

Frequently Asked Questions (FAQs)
(Central Civil Pensioners)

Last updated/Reviewed: 04.11.2013

PENSION POLICY :

A.1 Which rules govern Civil Pension?

Central Civil Services (Pension) Rules, 1972.

A.2 What is the formula for pension revision for pre-2006 pensioner/family pensioner?

In terms of para 4.1 of [OM No.38/37/08-P&PW\(A\) dated 1.9.2008](#), the pension/family pension will be consolidated w.e.f. 1.1.2006 by adding together (i) The existing pension/family pension, (ii) Dearness Pension, where applicable, (iii) Dearness Relief @24% of basic Pension/Basic Family Pension plus dearness pension as admissible vide [OM No.42/2/2006-P&PW\(G\) dated 5.4.2006](#) and (iv) Fitment weightage @40% of the existing pension/family pension. Where the existing pension at (i) includes the effect of merger of 50% of DR w.e.f. 1.4.2004, the existing pension for the purpose of fitment weightage will be re-calculated after excluding the merged DR of 50% from the pension. The amount so arrived at will be regarded as consolidated pension/family pension w.e.f. 1.1.2006. The fixation of pension will be subject to the provision that the revised pension, in no case shall be lower than 50% of the minimum of the pay in the pay band plus the grade pay corresponding to the pre-revised pay scale from which the Govt. servant retired.

A.3 Whether all pre-2006 pensioners/family pensioners would get benefit under Department of Pension and Pensioners' Welfare O.M. NO.38/37/08- P&PW (A) dated 28.1.2013?

In the O.M. dated 28.1.2013, the minimum pension of pre-2006 retirees in

the respective pre-1996/pre-2006 pay scale has been revised with effect from 24.9.2012. This minimum pension shall be applicable in case retirement was after qualifying service of thirty-three years. In case qualifying service was less than thirty-three years, the amount of this minimum pension shall be reduced proportionately. There will be no change in the pension of those pre-2006 pensioners whose pension (as revised with effect from 1.1.2006) is already equal to or more than this minimum limit.

In the case of family pensioner also the minimum family pension as mentioned in Col.10 of the Annexure to the OM dated 28.1.2013 shall be payable if the amount of family pension (w.e.f. 01.01.2006) is equal to or more than this minimum family pension, the same family pension shall continue to be paid

A.4 What happens in case there is no change in pension under OM dated 28.1.2013?

Even where there is no change in pension/family pension as a result of the issue of OM dated 28.1.2013, a revised authority for no change will be issued by the PAOs.

A.5 Who is to be approached for revision of pension/family pension in terms of O.M. dated 28.1.2013.

For revision of pension in terms of orders dated 28.1.2013, in cases where revision has already been done by PAOs consequent to 6th CPC, the revision may be affected at the level of PAOs. A copy of the revised authority may be sent to Head of Department (HOD)/Drawing & Disbursing Officer (DDO) for record. In cases where no revision has been effected, Head of Offices may follow normal procedure for revision of pension/family pension.

A.6 What is the amount of minimum and maximum pension after Sixth CPC?

The pension shall not be less than Rs.3500/- and shall not be more than 50% of the highest pay in Government.

A.7 Is Personal Pension discontinued with effect from 1.1.1996 ?

Yes.

A.8 When can pension be withheld or withdrawn?

Under Rule 8 of CCS (Pension) Rule, Future good conduct is an implied condition of every grant of pension and its continuance under the CCS (Pension) Rules, 1972. The pension or a part thereof can be withheld or withdrawn in such cases where a pensioner is convicted of a serious crime or found guilty of a serious or a grave act of misconduct/negligence after retirement, or during the period of service, including the service rendered upon re-employment after retirement. Under Rule 9, the President reserves the right of withdrawing pension/gratuity in full or in part or for ordering recovery from pension or gratuity or any pecuniary loss caused to the Govt., if, in any departmental/judicial proceedings, if the pensioner is found guilty of grave misconduct/negligence during the period of service, including service rendered upon re-employment after retirement.

A.9 From where can we download the pension /nomination Forms ?

All forms are available at the website of Department of Pension & Pensioners Welfare.

A.10 When can a Government servant apply for voluntary retirement?

Under Rule 48, a Government servant can apply for voluntary retirement after completion of 30 years of qualifying service. Under Rule 48-A, he can apply for VR after completion of qualifying service of 20 years. Under FR 56 (k) he can apply for VR an attaining the age of 50 years (for Gr. A & B) and 55 years (in other cases).

A.11 Whether older pensioners will get higher rate of pension?

Yes, from 1.1.2006, the quantum of pension/family pension available to old pensioners/family pensioners has been increased as follows:-
[O.M.No. 38/37/08- P&PW\(A\) dated 2.9.2008 .](#)

<u>Age of pensioner/family pensioner</u>	<u>Additional quantum of pension</u>
From 80 years to less than 85	20% of revised basic pension/family

years	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

A.12 Is additional pension admissible to old family pensioners?

Yes, the rates related to additional pension as applicable in the case of old pensioners hold good for family pensioners, as well.

A.13 Whether the provision of adding years in qualifying service for computation of pension is still in force?

The benefit of adding years of qualifying service for computation of pension/related benefits has been withdrawn w.e.f. 01.01.2006.

A.14 Whether the provision of adding years in qualifying service has been withdrawn for calculating gratuity also?

Yes, w.e.f. 01.01.2006.

