



**Office of the Accountant General (A&E), Kerala,**

P.B.No.5607, M.G.Road, Thiruvananthapuram-695039,  
Phone: 0471-2330311, Fax: 0471-2330242.

No.P19/II/DRSSA-11/Central/

Dated: 01/05/2017

To

All District/Sub Treasury Officers ✓

Sir,

Sub: Implementation of Government's decisions on the recommendations of the Seventh Central Pay Commission – Revision of pension of pensioners /family pensioners etc. reg.

Copies of orders of Government of India, Ministry of Personnel, Public Grievances and Pensions, Department of Pension & Pensioners Welfare, New Delhi on the subject mentioned above are forwarded herewith for information and necessary action. The same is being placed in the official website of this office ([www.agker.cag.gov.in](http://www.agker.cag.gov.in)). under the link:-“*Treasury endorsement of orders of other states*”. A copy of this letter may be exhibited on the notice board of the treasury.

Yours faithfully,

*ajjamm dewan*  
*21/5/17*  
Sr. Accounts Officer

Copy to:-

The Director of Treasuries  
Thiruvananthapuram

*srd*  
Sr. Accounts Officer

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 4<sup>th</sup> 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

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of implementation of 6<sup>th</sup> 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 6<sup>th</sup> 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 31<sup>st</sup> May, 2015 under the 6<sup>th</sup> CPC regime in the scale of Rs. 67000-79000:

		Amount in Rs.
1.	Basic Pension fixed in 6 <sup>th</sup> CPC	39500
2.	Revised Pension fixed under 7 <sup>th</sup> CPC (using a multiple of 2.57)	101515

Case II

Pensioner 'B' retired at last pay drawn of Rs. 4,000 on 31<sup>st</sup> January, 1989 under the 4<sup>th</sup> CPC regime in the pay scale of Rs. 3000-100-3500-125-4500:

		Amount in Rs.
1.	Basic Pension fixed in 4 <sup>th</sup> CPC	1940
2.	Basic Pension as revised in 6 <sup>th</sup> CPC	12600
3.	Revised Pension fixed under 7 <sup>th</sup> 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.

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**(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 4<sup>th</sup> 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

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 31<sup>st</sup> 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*  
(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

VII th C.P.C (CETL)

Form 1-1-2016

F. No 38/37/2016-P&PW(A)(i)

Government of India

Ministry of Personnel, Public Grievances & Pensions

Department of Pension & Pensioners' Welfare

Lok Nayak Bhawan, New Delhi-110003

Dated the 4<sup>th</sup> August, 2016

OFFICE MEMORANDUM

Sub: Implementation of Government's decision on the recommendation of the Seventh Central Pay Commission - Revision of provisions regulating pension/gratuity/commutation of pension/family pension/disability pension/ex-gratia lump-sum compensation, etc.

The undersigned is directed to state that in pursuance of Government's decision on the recommendation of the Seventh Central Pay Commission, the President is pleased to introduce the following modifications in the rules regulating pension, Retirement/Death/Service Gratuity, Family Pension, disability pension, ex-gratia lump-sum compensation, etc. under the CCS (Pension) Rules, 1972 and Commutation of Pension under CCS (Commutation of Pension) Rules, 1981, CCS (Extraordinary Pension) Rules, 1939, etc.

2. These orders apply to Central Government Employees governed by the CCS (Pension) Rules, 1972. Separate orders will be issued by the Ministry of Defence, Ministry of Railways and the AIS Division of the DOPT in respect of Armed Forces personnel, Railway employees and the officers of All India Services respectively on the basis of these orders.

DATE OF EFFECT

3.1 The revised provisions as per these orders shall apply to Government servants who retire/die in harness on or after 1.1.2016. Separate order have been issued in respect of employees who retired/died before 1.1.2016.

3.2 Where pension/family pension/Gratuity/Commutation of pension, etc has already been sanctioned in cases occurring on or after 1.1.2016, the same shall be revised in terms of these orders. In cases where pension has been finally sanctioned on the pre-revised orders and if it happens to be more beneficial than the pension

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becoming due under these orders, the pension already sanctioned shall not be revised to the disadvantage of the pensioner in view of Rule 70 of the CCS (Pension) Rules, 1972.

## EMOLUMENTS

4.1 The term 'Emoluments' for purposes of calculating various pensionary benefits other than various kinds of Gratuity shall have the same meaning as in Rule 33 of the Central Civil Services (Pension) Rules, 1972.

