

No.4/30/2010-P&PW(D)

Government of India

Ministry of Personnel, Public Grievances & Pensions

Department of Pension and Pensioners Welfare

Lok Nayak Bhavan, Khan Market,  
New Delhi-110003,

Dated the 28<sup>th</sup> October, 2013

**OFFICE MEMORANDUM**

Sub: Revision of 1/3<sup>rd</sup> commuted pension portion of pension in respect of Government servants who had drawn lump sum payment on absorption in Central Public Sector Undertakings/Central Autonomous Bodies-Implements of Government's decision on the recommendations of the 6<sup>th</sup> Central Pay Commission.

The undersigned is directed to say that orders have been issued vide this Department's OM of even number dated 11.7.2013 for revision of 1/3<sup>rd</sup> restored pension of absorbess w.e.f. 1.1.2006 by multiplying pre-revised 1/3<sup>rd</sup> pension by a factor of 2.26, if it is more beneficial than the revised 1/3<sup>rd</sup> restored pension as per this Department's O.M. No.4/38/2008-P&PW(D) dated 15.9.2008. These orders have been issued in compliance of the order dated 27.9.2011 of the CAT Hyderabad Bench in OA No.710/2010 read with their order dated 22.4.2013 in C.P. 26/2012.

2. Representations have been received from the absorbess pensioners, who had taken lump-sum payment in lieu of 100% pro-rata pension on absorption, that the benefit allowed to the absorbess pensioners in terms of O.M. dated 11.7.2013 is not adequate. These representations have been examined in this Department. The main thrust of these representation is that the 1/3<sup>rd</sup> restored pension may be revised w.e.f. 1.1.2006 by adding dearness pension and dearness relief as on 1.1.2006 alongwith 40% fitment benefit to the pre-revised 1/3<sup>rd</sup> restored pension.

3. The matter has been examined in this Department. The instructions for revision of 1/3<sup>rd</sup> pension were issued by this Department's O.M. no.4/38/2008-P&PW(D) dated 15.9.2008, keeping in view the formula laid down by Hon'ble High Court of Andhra Pradesh in its judgment dated 24.12.2003 which was accepted in Supreme Court judgment dated 29.11.2006 and 24.7.2007. Hon'ble CAT, Hyderabad Bench in its order dated 27.9.2011 in OA 710/2010 inter-alia observed that the O.M. dated 15.9.2008 was legally sustainable. However, the Hon'ble CAT directed to pass an order so as to equalize the revised 1/3<sup>rd</sup> restored pension of absorbess with the revised pension of other Central Government pensioners.

4. Keeping in view the above direction of Hon'ble CAT, Hyderabad Bench, which was upheld by High Court of Andhra Pradesh and Supreme Court, orders were issued vide this Department's O.M. of even number dated 11.7.2013 to revise 1/3<sup>rd</sup> restored pension of absorbess pensioners to 2.26

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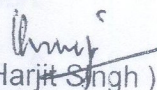


times of the pre-revised 1/3<sup>rd</sup> restored pension. This is explained by the following example:

| Pre-2006 full pension | Pre-2006 1/3 <sup>rd</sup> restored pension | Revised full pension (for DR, etc.) | Revised 1/3 <sup>rd</sup> restored pension in terms of OM dated 15.9.2008 | Revised 1/3 <sup>rd</sup> restored pension in terms of OM dated 11.7.2013 |
|-----------------------|---|-------------------------------------|---|---|
| 4073                  | 3173  | 9207                                | 6492  | 7173  |

The above formula for revision of 1/3<sup>rd</sup> pension is also in conformity with the demand made by the staff side in the meeting of National Council (JCM) held on 6.11.2012.

5. In view of the above position, no further change in the 1/3<sup>rd</sup> restored pension of the absorbee pensioners (who had drawn lump-sum payment of absorption in Central Public Undertaking/Central Autonomous Body) is required to be made. All the representations made by the absorbee pensioners and their Associations in this regard stand disposed off accordingly. All Ministries/All Departments are requested to inform the above position to the absorbee pensioners.

  
(Harjit Singh)

Deputy Secretary to the Government of India

Tel :24624752

To,

1. All Ministries/ All Departments.
2. All Pensioners Associations as per list.

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