GOVERNMENT OF ORISSA FINANCE DEPARTMENT

No.Pen-181/08 - 3 6 5 3 /F., Dated 19th January 2009

RESOLUTION

Sub:- Revision of Pension / Family Pension, Gratuity and Commutation of pension of Post-2006 Pensioners / Family Pensioners.

In pursuance of the recommendation of the 6th Central Pay Commission, Government of India have revised the pension / family pension / gratuity / commutation of pension etc. for Central Government employees in OM No-38/37/08-P & P.W (A), dated 2nd September, 2008 of Ministry of Personnel Public Grievance and Pensions (Department of Pension and Pensioners Welfare). Keeping in view the revisions made by Government of India, the State Government appointed a Fitment Committee in Finance Department Resolution No. CS-I (P) - 15/2008 - 41279/F, dated 9th September, 2008 to examine and recommend revision of retrial benefits to the State Government employees apart from other things. Having regard to the recommendations of the Fitment Committee, the State Government have been pleased revised the Pension / Family Pension w.e.f. 01.01.2006 and Gratuity and Commutation of Pension w.e.f. 01.12.2008 in the manner indicated in the subsequent paragraphs.

2. <u>Pension:-</u>

(1) A Government Servant retiring in accordance with the provisions of O.C.S (pension) Rules, 1992 and before completion of the minimum qualifying service of ten years shall not be entitled to pension, but he shall continue to be entitled to service gratuity in terms of Rule 47(5) of the said Rules.

Qualifying service of **33 years** was required as per Rule 47(2) (a) & (b) of O.C.S (pension) Rules, 1992 and for sanction of full pension. Government have been pleased to decide that the Government servants who have rendered the minimum qualifying service of **25 years** would now be entitled for pension at the rate of 50% of the last emolument (basic pay + grade pay) drawn by him on the date of his retirement.

In case of Government servants retiring before completion of 25 years of qualifying service, but after completion of 10 years, the amount of pension shall be proportionate to the amount of pension admissible under clause (b) of subrule (2) of Rule 47 of O.C.S (pension) Rules, 1992 and in no case the amount of pension shall be less than the minimum amount of pension admissible now fixed at Rs.3,500/-.

- (3) The revised provisions for calculation of pension in para 2(2) above shall come into force w.e.f 01.12.2008 and shall be applicable to the Government servants retiring on or after that date. The Government servants who have retired on or after 01.01.2006 but before 01.12.2008 will continue to be governed by the rules /orders which were in force immediately before coming in to effect of this Resolution.
- (4) The minimum amount of pension admissible shall be Rs.3,500/- and maximum up to 50% of the highest pay and grade pay admissible to the Government employees.
- (5) The provisions of clause (a) & (b) of sub-rule-2 of Rule 47 of O.C.S (pension) Rules, 1992 shall stand modified to the extent in para 2(2) and 2(4) above.

The other provisions contained in Rule 47 of O.C.S (pension) Rules, 1992 shall continue to apply.

(6) Additional Pension.

The quantum of pension available to the old pensioners shall be increased as indicated in the following table w.e.f. 01.12.2008.

Age of Pensioners	Additional quantum of pension
	1
From 80 years to less than 85 years	20% of the basic pension
From 85 years to less than 90 years	30% of the basic pension
From 90 years to less than 95 years	40% of the basic pension
From 95 years to less than 100 years	50% of the basic pension
100 years or more	100 % of the basic pension

The Pension Sanctioning Authority shall ensure that the date of birth and the age of a pensioner is invariably indicated in the OCS (Pension) Form 7 as prescribed in OCS (Pension) Rules, 1992 to facilitate the AG (A&E), Orissa to record the same in the Pension Payment Order (PPO) to be issued in favour of the pensioner for 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/-.

If the age of the Pensioner falls in the middle of the month, the same shall be reckoned from the 1st day of the said month. **For example**, in case the Pensioner completes 80 years of age on 27.03.2009, his age will be reckoned as 80 years w.e.f. 01.03.2009.