4.2 Basic pay in the revised pay structure means the pay drawn in the prescribed level in the Pay Matrix with effect from 01.01.2016 but does not include any other type of pay like special pay, etc.

4.3 In the case of all kinds of gratuity, dearness allowance admissible on the date of retirement/death shall continue to be treated as emoluments along with the emoluments as defined in Paragraph 4.1 above.

## PENSION

5.1 Subject to para 5.2, there shall be no change in the provisions regulating the amount of pension as contained in Rule 49 of the CCS(Pension) Rules.

5.2 The amount of pension shall be subject to a minimum of Rs.9000/- and the maximum pension would be 50% of highest pay in the Government (The highest pay in the Govt. is Rs 2,50,000 with effect from 1.1.2016). The provisions of sub-rule (2) of Rule 49 of the CCS (Pension) Rules, 1972 shall stand modified to this extent.

5.3 The quantum of additional 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 Pension Sanctioning Authorities should ensure that the date of birth and the age of a pensioner is invariably indicated in the pension payment order to facilitate payment of additional pension by the Pension Disbursing Authority as soon as it becomes due. 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 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 attaining the age of 85 years will be shown as (i).Basic Pension = Rs.10,000 and (ii) additional pension = Rs.3,000 pm.

#### - Retirement/ Death Gratuity

6.1 The rates for payment of death gratuity shall be revised as under:

Length of qualifying service	Rate of Death Gratuity
Less than One year	2 times of monthly emoluments
One Year or more but less than 5 years	6 times of monthly emoluments
5 years or more but less than 11 years	12 times of monthly emoluments
11 years or more but less than 20 years	20 times of monthly emoluments
20 years or more	Half month's emoluments for every completed six monthly period of qualifying service subject to a maximum of 33 times of emoluments.

Accordingly, Rule 50(1)(b) of CCS (Pension) Rules, 1972 shall stand modified to this extent.

6.2 The maximum limit of Retirement gratuity and death gratuity shall be Rs. 20 lakh. The ceiling on gratuity will increase by 25% whenever the dearness allowance rises by 50% of the basic pay. Accordingly, first proviso under Rule 50(1)(b) of CCS (Pension) Rules, 1972 shall stand modified to this extent.

#### FAMILY PENSION 1964

7.1 Family pension shall be calculated at a uniform rate of 30% of basic pay in the revised pay structure and shall be subject to a minimum of Rs.9000/-p.m. and maximum of 30% of the highest pay in the Government. Rule 54(2) relating to Family Pension, 1964 under CCS (Pension) Rules, 1972 shall stand modified to this extent.

7.2 The amount of enhanced family pension shall be 50% of basic pay in the revised pay structure and shall be subject to a minimum of Rs.9000/-p.m. and maximum of 50% of the highest pay in the Government. (The highest pay in the Govt. is Rs. 2,50,000 with effect from 1.1.2016).

7.3 There will be no other change in the provisions regulating family pension, enhanced family pension and additional family pension to old family pensioners.

## COMMUTATION OF PENSION

8.1 There will be no change in the provisions relating to commutation values, the limit upto which the pension can be commuted or the period after which the commuted pension is to be restored.

9.1 The pension/family pension under para 5 and 7 above shall qualify for dearness relief sanctioned from time to time, in accordance with the relevant rules/instructions.

## FIXED MEDICAL ALLOWANCE

10.1 Fixed Medical Allowance to the pensioners who are residing in non-CGHS areas and are not availing OPD facility of CGHS shall continue to be paid at the existing rate till a final decision is taken on the basis of recommendations of the Committee constituted for the purpose.

## CONSTANT ATTENDANT ALLOWANCE

11.1 The amount of Constant Attendant Allowance to pensioners who retired on disability pension with 100% disability under the CCS (Extraordinary) Pension Rules, 1939, (where the individual is completely dependent on somebody else for day to day functions) shall continue to be paid at the existing rate till a final decision is taken on the basis of recommendations of the Committee constituted for the purpose.