A.15 Whether in the case of pensioners who are in receipt of more than one pension, the floor ceiling of Rs.3500/- will apply to the total of all pensions taken together?

It was clarified in Deptt. of Pension & PW's [OM No.38/38/02-P&PW\(A\) dated 23.4.2003](#) that in respect of civil and military pension, the floor ceiling taking the two pensions together will not apply and the individual pensions will be governed by respective pension rules. These instructions would continue to

apply in the context of revised floor ceiling of Rs.3500/-p.m. Accordingly, the floor ceiling will apply individually in the civil and military pension. In case, a person is in receipt of pension as well as family pension, the floor ceiling of Rs.3500 will apply individually to such pension and family pension.

- A.16 Whether the additional pension/family pension available to old pensioners would be payable from the date of attaining age of 80 years or above or from the first day of the month in which the date of birth falls?

The additional quantum of pension/family pension, on attaining the age of 80 years and above, would be admissible from the 1st day of month in which his date of birth falls. For example, if a pensioner/family pensioner completes age of 80 years in the month of August, 2008, he will be entitled to additional pension/family pension w.e.f. 1.8.2008. Those pensioners/family pensioners whose date of birth is 1st August, will also be entitled to additional pension/family pension w.e.f. 1.8.2008 on attaining the age of 80 years and above.

- A.17 Whether orders dated 28.1.2013 are applicable in the case of those absorbee pensioners who had received 100% lump sum and are in receipt of one-third restored pension?

It has been clarified in the OM dated 3.4.2013 that the notional full pension of the absorbee pensioners would also be stepped up w.e.f 24.9.2012 in accordance with the instructions contained in the aforesaid OM dated 28.1.2013. No arrear of DR and additional pension on notional full pension would be payable for the period prior to 24.9.2012.

QUALIFYING SERVICE

B.1 Does all leave period qualify for pension and gratuity?

All leave for which leave salary is payable qualifies for pension and gratuity. Extraordinary leave (EOL) on medical certificate (MC) also qualifies for pension and gratuity. EOL without MC qualifies only on account of inability to join duty on civil commotion or when granted for a higher scientific & technical study qualifies.

B.2 Is the benefit of counting of past service under Rule 19 available to ex-serviceman re-employed to civil service / post?

An ex-serviceman re-employed to the Civil Post / service on or before 31/12/2003 is covered under the CCS (Pension) Rules, 1972. Therefore the benefit of Rule 19 also becomes automatically available to him. An ex-serviceman re-employed in civil service on or after 1/1/2004 is covered by the New Pension Scheme and is not covered under the CCS (Pension) Rules, 1972. Therefore the benefit of Rule 19 is not available to the ex-serviceman on re-employment on or after 1/1/2004.

B.3 What happens to the past service of a Govt. servant (appointed before 1.1.2004) who resigns to take up, with proper permission, another appointment under the Govt.?

Under Rule 26 (2) "A resignation shall not entail forfeiture of past service if it has been submitted to take up, with proper permission, another appointment, whether temporary or permanent, under the Government where service qualifies". This also applies to a Govt. servant who joined Govt. service before 1/1/2004 and takes up another appointment in the Govt., on or after 1.1.2004.

P.S.U. ABSORBEES

D.1 What are the terms and conditions of Central Govt. employees who are absorbed in Central Public Sector Undertaking /Central Autonomous Bodies ?

The terms and conditions of Central Govt. employees who are absorbed in Central Public Sector Undertaking /Central Autonomous Bodies, are regulated as per the DOPT OM No.28016/5/85-Estt.(C) dated 31.1.86 and DOP&PW OM No.4(12)/85-P&PW dated 13.3.87. The Administrative Ministries/Departments have already been delegated powers to deal with such cases of absorption without obtaining prior concurrences of this Department.

Those absorbed in Central Public Sector Undertaking are eligible for pension and retirement gratuity as admissible under relevant rules.

Those absorbed in the Central Autonomous Bodies having pension scheme are required to exercise an option either

(i) to receive pro-rata retirement benefits or to

(ii) to continue to have the benefits of combined service under the Government and in the autonomous body subject to the condition laid down in the D/o Personnel & AR's OM No.28/10/84-PU dated 29.8.84 and 12.9.85.

Such option should be exercised within 6 months from the date of absorption. In case no option is exercised within stipulated period, he will be eligible for pension based on combined service.

D.2 How is the restored 1/3rd commuted portion of pension in respect of Government servants who had drawn lump sum payment on absorption in Central Public Sector Undertakings/Central Autonomous Bodies required to be revised w.e.f.1.1.2006?

The pension of Central Government pensioners has been revised w.e.f.1.1.2006 vide this Department's OM No.38/37/08-P&PW(A) dated 1.9.2008. Orders for revision of 1/3rd pension of those who had drawn lump-sum payment on absorption were issued vide DOP&PW's OM

No.4/30/2008-P&PW(A) dated 15.9.2008 read with OM dated 27.5.2009. Keeping in view the direction of Hon'ble CAT, Hyderabad Bench orders have been issued vide OM dated 11.7.2013 that 1/3rd restored pension of those Government servants who had drawn lump-sum payment on absorption in PSU/AB and whose 1/3rd pension was restored from a date before 1.1.2006, the pre-revised 1/3rd restored pension will be revised w.e.f.1.1.2006 by multiplying the same by a factor of 2.26, if it is more beneficial than the amount of revised restored 1/3rd pension arrived at in terms of this Department's OM dated 15.9.2008. In the case of those absorbee pensioners in whose case the restoration of 1/3rd pension became due on or after 1.1.2006, the above formulation would apply with reference to notional 1/3rd restorable pension as on 31.12.2005.

