

IMMEDIATE

Ministry of Defence
D(Pen/Services)

Subject : Restoration of 1/3rd commuted portion of pension after 15 years from the date of commutation or 1.4.1985, whichever is later in respect of Govt. servants who had drawn lumpsum payment on absorption in PSUs/ Autonomous Body - Implementation of Supreme Court judgement dated 26.4.2000.

In continuation of MOD I.D. No. 211/A/D(Pen/Sers), dated 23.10.1996 and 8(1)/96/D(Pen/Sers), dated 15.12.1998, please find enclosed further orders/ clarifications issued by Deptt. of Pension & PW vide O.M. No. 4/29/99-P&PW(D), dated 12th July, 2000.

2. These orders will apply mutatis-mutandis to Armed Forces personnel.

(Handwritten Signature)
(Amrit Lal)
DS(Pen/Sers)
4.8.2000

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|-------------------------|---------------------------|
| 1. Army HQrs/Addl. DGPS | 6. DCDA(AF), Subroto Park |
| 2. Air HQrs, DPP&R | New Delhi. |
| 3. Naval HQrs/DPA | 7. CDA(Navy), Mumbai. |
| 4. CGDA, New Delhi. | 8. DFA(Pens) |
| 5. CDA(Pens), Allahabad | 9. AFA(Pens) |

M of D I.D. No.8(1)/96/D(Pen/Sers), dated 4.8.2000

GOVERNMENT OF INDIA
MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES & PENSIONS
DEPARTMENT OF PENSION & PENSIONERS' WELFARE

Lok Nayak Bhavan,
Khan Market,
NEW DELHI - 110013

No. 4/29/99-P & PW(D)

July 12, 2000.

OFFICE MEMORANDUM

Subject: Restoration of 1/3rd commuted portion of pension after 15 years from the date of commutation of 1.4.85, whichever is later in respect of Government servants who had drawn lumpsum payment on absorption in PSU/Autonomous Body in implementation of Supreme Court Judgement dated 26.4.2000.

Attention is drawn to the instructions contained in this Department's O.M. No. 4/59/97-P&PW(D) dated 14th July 1998 on the above subject. In terms of para 4 of this O.M., dearness relief on the revised restored amount of 1/3rd commuted portion of pension is payable at the same rate at which it has been made admissible to other Central Government pensioners from time to time, subject to the conditions laid down in para 5 of the O.M. The Supreme Court in its Judgement dated 26.4.2000 in I.A. No.1 in W.P. (C) No.567 of 1995 (with I.A. No.4 in W.P. (C) No.11855 of 1985, W.P. (C) No.345 of 1999 and W.P. (C) No.576 of 1999) has, inter-alia, ruled that Central Govt. absorbees in PSUs etc. who have become entitled to restoration of 1/3rd commuted portion of pension are entitled to the payment of dearness relief on full pension at par with the Central Govt. pensioners.

2. The modalities of implementing Supreme Court Judgement dated 26.4.2000 has been under active consideration of the Government. The President is now pleased to decide that Govt. servants who had drawn lumpsum payment on absorption in a PSU/Autonomous Body and have become entitled to the restoration of 1/3rd commuted portion of pension in terms of the Supreme Court Judgement dated 15.12.1995 shall, apart from the payment of revised restored amount of 1/3rd commuted portion of pension, be also entitled to the payment of dearness relief on full pension from the date of restoration, instead of dearness relief on the revised restored amount of 1/3rd commuted portion of pension. In other words, dearness relief shall be payable on full pension i.e. the revised pension which the absorbed employee would have received on the date of restoration of 1/3rd commuted portion of pension had he not drawn lumpsum payment on absorption. The payment of dearness relief will, however, be subject to the conditions laid down in para 5 of O.M. dated 14th July 1998.

3. Para 4 of the O.M. Dated 14.7.1998 shall, therefore, be deemed to have been modified as indicated above.

4. The Pension Sanctioning Authorities, viz., the Ministry/ Department/Office where the absorbed employee was employed prior to absorption in a PSU/Autonomous Body will have to work out the arrears payable on account of payment of dearness relief, on full pension and issue necessary sanction through the normal channel, viz. CPAO for its payment by the Banks/Pension Disbursing Authorities etc. Dearness relief/arrears of dearness relief already paid to the absorbed employees under O.M. dated 14.7.1998 should be adjusted while making payment under these orders. The pension Sanctioning Authority will also have to issue suitable directions through the CPAO etc. to the concerned bank/PDA for payment of dearness relief on full pension at the rate prescribed by the Government from time to time.

5. Where the death of an absorbee has taken place after 15 years from the date of commutation of pension or 1.4.1985, whichever is later, and he had become entitled to the benefit of restoration of commuted portion of pension the family member(s)/legal heir(s) will be entitled to claim the arrears of dearness relief becoming due in accordance with the provisions contained in this order.

6. This issues with the concurrence of Ministry of Finance, Dept. of Expenditure vide their U.O. Note No 41/C/EV/2000 dated 26.06.2000.

7. Hindi version of this O.M. will follow.

P.K. Brahma
(P.K. BRAHMA)

Additional Secretary to the Govt. of India.

All Ministries/Departments of the Govt. of India