- (7) In case of pensioners who are in receipt of more than one pension and if the quantum of both the pensions taken together is less than the floor ceiling of Rs. 3,500/- pm, in that case it shall be stepped up to Rs.3,500/- per month.
- (8) Since the consolidated pension shall be inclusive of commuted portion of the pension, if any, the commuted portion shall be deducted from the said amount while making monthly disbursement.

3. Gratuity:-

The maximum limit of Death-cum-Retirement Gratuity was enhanced to **Rs.2.5 lakh** w.e.f. 01.01.1996 as per Finance Department Resolution No.30223-Pen-19/98, dated 15.07.1998. Now, it is decided that the maximum limit of all kinds of gratuity shall be enhanced to **Rs.7.5 lakh** w.e.f. **01.12.2008**. Accordingly the provisions of Rule 49(1) & (2) of O.C.S (Pension) Rules, 1992 shall stand modified. But, the other provisions of Rule-49 of O.C.S (pension) Rule-1992 shall continue to apply for the purpose of calculation of gratuity.

The employees who have retired during 01.01.2006 to 30.11.2008 shall be entitled to DCRG up to a maximum of Rs.2.5 lakh. on revision of their pay scales w.e.f. 01.01.2006.

4. Addition to Qualifying Service:-

In view of the revised provisions for computation of pension as indicated in para–2 above, the extant benefit of adding years of qualifying service in exceptional circumstances as provided Rule 32 of O.C.S.(Pension) Rules, 1992 for the purpose of computation of pension shall be withdrawn with effect from **01.12.2008**. Accordingly Rule 32 of O.C.S.(Pension) Rules, 1992 shall stand modified to this extent.

5. Family Pension:-

(1) The minimum limit of Rs.1275/- pm and maximum of Rs.6000/- pm were fixed for sanction of family pension in FD Resolution No.30223-Pen-19/1998, dated 15.07.1998. Now, family pension shall be calculated at a

uniform rate of 30% of emolument (basic pay + grade pay) in all cases and shall be subject to a minimum of Rs.3,500/- w.e.f. 01.01.2006. Provision of clause (c) of sub-rule (2) of Rule-56 of O.C.S. (Pension) Rules, 1992 shall stand modified to this extent.

(2) Enhanced family pension under Rule-56(4)(a)(i) of O.C.S. (Pension) Rules, 1992 is payable to the family of a Government Servant who dies in service from the date of death of a Government servant for a period of seven years or for the period up to the date on which the deceased Government servant would have attained the age of 65 years, had he survived, whichever is less. Now enhanced family pension shall be payable for a period of ten years without any upper age limit w.e.f. 01.12.2008. The above rule shall stand modified to this extent.

But, there will be no change in the period for payment of enhanced family pension to the family in case of the death of a pensioner. In that event the existing provisions of rule-56(4)(a)(ii) of O.C.S.(Pension) Rules, 1992 shall continue to be in force.

Additional Family Pension.

6. (1) In addition to the family pension calculated in para-5 above, the quantum of family pension available to the old family pensioners shall be increased as follows with effect from 01.12.2008.

Age of family pensioner	Additional quantum of family pension
From 80 years to less than 85 years	20% of basic family pension
From 85 years to less than 90 years	30% of basic family pension
From 90 years to less than 95 years	40 % of basic family pension
From 95 years to less than 100 years	50 % of basic family pension
From 100 years or more	100% of basic family pension

- (2) The Pension Sanctioning Authorities shall ensure that the date of birth and the age of a family pensioner is invariably indicated in the O.C.S.(Pension) FORM 5 (regarding details of family) as prescribed under Rule-56(15) of O.C.S.(Pension) Rules, 1992 for recording the same in the pension payment order to facilitate payment of additional family pension by the Pension Disbursing Authority as soon as it becomes due.
- (3) The amount of additional family pension shall be shown distinctly in the pension payment order. **For example**, in case where a family pensioner is more than 80 years of age and his /her family pension is Rs. 10,000/- pm., the pension shall be shown as (i) Basic family pension = Rs. 10,000/-pm and (ii) Additional family pension = Rs. 2,000/-per month. The Family Pension on his /her attaining the age of 85 years shall be shown as (i) Basic family pension = Rs. 10,000/-pm and (ii) Additional family pension = Rs. 3,000/ pm.