Payment of DR and additional pension to old pensioners (of the age of 80 years and above) shall continue to be on full pension as per the instructions issued from time to time. The benefit of revision of restored amount of 1/3rd commuted portion of pension shall be admissible w.e.f.1.1.2006 or from the date the commuted portion of pension is restored, whichever is later

D.3 Is DOP&PW OM No.38/37/08-P&PW(A) dated 28.1.2013 for stepping up of the pension of pre-2006 pensioners w.e.f. 24.9.2012 applicable to Government servants who had drawn lumpsum payment on absorption in Central Public Sector Undertakings/ Central Autonomous Bodies and whose 1/3rd pension has been restored?

It has been clarified in the OM dated 3.4.2013 that the notional full pension of the absorbed pensioners would also be stepped up w.e.f 24.9.2012 in accordance with the instructions contained in the aforesaid OM dated 28.1.2013. No arrear of DR and additional pension on notional full pension would be payable for the period prior to 24.9.2012.

D.4 What is the medical allowance for pensioners?

Fixed medical allowance @ Rs.300/- is granted to each of the pensioners not covered by CGHS, pensioners living in cosmopolitan cities not covered by CGHS dispensary are also eligible on production of a certificate to that effect.

GENERAL

D.5 Whether any Identity Card is issued to Pensioners?

Identity Card to Pensioners is issued by the respective Ministry/Department/Office. The format of Identity Card has been revised vide OM No 41/21/2000-P&PW(D) dated 25.7.2013.

D.6 Is a Pensioners' Identity Card (PIC) required to be issued to those who have been permanently absorbed in PSU/Autonomous Bodies?

No. Instructions issued by this Department cover only the retired/retiring Central Government employees. On permanent absorption in a PSU, the employee severes their connections with the Government and are treated as employees of the PSU in which they are absorbed.

D.7 Who will issue Pensioners' Identity Card to Retired All India Service Officers?

The pensioners' Identity Card is issued by the Department in which the employee last worked. Therefore, in the case of IAS officer retiring while on Central deputation, the Identity Card may be issued by concerned Ministry / Department. In case of officer retiring from State Government, the Identity Card may be issued by the concerned State Government.

D.8 Whether Pensioners' Identity Card can be issued to retired employees covered under NPS.

The concerned Ministries / Departments may issue Pensioners' Identity Card (PIC) to retired NPS employees in the format prescribed under OM No 41/21/2000-P&PW(D) dated 25.7.2013

PENSION PROCEDURE

E.1 What is the meaning of the following terms?

- (a) Pension Disbursing Authority
- (b) Pension Sanctioning Authority
- (c) PPO Issuing Authority

(a) Pension Disbursing Authority :	Bank Branch/Treasury/Post/PAO Office paying your pension
(b) Pension Sanctioning Authority:	The authority who sanctioned your pension before forwarding the case to Accounts.
(c) PPO Issuing Authority:	Generally, the Pay & Account Officer is the PPO issuing authority.

E.2 What should a Government servant do to claim his pension?

During service each Govt. servant should satisfy himself that service is being verified and recorded so in the service book and that there are no gaps in this. He should also ensure that nomination for all payments due to him are current and valid.

Eight months prior to the retirement date, a Government servant is required to furnish certain information (e.g. joint photo with spouse, family details, name of the branch of the authorized bank through which he desires to draw his pension etc.) to his Head of Office in the prescribed Form No. 5. The Head of Office is required to undertake the work of preparation of pension papers in Form No. 7 of two years before the date on which a Government servant is due to retire on superannuation. After complying with the requirements of CCS Pension Rules 59 & 60, the Head of Office has to forward to the Pay & Accounts Officer Form 5 and Form 7 duly completed with a covering letter in Form 8 along with service book of the Government servant duly completed up-to-date and any other documents relied upon for

the verification of service, not later than six months before the date of retirement of the Government servant.

E.3 Who is to authorize the pension?

On receipt of pension papers from Head of Office, the Pay & Accounts Officer concerned will, after applying requisite checks, assess the amount of pension and issue the Pension Payment Order (both halves of Pension Payment Order, i.e. disburser's portion and pensioner's portion) not later than one month in advance of the date of retirement of the Government servant with forwarding authority letter, duly ink-signed and embossed, to Central Pension Accounting Office (CPAO) who in turn will generate on computer a Special Seal Authority on the basis of details given in the Pension Payment Order and authority letter of the Pay & Accounts Officer and forward both halves of PPO with Special Seal Authority to the Central Pension Processing Centre (CPPC) of the concerned authorized Bank. All records will be maintained in the CPPC and the disbursing branch, will make the payments to the pensioner on authorization of payment of pension by the CPPC. The CPPC however is only the back office for processing pensions, all pension related problems/grievances of the pensioners will continue to be handled by the concerned paying branch as before.

E.4 What is to be done in case the pension has not been fixed correctly?

The Pay & Accounts Officer while issuing the pension authorization will forward one copy of the pension calculation sheet (out of three received by him from the Head of Office) as certified by the Head of Office and countersigned by him (Pay & Accounts Officer) to the pensioner along with the intimation of his having sent the pension payment authority/PPO to the CPAO. In case it is found from the pension calculation sheet that pension has been fixed incorrectly, the matter may be taken-up with the Head of Office. PAO concerned, if necessary, will issue an amendment authority letter to Central Pension Accounting Office for onward transmission to the CPPC to carry out necessary amendments in both halves of PPO.