## EX GRATIA LUMP SUM COMPENSATION

12.1 The amount of ex gratia lump sum compensation available to the families of Central Government Civilian employees, who die in the performance of their *bona fide* official duties under various circumstances shall be revised as under:


Circumstances	Amount
Death occurring due to accidents in course of performance of duties	25 lakh
Death in the course of performance of duties attributed to acts of violence by terrorists, anti social elements etc.	25 lakh
Death occurring in border skirmishes and action against militants, terrorists, extremists, sea pirates	35 lakh
Death occurring while on duty in the specified high altitude, unaccessible border posts, etc. on account of natural disasters, extreme weather conditions	35 lakh
Death occurring during enemy action in war or such war like engagements, which are specifically notified by Ministry of Defence and death occurring during evacuation of Indian Nationals from a war-torn zone in foreign country	45 lakh

13.1. Formal amendments to CCS (Pension) Rules, 1972 and CCS (Extraordinary) Pension Rules, 1939 in terms of the decisions contained in this order will be issued in due course. Provisions of the CCS (Pension) Rules 1972, CCS (Extraordinary) Pension Rules, 1939, and CCS(Commutation of Pension) Rules, 1981 which are not specifically modified by these orders, will remain unchanged.

14.1. These orders issue with concurrence of the Ministry of Finance Department of Expenditure vide their U.O. No. 30-1/33(c)/ 2016-IC dated 03.08.2016

15.1. In their application to the employees of the Indian Audit and Accounts Department, these orders issue in consultation with Comptroller and Auditor General of India.

16. 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.

  
(Vandana Sharma)

Joint Secretary to the Government of India

To

1. All Ministries/ Departments of Government of India
2. Principal Director, Office of Comptroller & Auditor General of India, New Delhi
3. Controller General of Accounts, New Delhi
4. CCA, Central Pension Accounting Office, New Delhi.

(TO BE PUBLISHED IN THE GAZETTE OF INDIA (EXTRAORDINARY), PART I, SECTION 1)

GOVERNMENT OF INDIA  
MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS  
(Department of Pension and Pensioners' Welfare)

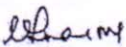
RESOLUTION

New Delhi, the 4<sup>th</sup> August, 2016

No.38/37/2016-P&PW (A) - The Terms of Reference of the Seventh Central Pay Commission as contained in Ministry of Finance (Department of Expenditure) Resolution No.1/1/2013-E.III (A) dated 28.2.2014 included the following:

"To examine the principles which should govern the structure of pension and other retirement benefits, including revision of pension in the case of employees who have retired prior to the date of effect of these recommendations, keeping in view that retirement benefits of all Central Government employees appointed on and after 01.01.2004 are covered by the New Pension Scheme (NPS)."

2. The Commission, on 19<sup>th</sup> November, 2015, submitted its report to the Government on Terms of Reference as contained in aforementioned Resolution dated 28.02.2014. Government, after consideration, has decided to accept the recommendations of the Commission on pensionary benefits to the Central Government civil employees, including employees of the Union Territories and Members of All India Services subject to certain modifications, as specified hereinafter.
3. Detailed recommendations of the Commission relating to pensionary benefits and the decisions taken thereon by the Government are listed in the statement annexed to this Resolution.
4. The revised provisions regarding pensionary benefits, which have been accepted as indicated in the Annexure, will be effective from 01.01.2016.

  
(Vandana Sharma)  
Joint Secretary to the Govt. of India

Annexure

Statement showing the recommendations of the Seventh Central Pay Commission relating to principles which should govern the structure of pension and other terminal benefits and the decisions of the Government thereon.

Item No.	Recommendation	Decision of Government
1.	<p><b><u>Fixed Medical Allowances</u></b></p> <p>The Commission notes that this allowance was enhanced from Rs.300/- p.m. to Rs.500/- p.m. from 19.11.2014. As such, further enhancement of this allowance is not recommended.</p> <p>(Para 8.17.52 of the Report)</p>	<p>To be examined by a Committee comprising Finance Secretary and Secretary (Expenditure) as Chairman and Secretaries of Home Affairs, Defence, Posts, Health &amp; Family Welfare, Personnel &amp; Training and Chairman, Railway Board as Members. Till a final decision is taken based on the recommendations of the Committee, Fixed Medical Allowance shall be paid at existing rates.</p>
2.	<p><b><u>Constant Attendance Allowance.</u></b></p> <p>The allowance may be increased by a factor of 1.5 i.e. to Rs. 6750/- per month. The allowance needs further increase by 25% each time DA rises by 50% .</p> <p>(Para 8.17.29 of the Report)</p>	<p>To be examined by a Committee comprising Finance Secretary and Secretary (Expenditure) as Chairman and Secretaries of Home Affairs, Defence, Posts, Health &amp; Family Welfare, Personnel &amp; 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.</p>
3.	<p><b><u>General Provident Fund</u></b></p> <p>Status quo may be maintained in this respect.</p> <p>(Para 9.4.4 of the Report)</p>	<p>Accepted</p>
4.	<p><b><u>Rates of Pension &amp; Family Pension</u></b></p> <p>The Commission does not recommend any further increase in the rate of Pension and Family Pension from the existing levels.</p> <p>(Para 10.1.25 of the Report)</p>	<p>Accepted</p>

