

SALIENT RECOMMENDATIONS OF VITH CPC ON RETIREMENT BENEFITS

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Additional Pension

S.No.	Recommendation (Ref. To paragraph of the Report given in brackets)	Decision of Government	OM issued with No. and date												
1	2	3	3												
(i)	<p>Older Pensioners require a better deal because their needs, especially those relating to health, increase with age. Quantum of pension available to the old pensioners should be increased as follows:-</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">On attaining age of</th> <th style="text-align: center;">Additional quantum of pension</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">80 years</td> <td style="text-align: center;">20% of basic pension</td> </tr> <tr> <td style="text-align: center;">85 years</td> <td style="text-align: center;">30% of basic pension</td> </tr> <tr> <td style="text-align: center;">90 years</td> <td style="text-align: center;">40% of basic pension</td> </tr> <tr> <td style="text-align: center;">95 years</td> <td style="text-align: center;">50% of basic pension</td> </tr> <tr> <td style="text-align: center;">100 years</td> <td style="text-align: center;">100% of basic pension</td> </tr> </tbody> </table> <p>(5.1.32)</p>	On attaining age of	Additional quantum of pension	80 years	20% of basic pension	85 years	30% of basic pension	90 years	40% of basic pension	95 years	50% of basic pension	100 years	100% of basic pension	Accepted	38/37/08-P&PW(A) dated 02.09.2008
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Qualifying Service

S.No.	Recommendation (Ref. To paragraph of the Report given in brackets)	Decision of Government	OM issued with No. and date
	(1)	(2)	(3)
(i)	Linkage of full pension with 33 years of qualifying service should be dispensed with. Once an employee renders the minimum pensionable service of 20 years, pension should be paid at 50% of the average emoluments received during the past 10 months or the pay last drawn, whichever is more beneficial to the retiring employee. Simultaneously, the extant benefit of adding years of qualifying service for purposes of computing pension/related benefits should be withdrawn as it would no longer be relevant. (5.1.33)	Accepted.	38/37/08-P&PW(A) dated 02.09.2008
(ii)	The recommendation regarding payment of full pension on completion of 20 years of qualifying service will take effect only prospectively for all Government employees other than PBORs in Defence Forces from the date it is accepted by the Government. (6.5.3)	Accepted	----do----

Family Pension

S.No.	Recommendation (Ref. To paragraph of the Report given in brackets)	Decision of Government	OM issued with No. and date
	(1)	(2)	(3)
(i)	In case of Government employees dying in harness, family pension may be paid at enhanced rates for a period of 10 years. (5.1.42)	Accepted.	38/37/08-P&PW(A) dated 02.09.2008
(ii)	The dependency criteria for all purposes should be the minimum family pension along with dearness relief thereon. This should also be followed in cases relating to payment of family	Accepted.	----do----

	pension as well. (5.1.42)														
(iii)	<p>In accordance with recommendations for paying higher quantum of pension to very old pensioners, quantum of family pension payable to similarly old family pensioners would also need to be increased. Quantum of pension available to the family pensioners should also be increased on par with that recommended for pensioners as under:-</p> <table border="1"> <thead> <tr> <th>On attaining age of</th> <th>Additional quantum of pension</th> </tr> </thead> <tbody> <tr> <td>80 years</td> <td>20% of basic family pension</td> </tr> <tr> <td>85 years</td> <td>30% of basic family pension</td> </tr> <tr> <td>90 years</td> <td>40% of basic family pension</td> </tr> <tr> <td>95 years</td> <td>50% of basic family pension</td> </tr> <tr> <td>100 years</td> <td>100% of basic family pension</td> </tr> </tbody> </table> <p>(5.1.42)</p>	On attaining age of	Additional quantum of pension	80 years	20% of basic family pension	85 years	30% of basic family pension	90 years	40% of basic family pension	95 years	50% of basic family pension	100 years	100% of basic family pension	Accepted.	----do-----
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(iv)	<p>For purposes of nomination for eligibility to get family pension etc., the term 'Family' is divided into two categories with the relations mentioned in first category having precedence over relations mentioned in the second category. The first category includes sons and unmarried daughters. However, widowed sons and unmarried daughters. However, widowed daughters have been placed in the second category. This is discriminatory towards the widowed daughters especially as sons, whether married/unmarried/widowers/divorced have been placed in the first category. For purposes of eligibility for Family Pension and other related benefits, the widowed daughters should also be placed in the first category. (5.1.53)</p>	Accepted. (With income limit raised to Rs. 2550/-).	----do-----												
(v)	<p>The childless widow of a deceased Government employee should continue to be paid family pension even after her remarriage subject to the condition that the family pension shall cease once her independent income from all sources becomes equal to or higher than the minimum prescribed family pension in the Central Government. (5.1.55)</p>	Accepted	----do-----												