If the age of the Family Pensioner falls in the middle of the month, the same shall be reckoned from the 1st day of the said month. **For example**, in case the Family Pensioner completes 80 years of age on 27.03.2009, his age will be reckoned as 80 years w.e.f. 01.03.2009.

(4) In case of family pensioners who are in receipt of more than one pension / family pension, the floor ceiling of Rs.3500/- will apply to the total of all pensioners taken together. Thus, where the consolidated pension / family pension works out to an amount less than Rs.3,500/- pm, the same shall be stepped up to Rs.3,500/- pm.

7. Commutation of Pension.

(1) As per Rule 5(1) of OCS (Commutation of Pension) Rules, 1992, a Government servant on retirement is **entitled to commute for a lump sum payment a fraction not exceeding 1/3rd of his pension** which is calculated in accordance with the prescribed table of values. Now, as per the revised provision, a Government servant shall be **entitled to commute for a lump-sum**

payment up to 40% of his pension w.e.f. 01.12.2008. The existing table of commutation value for pension shall be substituted by a new table as at **Annexure-I** of this Resolution. The Provisions of Rule 5 of OCS (Commutation of pension) Rules, 1992 shall stand modified to this extent.

(2) As per Rule 7(1) of OCS (Commutation of Pension) Rules, 1992, the pensioners who have commuted a portion of their pension were entitled to have the commuted portion of pension restored **on the expiry of twelve years** from the date on which the amount of pension was reduced on account of commutation of a portion thereof. Now, as per the revised provision, the commuted portion of pension shall be restored **on the expiry of fifteen years** from the date on which the amount of pension was reduced on account of commutation **w.e.f. 01.12.2008**. The Provisions of Rule 7 of OCS (Commutation of pension) Rules, 1992 shall stand modified to this extent.

The employees who have retired prior to 01.12.2008, the period of restoration of commuted portion of their pension shall be on the expiry of 12 years as per the pre-revised provision of Rule-7 of OCS (Commutation of Pension) Rules, 1992.

8. Emoluments:-

For the purpose of calculation of pension / family pension / gratuity of the employees who have retired on or after 1.1.2006, the emoluments shall have the same meaning as defined in rule 2(1)(e) of O.C.S. (Pension) Rules, 1992. The emoluments for this purpose should mean the revised basic pay plus grade pay effective from the 01.01.2006 under Orissa Revised Scales of Pay Rules, 2008.

9. All Pensioner / Family Pensioner shall submit an undertaking to the Pension Sanctioning Authority that where in course fixation of pension / family pension, any amount drawn or received as basic pension / basic family pension by the Pensioner / Family Pensioner under any circumstances is found to be in excess of the amount payable to him / her under this Resolution, amount so

drawn or received shall be recoverable from such Pensioner / Family Pensioner from his / her pension and Dearness Relief as specified in the prescribed form as at **Annexure-II.**

10. Government have further decided that 40% of the arrear pension / family pension arising out of the revision of pension / family pension as per the ORSP Rules, 2008 will be paid in the year 2008-09 and remaining 60% in the year 2009-10. However, the revised consolidated pension and family pension shall be paid from the month of December, 2008.

ORDER - Ordered that the Resolution be published in the next issue of the Orissa Gazette.

