of the National Council, Departmental Council and Secretary Staff Side, National Council, 13-c, Feroze Shah Road, New Delhi (with 60 spares).
4. The Secretary General, FROA, Room No. 256-A, Rail Bhawan, New Delhi (with 5 spares).
5. The Secretary, RBSS, Group "A" Officers Association, Room No. 402, Rail Bhawan.
6. The Secretary, RBSS Group "B" Officers' Association.
7. The General Secretary, RBSSSA, Room No. 439, Rail Bhawan, New Delhi.
8. The Secretary General, IRPOF, Room No. 268, Rail Bhawan, New Delhi (with 5 spares)
9. The Secretary, Railway Board Ministerial Staff Association.
10. The Secretary, Railway Board Class IV Staff Association.
11. The Secretary General, All India RPF Association, Room No. 256-D, Rail Bhawan, New Delhi-110 001. (5 spares)
12. The Secretary, Railway Board Promotee Officers Association, Room No. 341-C, Rail Bhawan, New Delhi.
13. The General Secretary, All India SC/ST Railway Employees Association, Room No. 7, Ground Floor, Rail Bhawan, New Delhi.

for Secretary/Railway Board.

No. 2016/F(E)III/1(1)/7

New Delhi, Dated : 10.08.2016

Copy to:-

PS to MR, EDPG to MR, PS to MoS(S), EDPG to MoS(S) and EDPG to MoS(G).

PSOs/Sr. PPSs/PPSs/PSs to Chairman, Railway Board, Financial Commissioner (Railways), Member Traffic, Member Engineering, Member Staff, Member Rolling Stock, Member Traction, Secretary, DG(RHS), DG(RPF), All Additional Members, Advisers, All Executive Directors, IG/RPSF, JS, JS(G), JS(E), DE(Res) I & II, DE(GC), DE(G), DE(N), DE (Rep), DPC-I, II, DS(D), DS(E), Dir(GA), JD(MPP), JDE(N), JDF(E), JDE(Rep), JDPC-VI, JDE(G), JDE(D&A), JDE(P&A), JDE(Gaz), JDE(W), JDE(GP), JDE(Res), JDE(L), JDE(LR), DDF(E)-I, II, DDE(LR)-I, II, III, DDE(R)-I, II, DDE(D&A), DDE(P&A)-I, II, III, DDE(Rep)-I, US(A), US(E), W.O./Railway Board.

Cash-I, II, III, E(P&A)-I, II, E(G), E(NG)-I, II, PC-VI, V, IV, III, E(Trg), E(MPP), E(LR)-I, II, F(E)-I, II, F(E)Spl, Security(E), Security(ABE), Accounts-III, Accounts (Insp.), ERB-I, II, III, IV, V & D, G(Pass), G(Acc), E(Welfare), E(SCT) I & II, E(O)-I, II, III & III(CC), E(GR)-I, II, E(GP), E(GC), PR, E(D&A), Budget, O&M, Code Revision Cell (with 2 spares), C&IS (with 2 spares)VCs-II, PG, E(Rep)-I, II, III, Railway Board.

Copy to:-

1. The G.M, N.F Railway (Const).
2. The Director General and Ex. officio General Manager, RDSO/Lucknow.
3. The General Manager and FA&CAO, Metro Railway/Kolkata.
4. The Director General, National Academy of Indian Railways (NAIR)/Vadodara.
5. The General Manager and FA&CAO, CORE/Allahabad.
6. The CAO and FA&CAO, COPMOM/New Delhi.
7. The General Manager, Rail Coach Factory/Raebareli Project, Kishanganj, Delhi-7.
8. The Executive Director, CAMTECH/Gwalior-474020
9. The Director, IRICEN/Pune, IRIEEN/Nasik Road, IRIMEE/Jamalpur, IRISET/ Secunderabad.