Commutation of Pension

S.No.	Recommendation (Ref. To paragraph of the Report given in brackets)	Decision of Government	OM issued with No. and date
	(1)	(2)	(3)
(i)	All future cases of commutation of pension should be considered as per the revised commutation table annexed to the Report which may be revised periodically by the Government keeping in view the interest rates and the mortality table. (5.1.35)	Accepted.	38/37/08-P&PW(A) dated 02.09.2008
(ii)	The revised commutation table will only be used for all future commutations and will not be applied for the past commutations in respect of post 31.12.2005 pensioners who have already commuted their pension, the revised commutation table shall be used only to compute the amount of pension that has become additionally commutable on account of retrospective implementation of the revised pay scales, in case such an option is exercised by the retiree. For all future pensioners, the commutation of pension shall be computed and paid as per the revised commutation table. (6.5.3)	Accepted.	-----do-----

Retirement/Death Gratuity

S.No.	Recommendation (Ref. To paragraph of the Report given in brackets)	Decision of Government	OM issued with No. and date
	(1)	(2)	(3)
(i)	The maximum pecuniary limit of Rs. 3.5 Lakh on payment of gratuity should be raised to Rs. 10 lakh. (5.1.37)	Accepted.	38/37/08-P&PW(A) dated 02.09.2008

Disability Pension

S.No.	Recommendation (Ref. To paragraph of the Report given in brackets)	Decision of Government	OM issued with No. and date
	(1)	(2)	(3)
(i)	In the case of disability pension, for 100% disability where the individual is completely dependent on somebody else for day to day functions, no Constant Attendant Allowance is available under the CCS(Extraordinary) Pension Rules, 1939. Such constant Attendant Allowance is available in the Defence Forces. A similar allowance needs to be extended in respect of civilian retirees as well because their requirement would be similar. Accordingly, a constant attendant allowance should be introduced, on the lines existing in Defence Forces under the CCS(Extraordinary) Pension Rules, 1939 as well. (5.1.42)	Accepted.	38/37/08-P&PW(A) dated 02.09.2008

Ex-Gratia

S.No.	Recommendation (Ref. To paragraph of the Report given in brackets)	Decision of Government	OM issued with No. and date
	(1)	(2)	(3)
(i)	The rates of exgratia may be doubled and raised to Rs. 10 lakhs in cases of death occurring due to accidents in the course of performance of duty. Whether attributable to acts of violence by terrorists, anti-social elements etc. or otherwise and to Rs.15 lakhs in cases of death occurring due to enemy action in international war or border skirmishes or action against militants[terrorists, extremists in the border posts, or on account of natural disasters, extreme weather conditions while on duty in the specified high altitude, inaccessible border posts, etc. (5.1.45)	Accepted.	38/37/08-P&PW(A) dated 02.09.2008

Revision of Pension

S.No.	Recommendation (Ref. To paragraph of the Report given in brackets)	Decision of Government	OM issued with No. and date
	(1)	(2)	(3)
(i)	All past pensioners should be allowed fitment benefit equal to 40% of the pension excluding the effect of merger of 50% dearness allowance/dearness relief as pension (in respect of pensioners retiring on or after 1/4/2004) and dearness pension (for other pensioners) respectively. The increase will be allowed by subsuming the effect of conversion of 50% of dearness relief/dearness allowance as dearness pension/dearness pay. Consequently, dearness relief at the rate of 74% on pension (excluding the effect of merger) has been taken for the purposes of computing revised pension as on 1/1/2006. This is consistent with the fitment benefit being allowed in case of the existing employees. The fixation of pension will be subject to the provision that the revised pension, in no case, shall be lower than fifty percent of the sum of the minimum of the pay in the pay band and the grade pay thereon corresponding to the pre-revised pay scale from which the pensioner had retired. (5.1.47)	Accepted with the modification that fixation of pension shall be based on a multiplication factor of 1.86, i.e. basic pension + Dearness Pension (wherever applicable) + dearness relief of 24% as on 1.1.2006, instead of 1.74.	38/37/08-P&PW(A) dated 01.09.2008

Voluntary Retirement

S.No.	Recommendation (Ref. To paragraph of the Report given in brackets)	Decision of Government	OM issued with No. and date
	(1)	(2)	(3)
(i)	All Central Government employees seeking voluntary retirement on completion of qualifying service equal to or more than 15 years but less than 20 years should be paid one time, lump-sum, retirement benefit equal to 80 months' salary last drawn or average salary, whichever is more beneficial to the retiring employee inclusive of benefits like service gratuity and death-cum-retirement gratuity that shall stand subsumed.(6.2.10)	Not Accepted.	38/37/08-P&PW(A) dated 02.09.2008