	<p><b><u>Quantum of Minimum Pension</u></b></p> <p>The recommendations of the Commission in relation to pay of a personnel will lead to a significant increase in the minimum from the existing Rs.7,000 per month to Rs.18,000 per month. This, based on computation of pension, will raise minimum pension from the existing Rs.3500 to Rs.9,000. The minimum pension based on the recommendations of the Commission will increase by 2.57 times over the existing level.</p> <p>(Para 10.1.27 of the Report)</p>	Accepted
6.	<p><b><u>Rate of Additional Pension and Family Pension to the older pensioners.</u></b></p> <p>The Commission is of the view that the existing rates of additional pension and additional family pension are appropriate.</p> <p>(Para 10.1.30 of the Report)</p>	Accepted
7.	<p><b><u>Time Period for enhanced family pension.</u></b></p> <p>The Commission notes that the recommendation with regard to period of eligibility of the enhanced family pension of 10 years in case of death of a serving employee was made based on the recommendations of VIth CPC Report. No further change is being recommended by the Commission.</p> <p>(Para 10.1.33 of the Report)</p>	Accepted
8.	<p><b><u>Gratuity ceiling and its indexation.</u></b></p> <p>The Commission recommends enhancement in the ceiling of gratuity from the existing Rs.10 lakh to Rs.20 lakh from 01.01.2016. The Commission further recommends the ceiling on gratuity may increase by 25% whenever DA rises by 50%.</p>	Accepted

9.	<p><b><u>Rationalization of death gratuity</u></b></p> <p>The Commission, after examination of the matter, recommends the following rates for payment of death gratuity:</p> <table border="1" data-bbox="370 880 979 1473"> <thead> <tr> <th data-bbox="370 880 699 936">Length of Service</th> <th data-bbox="699 880 979 936">Rate of Death Gratuity</th> </tr> </thead> <tbody> <tr> <td data-bbox="370 936 699 1003">Less than One year</td> <td data-bbox="699 936 979 1003">2 times of monthly emoluments</td> </tr> <tr> <td data-bbox="370 1003 699 1070">One Year or more but less than 5 years</td> <td data-bbox="699 1003 979 1070">6 times of monthly emoluments</td> </tr> <tr> <td data-bbox="370 1070 699 1137">5 years or more but less than 11 years</td> <td data-bbox="699 1070 979 1137">12 times of monthly emoluments</td> </tr> <tr> <td data-bbox="370 1137 699 1205">11 years or more but less than 20 years</td> <td data-bbox="699 1137 979 1205">20 times of monthly emoluments</td> </tr> <tr> <td data-bbox="370 1205 699 1473">20 years or more</td> <td data-bbox="699 1205 979 1473">Half month of emoluments for every completed six monthly period of qualifying service subject to a maximum of 33 times of emoluments.</td> </tr> </tbody> </table> <p>Para 10.1.41 of the Report)</p>	Length of Service	Rate of Death Gratuity	Less than One year	2 times of monthly emoluments	One Year or more but less than 5 years	6 times of monthly emoluments	5 years or more but less than 11 years	12 times of monthly emoluments	11 years or more but less than 20 years	20 times of monthly emoluments	20 years or more	Half month of emoluments for every completed six monthly period of qualifying service subject to a maximum of 33 times of emoluments.	Accepted
Length of Service	Rate of Death Gratuity													
Less than One year	2 times of monthly emoluments													
One Year or more but less than 5 years	6 times of monthly emoluments													
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11 years or more but less than 20 years	20 times of monthly emoluments													
20 years or more	Half month of emoluments for every completed six monthly period of qualifying service subject to a maximum of 33 times of emoluments.													
10	<p><b><u>Commutation of Pension and restoration of commuted pension</u></b></p> <p>The Commission does not recommend any change either in the maximum percentage of commutation or in the period of restoration.</p> <p>(Para 10.1.43 of the Report)</p>	Accepted												

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Revision of Pension of pre 7<sup>th</sup> CPC retirees

The Commission recommends the following pension formulation for civil employees including CAPF personnel who have retired before 01.01.2016

(i) All the Civilian personnel including CAPF who retired prior to 01.01.2016 (expected date of implementation of the Seventh CPC recommendations) shall first be fixed in the Pay Matrix being recommended by this Commission, on the basis of the Pay Band and Grade Pay at which they retired, at the minimum of the corresponding level in the matrix. This amount shall be raised, to arrive at the notional pay of the retiree, by adding the number of increments he / she had earned in that level while in service, at the rate of three percent. Fifty percent of the total amount so arrived at shall be the revised pension.