10. The CMDs, IRCON, IRFC, MRVC, IRCT&TC, CONCOR, RITES, KRCL, RVNL, RAILTEL and the Managing Director, CRIS, IRWO.
11. Office of the Chief Project Administrator (Telecom), Indian Railway Central Organisation for Telecom (IRCOT) Consultancy, Shivaji Bridge/New Delhi.
12. The Director (Movement) Railways/Kolkata.
13. The Joint Director, Mil Rail, Ministry of Defence.
14. The Executive Director, Iron & Steel, 5 Koila Ghat Street/Kolkata.
15. Chief Mining Advisor, Ministry of Railway, Dhanbad, Bihar
16. The Chairman, RCC, Lok Sabha Secretariat/New Delhi.
17. The Chairman, RCT/Delhi.
18. The Chairman, RRT, Chennai.
19. The Chairman, RRB/Ajmer, Ahmedabad, Allahabad, Bangalore, Bhopal, Bhubaneswar, Chandigarh, Chennai, Kolkata, Jammu, Gorakhpur, Guwahati, Malda, Mumbai, Muzaffarpur, Patna, Ranchi, Secunderabad, and Trivandrum.
20. The Editor, "Bharatiya Rail".
21. The Editor, "Indian Railways".
22. The Pay & Accounts Officer, Ministry of Railways(Railway Board)
23. The General Secretary, IRCA/New Delhi.
24. The Chief Commissioner of Railway Safety/Lucknow.
25. The Vice Chairman, Rail Land Development Authority, Near Safdarjung Railway Station, Motibagh-1, New Delhi - 110021. Email: mgrhird@rlda.in
26. The CAO, Indian Railway Organisation for Alternate Fuels, 12th Floor, Core-1, Scope Minar, District Centre, Laxmi Nagar, Delhi-92.
27. Office of the Chief Administrative Officer, Indian Railways (Workshop Projects), Chamber Bhawan, Judge's Court Road, Anta Ghat, Patna-800001, Bihar.

Copy to:-

1. Shri V.K. Sthanunathan, National President, National Federation of Railway Pensioners, 36, Venkatanarayana Road, T. Nagar, Chennai-600 017.
2. Shri K. Gopinath Menon, The Secretary General, National Federation of Railway Pensioners, Kunnathurmedu, Palghat- 678 013.
3. Shri Y.N.Sastry, President, AIRRF, Rly Block-303, Railway Colony High School, Chilkalguda, Secunderabad-500 025.
4. B. Jayajaya Rao, President, All India Retired Railway Officer's Association, 12-13-268 (505)New, Street-2, Lane 9, Tamaka, Secunderabad-500 017.
5. The General Secretary, Railway Pensioners' Council Kiran Kutir, Larkania Tola, Katihar.
6. The General Secretary, All India Federation of Pensioners Association, T.P.M Hall, 22, Kavirai Street, Saidapet West, Chennai-600 015.
7. Shri S.S.Ramachandra, Secretary General, All India Central Committee of Pensioners Association. Flat No.144, New Suryakiran Apartments, Plot No.65, Patparganj, N.Delhi-110092.
8. Shri M.S.Solanki, General Secretary, Central and AIS Pensioners Association, E-1/164, Arena Colony, Bhopal(M.P) 462 016
9. Shri Nirmal Dass Gupta, Vice President, Federation of Central Government Pensioners' Organisation, P-24C, Sagar Manna Road, Kolkata. 700 060
10. Shri B.S Dard, Secretary General, Central Government Pensioners' Association, 1874/2, Sector-64, S.A.S Nagar, Chandigarh 160 061.
11. Shri C.R. Chatwani, Central Government Pensioners' Association, "SHIVANAND", 11/13, Krishna Kunj Society, Chhotunagar-7, Raiya Road, Rajkot 360 001.
12. Secretary General, Bharat Pensioners' Samaj, Post Box 3303, Jangpura Extension, New Delhi-110 014.
13. The Secretary General, National Federation of Railway Pensioners' Organization, 825, Supertech Residency, Sector-5, Plot No. 6A, Ghaziabad-201010.
14. M/s. Bahri Bros., Publishers, Booksellers & Distributors, 742, Lajpat Rai Market, Delhi-110006.
15. The General Secretary, Retired Railway Employees Welfare Association(Regd), 490A/16, Gurudwara Road, Gurgaon.

(Copy to Department of Pension and Pensioners' Welfare (DOP&PW) w.r.t their O.M. No. 38/37/2016-P&PW(A)(ii) dated 04.08.2016)

F.No.38/37/2016-P&PW(A) (ii)
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. 67000-78000:

		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	12800
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).

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4.5 The quantum of 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 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.

ns.

(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

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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