

No. 2276—Pen-32/88-F.

GOVERNMENT OF ORISSA  
FINANCE DEPARTMENT

## OFFICE MEMORANDUM

Bhubaneswar, the 20th January 1990

Subject—**Mobility of personnel between State Government Departments and Autonomous Bodies—Counting of service for pension.**

As per the existing orders, service rendered outside State Government does not count for pension in State Government. In respect of the Government servants in the event of their permanent absorption in public sector undertakings or any autonomous body, proportionate retirement benefits for the service rendered under Government till the date of permanent absorption are allowed as per rules in force at the time of absorption.

2. Some State autonomous/statutory bodies have introduced pension scheme for their employees on the lines of the pension scheme available to the State Government employees. It has therefore been urged by such autonomous/statutory bodies that the service rendered by their employees under the State Government or other autonomous bodies before joining the autonomous body may be allowed to be counted in combination with service in the autonomous body for the purpose of pension, subject to certain conditions. Similar provisions for employees of autonomous body going over to State Government have also been urged. In other words, the suggestion is that the benefit of pension based on combined service should be introduced.

3. This matter has been considered carefully and the Governor has now been pleased to decide that the cases of State Government employees going over to a State autonomous body or vice versa and employees of the State autonomous body moving to another State autonomous body of this State may be regulated as per the following provisions :—

(a) In case of Autonomous Bodies where Pension scheme is in operation--

(i) Where a State Government employee borne on pensionable establishment is allowed to be

absorbed in an autonomous body, the service rendered by him/her under the Government shall be allowed to be counted towards pension under the autonomous body irrespective of whether the employee was temporary or permanent under Government.

The Government/Autonomous body will discharge its pensionary liability by paying in lump sum as a one-time payment, the pro rata pension/service gratuity at D.C.R.G. for the service up to the date of absorption in the autonomous body Government, as the case may be. Lump sum amount of the pro-rata pension will be determined with reference to commutation table in force at the time of the absorption of the employee concerned.

(ii) A State Government employee with C. P. F. benefits on permanent absorption in an autonomous body will have the option either to receive C. P. F. benefits which have accrued to him from the Government and start his service afresh in the body or choose to count service rendered in Government as qualifying service for pension in the autonomous body. In foregoing Government's share of C. P. F. Contributions with interest which will be paid to the concerned autonomous body by the concerned Government Department. The option shall be exercised within one year from the date of absorption. If no option is exercised within the stipulated period, employee shall be deemed to have opted to receive C. P. F. benefits. The option once exercised shall be final.

(b) Autonomous body where Pension Scheme is not in operation--

(i) A State Government employee borne on pensionable establishment, on absorption under an autonomous body will be eligible for pro-rata retirement benefit in accordance with Rule 68 O. P. Rules, 1977. In the case of absorption of a Government



employee with C. P. F. benefits, in such an autonomous organisation, the amount of his subscription and the Government's contribution, if any, together with interest thereon shall be transferred to his new P. F. Account with the consent of that body.

- (ii) An employee of an autonomous body on permanent absorption under the State Government will have the option either to receive C. P. F. benefits which have accrued to him from the autonomous body and start his service afresh in Government or choose to count service rendered under that body as qualifying service for pension in Government by foregoing employer's share of C. P. F. contributions with interest thereon which will be paid to the concerned Government Department by the autonomous body. The option shall be exercised within one year from the date of absorption. If no option is exercised within the stipulated period, the concerned employee shall be deemed to have opted to receive C. P. F. benefits in respect of his/her service under the autonomous body. The option once exercised shall be final.

(c) Absorption of employees of one State Autonomous body in another State Autonomous body.

The above procedure will be followed mutatis mutandis in respect of employee, going from one autonomous body to another.

4. "State autonomous body" means body which is financed wholly or substantially from Cess or State Government grants. "Substantially" means that more than 50 per cent of the expenditure of the autonomous body is met through Cess or State Government grants. Autonomous body includes a State statutory body or a University but does not include a public undertaking

Only such service which qualifies for pension under the relevant rules of Government/Autonomous body shall be taken into account for this purpose.

5. (i) The employees of a State autonomous body or State Government, as the case may be, who have already been sanctioned or have received pro rata retirement benefits or other terminal benefits for their past service will have the option either :—

(a) to retain such benefits and in that event their past service will not qualify for pension under the autonomous body or the State Government, as the case may be, or

(b) to have the past service counted as qualifying service for pension under the new organisation in which case the pro rata retirement benefits, if already received by them, will have to be deposited along with interest thereon from the date of receipt of these benefits till the date of deposit with the autonomous body or with the State Government, as the case may be. The right to count previous service as qualifying service shall not accrue until the whole amount has been refunded. In other cases, where prorata retirement benefits have already been sanctioned but have not yet become payable, the concerned authorities shall cancel the sanction as soon as the individual concerned opts for counting of his previous service for pension and inform the individual in writing about accepting his option and cancellation of the sanction. The option shall be exercised within a period of one year from the date of issue of these orders. If no option is exercised by such employees within the prescribed time limit, they will be deemed to have opted for retention of the benefits already received by them. The option once exercised shall be final.



- (ii) Where no terminal benefits for the previous service have been received by the employees, the previous service in such cases will be counted as qualifying service for pension only if the previous employer accepts pension liability for the service in accordance with the principles laid down in this Office Memorandum. In no case pension contribution/liability shall be accepted from the employee concerned.

6. Lump sum payments to concerned authorities in terms of the above paragraphs shall be made within one year of the date of absorption of the employee.

7. These orders will be applicable only where the transfer of the employee from one organisation to another was/is with consent of the organisation under which he was serving earlier, including cases where the individual had secured employment directly on his own motion provided he had applied through proper channel with proper permission of the administrative authority concerned.

8. These orders will take effect from the date of issue and the decision as mentioned above will be applicable to those employees who retired from service in Government/Autonomous body on or after the date of issue of these orders.

9. These orders will also apply to the employees of the State Government moving to Central Autonomous Bodies and employees of State Autonomous Bodies to the Central Government and their Autonomous Bodies and *vice-versa* who are in service on the date of issue of these orders, irrespective of the date of their absorption.

P. K. PATNAIK

Secretary to Government

[No. 5483—P.E.N-7/90-F.]  
GOVERNMENT OF ORISSA  
FINANCE DEPARTMENT  
OFFICE MEMORANDUM

Bhubaneswar, the 6th March, 1990.

Subject:—

Counting of service rendered under the work-charged establishment towards pension.

According to the existing provisions all posts sanctioned in work charged establishment under different Departments of Government which complete five years of continuous existence and are likely to continue in future and the work for which the posts have been sanctioned is of permanent nature, are brought over to regular establishment. The incumbents of such posts are absorbed in the corresponding posts created in regular establishment if considered suitable. But the services so rendered under the work charged establishment by such employees are not being taken into account for the purpose of pensionary benefits under rule 23(2) (ii) of the Orissa Pension Rules, 1977.

As the above provisions of the rule cause hardship, the question of counting of service rendered under the work charged establishment towards pension was under consideration of Governor for some time past. After careful consideration the Government has been pleased to decide that consequent upon absorption of work charged employees in the corresponding post created in regular establishment, the period of service rendered by him in work charged establishment shall count towards pensionary benefits under the Orissa Pension Rules, 1977 subject to the condition that the employee so absorbed should have served continuously for a minimum period of five years in the work charged establishment.

This decision of Government shall be effective from the 20th January 1990.

P. K. PATNAIK

Secretary to Government