By Order of the Governor

(R.N. Senapati)

Principal Secretary to Government

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Memo No. 3654 (2)/F., Dated 19th January, 2009

Copy forwarded to All Departments of Government/All Heads of Departments / All Collectors / All District and Sessions Judges / Deputy Accountant General, Orissa, Puri / Secretary to Governor / Principal Secretary to Chief Minister/ Secretary to Orissa Legislative Assembly / Principal, Secretariat Training Institute, Bhubaneswar / Director General, Gopabandhu Academy of Administration, Bhubaneswar / Director, Madhusudan Das Regional Academy of Financial Management, Bhubaneswar / Manager, Reserve Bank of India, Public Accounts Department, Bhubaneswar for information.

Under Secretary to Government

Memo No. 3 6 5 5 (10)/F., Dated 19th January, 2009

Copy with nine spare copies forwarded to the Principal Accountant General (A&E), Orissa, Bhubaneswar for information and immediate necessary action.

Under Secretary to Government

Memo No. 3 6 5 6 (360)/F., Dated 19th January, 2009

Copy forwarded to All Treasury Officers of District Treasuries and Special Treasuries / Sub-Treasuries (two copies each) for information and immediate necessary action.

Under Secretary to Government

Memo No. 3 6 5 7 (18)/F., Dated 19th January, 2009

Copy forwarded to the General Manager (O.P.S.), State Bank of India, Banking Operation, Pt. Jawaharlal Nehru Marg, Bhubaneswar (2 copies) / Zonal Manager, UCO Bank, UCO Bank Building, C-2 Ashok Nagar, Bhubaneswar (2 copies) / Zonal Manager, Bank of India, Zonal Office, 98, Kharavela Nagar, Unit-III, Bhubaneswar (2 copies) / Zonal Manager, United Bank of India, Kalpana Area, Bhubaneswar (2 copies) / Chief Regional Manager, Indian Overseas Bank, Regional Office, B/2, West Saheednagar, BBSR -751007, Bhubaneswar (2 copies) / Chief Manager, Andhra Bank, Zonal Office, M-14, Baramunda, Bhubaneswar (2 copies) / Regional Manager, Central Bank of India, 94, Janpath, Unit-III, Bhubaneswar (2copies) / Regional Manager, Bank of Baroda, Plot No.171, Bhouma Nagar, Unit-IV, Bhubaneswar (2 copies) /

Chief Manager Allahabad Bank, Zonal Office, 3/1 B, I.R.C. Village, Nayapalli, BBSR -15 (2 copies) / Regional Manager Indian Bank, Station Square, BBSR (2 copies) for information and immediate necessary action.

Under Secretary to Government

Memo No. 3 6 5 8 (26)/F., Dated 19th January, 2009

Copy forwarded to Accountant General (A&E) of State Governments / Union Territories in India (as listed below).

Andhra Pradesh, Hyderabad (2 copies) / Bihar, Patna (2 copies) / Madhya Pradesh, Gawalior (2copies) / Maharashtra, Mumbai (2 copies) / Maharashtra, Nagpur-440001 (2 copies) / Uttar Pradesh, Allahabad (2 copies) / West Bengal, Kolkata (2 copies) / Gujarat, Ahamedabad (2copies) / Tamilnadu, Chennai(2 copies) / Karnataka, Bangalore (2 copies) / Rajasthan, Jeypur (2copies) / Assam, Guwahati (2 copies) / Kerala, Thiruananthapuram (2 copies) / Punjab, Chandigarh (2copies) / Haryana, Chandigarh (2copies) / Himachal Pradesh, Simla (2 copies) / Jammu & Kashmir, Srinagar (2 copies) / Arunachal Pradesh, Itanagar (2copies) / Manipur, Imphal (2copies) / Tripura, Agartala (2copies) / Meghalaya, Shillong (2 copies) / Nagaland, Kohima (2 copies) / Jharkhand, Ranchi (2 copies) / Chattishgarh, Raipur (2 copies) / Uttaranchal, Dehradun (2 copies) / Pay and Accounts Officers, Tis Hazari, Delhi (2 copies) / Controller of Accounts, Delhi (2 copies) for information and immediate necessary action.