PENSION DISBURSEMENT

E.5 Can a pension account be opened in any branch of any bank?

No, a pension account cannot be opened in any branch of any bank. There is a list of public sector and private sector banks in each State in which a pension account may be opened. For latest information about the list please visit the website of Central Pension Accounting Office, www.cpao.nic.in.

E.6 Is the payment of pension in cash or through a joint account with or without "EITHER or SURVIVOR" facility permitted in the Scheme for Payment of Pension to Central Government Civil Pensioners by Public Sector Banks?

Payment of pension in cash is not permitted in the scheme. However, the pension payment is now permitted to be credited to a joint account operated by the pensioner with his/her spouse (either by 'Former or Survivor' or 'Either or Survivor' basis) in whose favour an authorization exists in the Pension Payment Order, subject to certain terms and conditions.

Paying branch may also credit the amount of pension in his or her joint account operated by pensioner with his/her spouse in whose favour an authorization for family pension exists in the Pension Payment Order (PPO). The joint account of the pensioners with the spouse could be operated either by 'Former or Survivor' or 'Either or Survivor' basis subject to the following conditions :-

(a) Once pension has been credited to a pensioner's bank account, the liability of the Government/Bank ceases. No further liability arises, even if the spouse wrongly draws from the account.

(b) As pension is payable only during the life of a pensioner, his/her death shall be intimated to the bank at the earliest and in any case within one month of the demise, so that the bank does not continue crediting monthly pension to the joint account with the spouse, after the death of the pensioner. If however, any amount has been wrongly credited to the joint account, it shall be recoverable from the joint account and/or any other account held by

the pensioners/spouse either individually or jointly. The legal heirs, successors, executors etc. shall also be liable to refund any amount, which has been wrongly credited to the joint account.

(c) Payment of Arrears of Pension (Nomination) Rules 1983 would continue to be applicable to a joint account with Pensioner's spouse. This implies that if there is an 'accepted nomination' in accordance with Rules 5 and 6 of these Rules, arrears mentioned in the Rules shall be payable to the nominee.

Existing pensioners desiring to get their pension credited to a joint account as indicated above are required to submit an application to the branch bank, from where they are presently drawing pension in the enclosed form that is i.e. Annexure XXIX. This would also be signed by the pensioner's spouse.

E.7 Can a pension account be operated by a holder of Power of Attorney ?

The pension account cannot be allowed to be operated by a holder of Power of Attorney except in case of the account of former President of India/Vice President of India or the spouse of the deceased President/Vice President.

E.8 Can the deduction of Income Tax at source be made from pension payments ?

Yes, the paying branch will be responsible for deduction of Income Tax at source from pension payments in accordance with the rates prescribed from time to time. While deducting such tax from pension payments the paying branch will also allow deduction on account of relief available under Income Tax Act from time to time on production of proper and acceptable evidence of eligible savings by pensioners. The paying branch will also issue the pensioner in April each year a certificate of tax deducted in the form prescribed in the Income Tax Rules

E.9 Can the excess payment, if any, credited to the pensioner's account be recovered by the bank?

Before commencing payment of pension, the paying branch is required to obtain an undertaking in the prescribed form Annexure-XI of the Scheme

from the pensioner. On the strength of this undertaking the excess payment, if any, credited to his/her account can be recovered by the paying branch.

E.10 What is to be done if a pensioner/family pensioner desires to get his pension payment account transferred?

E.10.1 Application for transfer of pensions may fall under the following two categories;

- (i) transfer from one paying branch to another of the same Authorised Bank (AB) within the same station or at a different station;
- (ii) transfer from one AB to another AB

E.10.2 The pensioner/family pensioner may make request falling under both the categories above to either of the Branches. The paying branch will forward the request along with the disburser's part of PPO, where applicable, to its CPPC for necessary action. Before forwarding the disburser's portion of PPO to the new paying branch/CPPC, it will be ensured that the month upto which the payment has been made is invariably indicated in the disburser's portion of PPO. The receiving CPPC on receipt of the pension documents will ensure forwarding the PPO to the paying branch if it is for the same AB or to the concerned CPPC if for a different AB within three days and intimate the facts to the pensioner simultaneously. Necessary intimation of effecting such transfer will be sent to CPAO by the new as well as old CPPCs in the form as at Annexure XXI (page-49 Scheme Booklet) as well as the escroll for keeping a note of change in their records.

(b) The new paying branch will commence the pension payment immediately on receipt of letter of the last payment certificate as above. Simultaneously, it will send an intimation to CPPC with full details of the commencement of the pension.

(c) Pension will be paid for three months on the basis of the photocopy of the pensioner's PPO at transferee (New) branch, from the date of last date of payment made at the transferor (Old) branch. During this time, it will be the joint responsibility of both transferor (old) and transferee (New) bank branches to ensure that all the documents under the procedure, are

received by the CPPC within the period of three months.

E.10.4 To avoid the risk of overpayment at the time of transfer, the following certificate is required to be recorded on the Disburser's portion of PPO by the paying branch of the AB:

Certified that payment of pension has been made up to the month -----
---- and that this PPO consists of -----continuation sheets for recording disbursement."

E.10.5 Except as provided above, the transfer of a pension account from one payment point to another will not ordinarily be permitted.

