OFFICE MEMORANDUM

Subject:- Revision of 1/3rd commuted portion of pension in respect of Government servants who had drawn lumpsum payment on absorption in Central Public Sector Undertakings/Central Autonomous Bodies -amount of the revised 1/3rd restored pension plus Dearness Pay (DP) & Dearness Relief (DR) on implementation of Government's decision on the recommendations of the Sixth Central Pay Commission to be not less than 1/3rd pre revised restored pension plus admissible DP & DR as already drawn up to 01.09.2008- Regarding.

The undersigned is directed to say that the restorable 1/3rd pension of the Government servants who had drawn lump sum payment in respect of pro-rata pension (1/3rd as well as 2/3rd) on absorption in a PSUs/Autonomous Bodies and have become entitled to restoration of 1/3rd commuted portion of pension as per the provisions of this Department's O.M. No. 34/2/86-P&PW dated 5th March 1987 after 15 years from the date of commutation or 1.4.85, whichever is later, is regulated vide this Department's O.M. Nos. 4/59/97-P&PW(D) dated 14th July 1998, OM No.4/79/2006-P&PW (D) dated 6.9.07 and dated 13.5.08. In pursuance of Government's decision on the recommendations of Sixth Central Pay Commission, instructions have been issued for revision of 1/3rd restorable pension of such absorbces vide Deptt. of Pension & Pensioners Welfare's OM of even No. dated 15th September 2008.

2. The Deptt. of Pension and PW has received representations that implementation of instructions contained in OM dated 15.9.2008 is resulting in drop in the total amount of 1/3rd restored pension plus DR in comparison to total amount of the 1/3rd restored pension plus admissible DP & DR as drawn by pensioners.

3. The President is pleased to decide that such absorbces, whose pre-revised 1/3 restored pension plus admissible DP and DR as on 1.9.2008 works out to be more than the amount of the revised 1/3rd restorable pension plus DR on the implementation of the Government's decision on the recommendations of the Sixth Central Pay Commission in terms of instructions contained in OM dated 15.9.2008, shall continue to draw the pre-revised pension plus DP plus DR admissible in terms of orders existed prior to issue of the OM dated 15.9.2008 till such time the restored amount of revised pension in terms of instruction contained in OM dated 15.9.2008 plus admissible DR works out to be more than the pre revised 1/3rd restorable pension.

4. The Administrative Ministries/ Departments are therefore directed to ensure that wherever the restored amount of the revised pension plus DR of such absorbces, in terms of instructions contained in OM dated 15.9.2008, becomes less than 1/3rd pre revised restored pension plus admissible DP & DR as already drawn, the absorbed employees should be allowed to draw the pensionary benefits admissible to them till such time restored amount of the revised pension in terms of instructions contained in OM dated 15.09.2008 plus admissible DR works out to be more than pre revised 1/3rd restored pension plus admissible DP & DR as on 01.09.2008. Necessary entries in the PPOs to this effect shall be made accordingly.

6. This issues with the concurrence of Ministry of Finance (Department of Expenditure) vide their UO No.106/EV/2009 dated 18.05.2009 and C&AG's U.O.No.30 Audit (Rules)/12-2009 dated 5.5.2009.

7. Hindi version will follow.

To
All Ministries/Departments of the Government of India (As per mailing list)