He is requested to circulate this Resolution among the pension paying public sector banks functioning within the jurisdiction of the concerned State for prompt payment to the Orissa State Pensioners.

Under Secretary to Government

Memo No. 3 6 5 9 (2) /F., Dated 19th January, 2009

Copy forwarded to the Deputy Secretary to Government of India, Ministry of Personnel, P.G. and Pension, Department of Pension and Pensioners Welfare, New Delhi / Deputy Chief Accountant, Reserve Bank of India, Department of Government and Bank Accounts, Central Office, 4th Floor, Byculla Office Building, Opposite Mumbai Central Station Byculla, Mumbai – 400008 for information and necessary action.

Under Secretary to Government

Memo No. 3660 (30)/F., Dated 19th January, 2009

Copy forwarded to the Secretaries to Finance Department in all State Government / Union Territories in India with a request to circulate this Resolution among the Pension Disbursing Authorities functioning within the jurisdiction of the concerned State for prompt payment to the Orissa State Pensioners.

Under Secretary to Government

Memo No. 3 6 6 1 /F., Dated 19th January, 2009

Copy forwarded to the Director, Printing, Stationery and Publication, Orissa, Cuttack with a request to publish the order in the Orissa Gazette and supply 200 copies to the Finance Department.

Under Secretary to Government

Memo No. 3 6 6 2 /F., Dated 19th January, 2009

Copy forwarded to the President, Orissa Retired Government Employees Association, Plot No.30, Goutam Nagar, BBSR –751014 for information.

Under Secretary to Government

Memo No. 3 6 6 3 (130)/F., Dated 19th January, 2009

Copy forwarded to all Officers and all Branches of Finance Department / Deputy Examiner, Local Fund Audit, Finance Department / Efficiency Audit Organisation, Finance Department for information.

Under Secretary to Government

Memo No. 3 6 6 4 /F., Dated 19th January, 2009

Copy forwarded to the Head of Portal Group, I.T.. Centre, Secretariat, Orissa for information and necessary action.

He / She is requested to lunch this Resolution regarding revision of Pension / Family Pension in respect of post - 2006 Pensioners / Family Pensioners in the Website (www.orissa.gov.nic.in/finance/index.htm) of Finance Department for General Information (Floppy enclosed).

Under Secretary to Government

ANNEXURE-I

COMMUTATION VALUE FOR A PENSION OF Re-1 PER ANNUM

Age next	Commutation	Age next	Commutation	Age next	Commutation
birth day	value	birth day	value	birth day	value
	expressed as		expressed as		expressed as
	number of		number of		number of
	year's		year's		year's
	purchase		purchase		purchase
25	9.183	46	8.971	67	7.431
26	9.182	47	8.943	68	7.262
27	9.180	48	8.913	69	7.083
28	9.178	49	8.881	70	6.897
29	9.176	50	8.846	71	6.703
30	9.173	51	8.808	72	6.502
31	9.169	52	8.768	73	6.296
32	9.164	53	8.724	74	6.085
33	9.159	54	8.678	75	5.872
34	9.152	55	8.627	76	5.657
35	9.145	56	8.572	77	5.443
36	9.136	57	8.512	78	5.229
37	9.126	58	8.446	79	5.018
38	9.116	59	8.371	80	4.812
39	9.103	60	8.287	81	4.611
40	9.090	61	8.194		
41	9.075	62	8.093		
42	9.059	63	7.982		
43	9.040	64	7.862		
44	9.019	65	7.731		
45	8.996	66	7.591		

ANNEXURE-II

UNDER TAKING

I hereby undertake that any excess payment that may be found to have

been made as a result of incorrect revision of Pension / Family Pension or any

excess payment detected in the light of discrepancies noticed subsequently will

be refunded by me to the concerned Pension Disbursing Authority either by

adjustment against future Pension / Family Pension due to me or otherwise.

Signature/LTI of the Pensioner / Family Pensioner

Name

PPO No. / FPPO No.

Date:

Place:

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