E.11 What is the procedure for switchover of pension payment from Pay & Accounts Office or treasury to Public Sector Bank ?

E.11.1 The applications for switch-over to authorised banks by the existing pensioners will be made in the Form as given in Annexure IX of Scheme Booklet in duplicate to the Pension Disbursing Authority.

E.11.2 The pensioners should first draw pension which has already fallen due, before applying for transfer of their pension papers to the Authorised Banks.

E.11.3 Transfer applications in duplicate shall be forwarded immediately by the Pension Disbursing Authority along with the disburser's copy of the PPO halves, duly authenticated and written up-to-date to the CPAO for transmission to CPPC of the AB for arranging payment after keeping necessary note in their records. Action will also be taken by Pension Disbursing Authority to update the entries of payment made in the pensioner's portion of the PPOs, if not already done, before the transfer application is sent to the CPAO.

E.11.4 If a PPO (disburser's portion) has got torn or mutilated, it will be renewed by the CPAO with the help of PAO, if necessary, before sending it to the CPPC.

FAMILY PENSION

- E.12 Who is to authorize payment of family pension and death gratuity when a Govt. servant dies while on deputation ?

In the case of a Govt. servant who dies while on deputation to another Central Govt. Deptt., action to authorize family pension and death gratuity in accordance with the provisions of chapter IX of the pension Rules shall be taken by his Head of Office of the borrowing department.

In the case of a Govt. servant who dies while on deputation to a State Govt. or while on Foreign Service, action to authorize the payments of family pension and death gratuity in accordance with the provisions of Chapter IX of the pension Rules shall be taken by the Head of Office or the cadre authority which sanctioned the deputation of the Govt. servant to the State Govt. or to his Foreign Service.

- E.13 When should a family member become eligible for the grant of family pension to get the family pension?

Normally, the amount of family pension is sanctioned and authorized at the same time as pension and indicated in the Pension Payment Order and is to be drawn after the death of the pensioner. In case of Govt. servant dying while in service, the widow or widower has to make a claim in Form 14 to the Head of Office who will sanction and authorize the family pension through its Pay & Accounts Officer. Where the deceased Govt. servant is survived only by a child or children, the guardian (in case of minor and/or mentally disabled child/children) or such child or children may submit a claim in Form 14, along with all relevant information/certificates, to the Head of Office for sanction and authorization of family pension.

In the case of death of a pensioner, the deceased pensioner's wife or a disabled child or dependent parents or a disabled sibling should apply in Form No. 14 along with a copy of the death certificate of the deceased pensioner to the Pension Disbursing Authority. Where the pensioner and spouse held a joint account, Form 14 is not required and the spouse may

inform the Bank of death of the pensioner by way of a simple letter enclosing a copy of death certificate. The paying bank will identify the spouse based on the information given in the PPO and its own "Know Your Customer" procedures. In other cases, i.e., where the pension is not being credited to the joint bank account of the pensioner and his/her spouse, Family is still required however the condition of attestation of Form 14 has been done away with and giving witness of two persons has been considered as sufficient.

The other children will apply to the Head of Office for sanction of family pension.

E.14 Up to which period family pension is payable?

Family pension is payable to one member of the family at a time in the order and for the period as under:

- a) In the case of a widow or widower, up to the date of death or remarriage, whichever is earlier. Family Pension shall continue to be payable to a childless widow after her re-marriage if her income from all other sources is less than the amount of minimum family pension and the dearness relief thereon.
- b) When widow or widower becomes ineligible, children below 25 years of age in the order of their age, up to 25 years of age or till they get married or till they start earning more than the amount of minimum family pension along with dearness allowance thereon.
- c) After (a) & (b) above; for the lifetime to any son/daughter who is suffering from any disorder or disability of mind (including mentally retarded) or physically crippled or disabled and who is unable to earn a living.
- d) If no spouse/children below 25 years of age/disabled children above 25 years of age are eligible for family pension, it may be granted to unmarried/widowed/divorced daughters above the age of 25 years in the order of seniority of their age.
- e) Thereafter, family pension may be paid to the parents who were wholly dependent on the Govt. servant when he/she was alive.
- f) Disabled siblings (i.e. brother and sister) who were dependent on the

Government servant immediately before the death of the Government Servant, for life.

E.15 Is family pension payable to more than one person at a time?

Normally, the family pension is payable to one eligible member at a time. However, in certain specific cases, the family pension is divided among eligible members of the family. The family pension will be paid in equal shares where the deceased Govt. servant or pensioner is survived by –

a) More than one widow (except in the case of Hindu widow or where polygamy/polyandry is not allowed).

b) A widow and an eligible child through another widow which she would have received had she been alive.

c) A widow and an eligible child from a divorced/illegally wedded wife; the child will be entitled to the share of family pension which the mother would have received had she not been divorced/ had she been legally wedded.

d) Twin, triplet or quadruplet children

In all the above cases, on the death of one recipient, his/her share of the family pension shall become payable to other member(s) of family who was/were sharing family pension with him/her.

E.16 How is the family pension payable to twin children?

As in reply to Q. No. E.16

E.17 Is family pension payable to a spouse judicially separated?

Family pension is payable to a spouse judicially separated provided there is no child who is eligible for family pension. But it is not payable to a spouse judicially separated on the ground of adultery and who had been held guilty of committing adultery.