(ii) The second calculation to be carried out is as follows. The pension, as had been fixed at the time of implementation of the VI CPC recommendations, shall be multiplied by 2.57 to arrive at an alternate value for the revised pension.

(iii) Pensioners may be given the option of choosing whichever formulation is beneficial to them.

It is recognized that the fixation of pension as per formulation in (i) above may take a little time since the records of each pensioner will have to be checked to ascertain the number of increments earned in the retiring level. It is therefore recommended that in the first instance the revised pension may be calculated as at (ii) above and the same may, be paid as an interim measure. In the event calculation as per (i) above yields a higher amount the difference may be paid subsequently. (Para 10.1.67 and Para 10.1.68 of the Report)

Both the options recommended by the 7<sup>th</sup> Central Pay Commission as regards pension revision be accepted subject to feasibility of the implementation. Revision of pension using the second option based on fitment factor of 2.57 be implemented immediately. The first option may be made applicable if its implementation is found feasible after examination by the Committee comprising Secretary (Pension) as Chairman and Member (Staff), Railway Board, Member (Staff), Department of Posts, Additional Secretary & Financial Adviser, Ministry of Home Affairs and Controller General of Accounts as Members



12

Ex-gratia Lumpsum Compensation

Accepted

The commission recommends a Common regime for payment of ex-gratia lump-sum compensation for civil and defence forces personnel, payable to the next of Kin at the following rates:

Circumstances	Existing	Proposed
Death occurring due to accidents in course of performance of duties	10 lakh	25 lakh
Death in the course of performance of duties attributed to acts of violence by terrorists, anti social elements etc.	10 lakh	25 lakh
Death occurring in border skirmishes and action against militants, terrorists, extremists, sea pirates	15 lakh	35 lakh
Death occurring while on duty in the specified high altitude, unaccessible border posts, on account of natural disasters, extreme weather conditions	15 lakh	35 lakh
Death occurring during enemy action in war or such war like engagements, which are specifically notified by Ministry of Defence and death occurring during evacuation of Indian Nationals from a war-torn zone in foreign country	20 lakh	45 lakh

(Para 10.2.77)

No.14021/4/2016-AIS(II)  
Government of India  
Ministry of Personnel, P.G. and Pension  
Department of Personnel & Training

New Delhi, the 1<sup>st</sup> September, 2016.

To,  
The Chief Secretaries of  
All States/Union Territories.

Sub: Implementation of Government's decision on the recommendation of the Seventh Central Pay Commission- Revision of provisions regulating pension/gratuity/commutation of pension/family pension/disability pension/ex-gratia lump-sum-compensation, etc-reg.

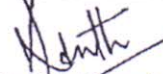
Sir,

I am directed to say that in pursuance of Government's decision on the recommendations of the Seventh Central Pay Commission, the Department of Pension & Pensioners' Welfare by its OM No. 38/37/2016- P&PW (A)(i),(ii) and Resolution dated 4<sup>th</sup> August 2016 (copies enclosed) has issued the necessary detailed order for implementation of Government's decision on the recommendation of the Seventh Central Pay Commission- Revision of provisions regulating pension/gratuity/commutation of pension/family pension/disability pension/ex-gratia lump-sum-compensation etc. under the CCS (Pension) Rules, 1972 and Commutation of Pension under CCS (Commutation of Pension) Rules 1981, CCS (Extraordinary Pension) Rules 1939 etc.

2. The applicability of the provisions of aforesaid Office Memorandums of the Department of Pension & Pensioners Welfare to the members of All India Services has been considered. It has been decided that the provisions contained in the aforesaid Office Memorandum issued by the Department of Pension & Pensioners shall be equally applicable **Mutatis-Mutandis** to members of All India Service governed by the ATS(DCRB) Rules, 1958.

Encl : as above.

Yours faithfully,

  
(Kavitha Padmanaban)  
Deputy Secretary(Services)

Copy to :

- 1- The Ministry of Home Affairs (Joint Secretary – Police)
- 2- The Ministry of Environment & Forests (Joint Secretary, IFS).
3. All Ministries/Departments of Government of India
4. Accountants General of all state Governments
5. NIC, DOPT for putting on website vide path (Home page>Circulars/Reports>Services Division)