E.18 Whether family pension may be sanctioned to a disabled child/dependent parent/disabled sibling during lifetime of a pensioner who has no wife or any other children.

Yes, family pension in certain cases may be sanctioned to a disabled child/dependent parents/disabled siblings. For further details, please refer to this department OM No. 1/27/2011-P&PW(E), dated 1st July, 2013, available at the website under the Circulars on Family Pension.

E.19 Is the family pension admissible to parents; widowed/divorced/unmarried daughters?

As in reply to Q.E.14

E.20 What is enhanced family pension and for what period it is payable?

Ordinarily, family pension is paid @ 30% of the pay last drawn by the Government at the time of his retirement/death. However, in the following three cases, family pension is payable at the enhanced rate of 50% of the last pay drawn:

a) From 1.1.2006, where a person not governed by the Workmen's Compensation Act dies while in service after rendering not less than seven years continuous service, the rate of family pension shall be equal to 50% of last pay drawn from the date of death of deceased Government Servant, payable for a period of ten years provided that the deceased employee had completed seven years of continuous service.

b) In case a Government servant had died while in service after 1.1.1999 and before 1.1.2006 and his/her family was being granted family pension at enhanced rates, i.e., period of 7 years of enhanced rate had not been completed on 1.1.2006, the family pension will be allowed to be paid till the completion of the period of 10 years from the date of date of the Government servant.

c) In the event of death of Government Servant after retirement, the enhanced family pension shall be payable for a period of seven years or for a period up to the date the deceased would have attained the age of 67 years, whichever is earlier. In no case the amount of family pension exceed the pension authorised on retirement from Government.

After the lapse of the period of 10 or 7 years, as the case may be, the family pension is payable at the ordinary rate.

E.21 Is family pension available to a spouse after remarriage ?

Family pension has now been made available even after remarriage to childless widow of the deceased employee subject to her earnings not exceeding the prescribed minimum family pension with DR. Family pension is not available to a childless widower after his remarriage.

E.22 Whether the period of 10 years for payment of enhanced family pension would also apply in the case of a Government servant who died before 1.1.2006 and in respect of whom the family was receiving enhanced family pension as on 1.1.2006 ?.

Yes. The period of 10 years for payment of enhanced family pension will count from the date of death of the Government servant. These orders will, however, not apply in a case where the period of 7 years for payment of enhanced family pension has already completed as on 1.1.2006.

EXTRAORDINARY PENSION

F.1 How the percentage of disability computed? To whom it is applicable?

The computing of percentage of disability is applicable only for the Government servants retiring under CCS (EOP) Rules. The extent of disability or functional incapacity is determined in the following manner for purposes of computing the disability element forming part of benefits:-

Percentage of disability assessed by Medical Board.	Percentage to be reckoned for computation of disability pension
upto 50%	50%
More than 50 and upto 75%	75%
More than 75 and upto 100%	100%

Provided that the above broad banding shall not be applicable to Government servants who are retained in service.

F.2 Whether the element of disability pension and invalid pension will be combined or treated as separate identity?

The invalid pension is granted under Rule 38 of CCS(Pension) Rules, whereas disability pension is granted under CCS(EOP) Rules. The CCS (COP) Rules provides that if a Government servant is boarded out of service on account of injury attributable to Government service he shall be granted disability pension which includes service element as well as disability element. Invalid pension and disability pension cannot be combined.

F.3 What is the revised quantum of ex-gratia lumpsum compensation to Civilian employees who die in performance of their bonafide official duties?

In modification of Deptt. Of Pension & PW's [OM No.45/55/97-P&PW\(C\) dated 11.9.1998](#) the ex-gratia lumpsum compensation to Civilian employees who die in performance of their bonafide official duties has been revised as under :

(a)	Death occurring due to accidents in course of Performance of duties	Rs.10.00 lakhs
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(b)	Death occurring due to accidents in course of Performance of duties attributable to acts of violence by terrorists, anti-social elements, etc.	Rs.10.00 lakhs
(c)	Death occurring (a) enemy action in international war or border skirmishes and (b) action against militants, terrorists, extremists etc.	Rs.15.00 lakhs
(d)	Death occurring while on duty in specified high altitude, inaccessible border posts, etc. on account of natural disasters, extreme weather conditions.	Rs.15.00 lakhs

F.4 From which date the Constant Attendant Allowance is payable ?

Constant Attendant Allowance is payable from 1.1.2006 and applicable only for officials retiring under EOP(Rules)

F.5 Whether the pensioners who retired on disability pension before 1.1.2006 would also be entitled to Constant Attendant Allowance ?.

Yes, the pensioners who retired on disability pension before 1.1.2006 and fulfilling the conditions mentioned in para 10.1 of [O.M. No. 38/37/08-P&PW\(A\) dated 2.9.2008](#) would also be entitled to Constant Attendant Allowance.

F.6 Whether Dearness Relief will be admissible on Constant Attendant Allowance?

No.

GRATUITY

F.7 When will the gratuity withheld at the time of retirement be released?

The withheld amount of gratuity under sub-rule (5) of CCS(Pension) Rules, 1972, the retiring Government employees, shall be paid immediately on production of "No Demand Certificate" from the Directorate of Estates after actual vacation of the Government accommodation.

The Directorate of Estates shall ensure that "No Demand Certificate" shall be given to the Government employee within a period of fourteen days from the actual date of vacation of the Government accommodation and the allottee shall be entitled to payment of interest (at the rate applicable to General Provident Fund deposit determined from time to time by the Government of India) on the excess withheld amount of gratuity which is required to be refunded., after adjusting the arrears of licence fee and damages, if any, payable by the allottee and the interest shall be payable by the Directorate of Estates through the concerned Accounts Officer of the Government employee from the actual date of vacation of the Government accommodation up to the date of refund of excess withheld amount of gratuity.

F.8 Whether retirement gratuity/death gratuity, commuted value of the pension is taxable?

No. Death gratuity/retirement gratuity and commuted value of the pension are fully exempted from Income tax.

F.9 Is there any ceiling on gratuities and if so what is the maximum amount admissible?

Yes. Ceiling on all gratuities has been raised to Rs. ten lakhs w.e.f 01.01.2006 (earlier the limit was Rs.3.5 lakhs). DA admissible on the date of retirement is also to be added with pay for calculation of gratuity.

F.10 Whether retirement gratuity, death gratuity can be paid by PAO/CPAO?

No. The amount of retirement/death gratuity as determined by the PAO shall

be intimated to the Head of Office who will draw and disburse the amount to the retired Government servant or to the nominee/family as the case may be.

F.11 Whether 10% gratuity or whole of the Gratuity is to be withheld at the time of retirement of all Government Servants?

No. The Administrative Deptt/Accounts Officer shall not withhold any gratuity unless the Head of Office

a) Enclose instructions received from Directorate of Estate for withholding of 10% gratuity for outstanding license fee.

Or

b) Informs of ongoing disciplinary proceedings.

COMMUTATION OF PENSION

G.1 How much of the pension can be commuted?

A pensioner can opt to commute up to 40% of the pension admissible at the time of retirement.

G.2 Is there any limit on commutation of pension?

A Government servant shall be entitled to commute for a lump sum payment up to 40 per cent of his pension.

G.3 Is there any restriction on commutation of pension?

Yes. No Government servant against whom departmental or judicial proceedings as referred to in Rule 9 of the Pension Rules, have been instituted before the date of his retirement or the pensioner against whom such proceedings are instituted after the date of retirement, shall be eligible to commute a fraction of his provisional pension authorised under Rule 69 of the Pension Rules or the pension, as the case may be, during the pendency of such proceedings.

G.4 Whether the family can be given the benefit of 40 per cent commutation if a pensioner dies before exercising option?

In view of Governments clarificatory orders, no such benefit can be given to the family.

G.5 What will be the effective date of reduced pension if,

- a) The applicant is drawing pension from PAO?
- b) The applicant is drawing pension from a branch of Public Sector Bank?
- c) A Government servant who retired on superannuation and commutation applied in Form 1-A of CCS(Commutation of Pension) Rules before the date of retirement and commutation paid through Head of Office within the first month of retirement ?

a) The reduction in the amount of pension on account of the commutation shall be operative from the date of receipt of the commuted value of pension or at the end of three months after issue of authority by the PAO for the payment of commuted value of pension, whichever is earlier. (b) The reduction in the amount of pension on account of commutation shall be operative from the date on which the commuted value of pension is credited by the bank to the applicant's account to which pension is being credited. (c) The reduction in the amount of pension on account of commutation shall be operative from its inception. The commuted value is paid in two stages as such the reduction in the amount of pension shall be made from the respective dates of the payment as per (a) or (b) above, as the case may be.

G.6 How does the period of 15 years for restoration of commuted portion of pension reckon?

The 15-year period for restoration may be reckoned from the date of retirement itself only in case where the payment of commuted value of pension was/is made during the first month of retirement leading to appropriate reduction on account of commutation in the first pension itself. In all other cases, where the commutation of pension led/leads to a reduction in the second or subsequent month, the 15-year period will be reckoned from the date on which reduction in pension became/becomes effective.

G.7 Is any authorization for restoration of commuted portion of pension after 15 years required from PAO/CPAO?

No. Restoration of commuted portion of pension after 15 years (from the date of crediting of commuted value) or as fixed by the Government from time to time is to be made automatically by bank on receipt of application in prescribed proforma from the eligible pensioner. In cases where the date of commutation is not readily available in the PPO, the bank will obtain the information from the concerned PAO who issued the PPO through CPAO before restoring the commuted portion of pension.

G.8 What has the pensioner to do for restoration of commuted portion of pension? From what date is it restored?

Commutated portion of pension is to be restored after 15 years from the date of commutation. This restoration was introduced w.e.f. 1.4.85 i.e. those who completed 15 years on or after 1.4.85, their pension was to be restored. This period of 15 years is to be counted from date of discharge provided commutation was sanctioned simultaneously with service pension in the same PPO.

However, where commutation was sanctioned subsequent to the date of discharge the restoration of commuted portion of pension will be done on completion of 15 years from the date from which the amount of capitalized value is paid or credited to the pensioner's account. Every pensioner has to apply to his PDA (Pension Disbursing authority) through an application after completion of 15 years for restoration of commuted portion of pension.

- G.9 Whether restoration of commuted portion of pension is admissible to those who were absorbed permanently in autonomous bodies/PSUs and have drawn 100% lump-sum payment in lieu of pension?

Yes. Only 1/3rd portion of pension may be restored after 15 years from the date of commutation in terms of O.M. dated 6.9.2007, O.M. dated 15.9.2008 and 11.07.2013. Additional pension applicable to old pensioners (80 years and above) and dearness relief on full pension is also payable

- G.10 What is restoration of pension and when is it due?

Restoration of the fraction of the pension commuted by the pensioners becomes due for restoration after completion of 15 years period from the date of payment of lumpsum value of commutation.

- G.11 What is reduce/residual/residuary pension?

Reduce/residual/residuary pension is the part of pension which is payable after deducting commuted portion of the pension.

- G.12 What would be the age to be used for commutation of additional commutable pension and which factor would be used for such additional commuted value of pension ?

The age reckoned for calculation of commuted value of pension at the time of original application for commutation of pension will apply for calculation of commutation value of additional commutable pension. However, as mentioned in the OM dated 2.9.2008, the commutation factor in the revised Table of Commutation Value for Pension will be used for the commutation of the additional amount of pension that has become commutable on account of retrospective revision of pay/pension.

- G.13 From which date the reduction in pension on account of additional commutation of pension will take effect?

Reduction in pension on account of additional commutation of pension will be in two stages as per the provisions contained in Rule 6 of the CCS(Commutation of Pension) Rules,1981.

- G.14 What will be the date of restoration of additional commutation of pension?

The commuted portion of pension shall be restored after 15 years from the respective dates of commutation as provided in Government of India decision No.1 under the Rule 10 of CCS(Commutation of Pension) Rules,1981. Necessary endorsement should be made on PPO.

- G.15 A person with D.O.B. on first of month retires in the previous month. What will be the value to be taken for calculation from commutation table ?

The commutation of pension become absolute on the date following the date of his retirement. The commutation value taken will be Age on 61st Birthday i.e. 8.194 in the present commutation table

- G.16 If the commuted amount is paid in stages then what will be the date of restoration?

If the payment of commuted value is made in stages, the restoration will also be made in stages from the respective dates of payment.

DEARNESS RELIEF

G.17 What is the extent of neutralization of relief granted to pensioners?

100% neutralization of relief is granted to all pensioners at the same rate like serving employees.

G.18 Is the Dearness Relief payable on original basic pension or on reduced pension after commutation?

The Dearness Relief is payable on original basic pension before commutation.

G.19 Is any authorization from PAO/CPAO required for payment of dearness relief on increased rates to pensioners/family pensioners?

No. Whenever any dearness relief on pension/family pension is sanctioned by Government, an intimation to this effect is sent by the Ministry of Personnel, Public Grievances and Pension (Deptt. of Pension and Pensioners' Welfare) to the authorised representative of each nominated Public Sector Bank. Each Central Pension Processing Centre will be responsible for ensuring that instructions of the Government have been carried out by the paying branches and payment of additional relief at the revised rates to the pensioners has been commenced by them without any undue delay.

G.20 Are the employed family pensioners and the re-employed pensioners entitled to Dearness Relief (DR) on their family pension/pension ?

Yes, w.e.f. 18/07/97 onwards subject to conditions contained in DoP&W O.M. No. 45/73/97-P&PW(G) dated 2nd July, 1999.

NEW PENSION SYSTEM

NPS.1 The CCS(P) Rules are applicable to govt. servants appointed on or before 31.12.2003. Are the employees who joined pensionable establishments of Govt. of India after 31/12/2003 eligible for any benefits under these rules?

In accordance with DoP&PW O.M. No. 38/41/06-P&PW(A) dated 5.5.2009 such employees who joined after 31/12/2003 and/or their families may be given the benefit of disability pension or family pension provisionally till the finalization of rules under the National Pension System (NPS) on death/injury.

NPS.2 What are the guidelines/orders in regard to settlement of dues of the deceased Government employees covered under NPS ?

As per the Department of Pension & PW O.M. No.38/41/06 –P&PW(A) dated 5.5.2009 (available on website) the benefits under the CCS(Pension) Rules has been provisionally extended to the families of deceased employees covered under NPS. Family Pension/gratuity in terms of O.M. dated 5.5.2009 shall be payable to the family of the deceased employee if the deceased employee was covered under NPS and fulfils the conditions. These payments are provisional and will be adjusted as per the final provisions. As per Para 7 of the O.M., the accumulations in pension wealth of deceased employee under NPS will not be paid during the period provisional benefits under the aforementioned O.M. are payable. The Head of Office will prepare the pension papers as per provisions of the relevant rules and proceed as per the procedure for making the provisional payments to eligible Government servants' families explained in Ministry of Finance O.M. No.1(7)/DCPS(NPS)/2009/TA/221 dated 2.7.2009 read with corrigendum dated 29.9.2009.

NPS.3 What are the guidelines/orders in regard to settlement of dues of the deceased Government employees covered under NPS?

As per the Department of pension & PW O.M. No. 38/41/06-P&PW(A) dated 5.5.2009 (available on website) the benefits under the CCS(Pension) Rules

has been provisionally extended to the families of deceased employees covered under NPS.

Family Pension/gratuity in terms of O.M. dated 5.5.2009 shall be payable to the family of the deceased employee if the deceased employee was covered under NPS and fulfils the conditions. These payments are provisional and will be adjusted as per the final provisions. As per Para 7 of the O.M. the accumulations in pension wealth of deceased employee under NPS will not be paid during the period provisional benefits under the aforementioned O.M. are payable.

The Head of Office will prepare the pension papers as per provisions of the relevant rules and proceed as per the procedure for making the provisional payment to eligible Government servants' families explained in Ministry of Finance O.M. No. 1(7)/DCPS(NPS)/2009/TA/221 dated 2.7.2009 read with corrigendum dated 29.9.2009.