

No.4/14/2001-P&PW (D)  
Government of India  
Ministry of Personnel, Public Grievances & Pensions  
(Department of Pension & Pensioners' Welfare)

New Delhi, dated the 19<sup>th</sup> September, 2003

OFFICE MEMORANDUM

Subject:- Revision of pension and other attendant benefits of Central Government employees retired/retiring on IDA pay scales and opting for pensionary benefits of combined service in Government and public sector undertakings (PSU).

The issue of framing general guidelines for revising the pension of PSU absorbees drawing pension in IDA pay scales who were permanently absorbed in the PSU as a result of conversion of a Government Department and had opted to retain Central Government pensionary benefits has been under consideration of the Government. The President is now pleased to decide that w.e.f. 1.1.1996 pension of all such PSU retirees who had been absorbed in PSUs as a result of conversion and had opted for pensionary benefits of combined service in the Central Government and the PSU as per Central Government Rules on their absorption, shall be revised as under:-

- (a) For the purpose of fixation of pension as per O.M. dated 10.2.1998, all absorbees shall be notionally brought on to CDA scale w.e.f. 1.1.1996. for this purpose:
  - (i) Concerned administrative Ministries shall work out the corresponding equivalent scale in CDA pattern, as on 1.1.1986, and in cases where it is not feasible to clearly establish the corresponding equivalent pay scale in CDA pattern, the final decision shall be taken by the Head of Department in consultation with the Department of Expenditure and Department of Personnel & Training as envisaged in para 14 of Department of Pension & P.W.'s O.M. dated 10.2.1998.
  - (ii) The pay and pension of the absorbees would then be notionally determined as on 1.1.1986 as per this equivalent scale.
  - (iii) Notional consolidation, as on 1.1.96, shall thereafter be done.
- (b) For the purpose of fixation in terms of provisions contained in O.M. dated 17.12.1998, equivalent scale as on 1.1.1996 shall be worked out. Pension shall thereafter be calculated at 50% of the minimum of that scale.

- (c) The higher of the two amounts as in (a) and (b) above, shall be taken as the revised pension on 1.1.1996 and DR on CDA pattern be granted thereon.
- (d) In all those cases, where the pension of the absorbees have already been consolidated as per O.M. dated 27.10.1997, using DR on IDA pattern, and such consolidated pension together with IDA happens to be higher than the revised pension plus DR arrived as above, the pensioner may be allowed to draw such higher amount by allowing personal pension to the extent of the difference which shall be absorbed in subsequent increase in the future.
- (e) Provisions of this O.M. shall not apply to the past pensioners of this category who have, in the past, been given a special dispensation on account of specific orders of the courts as accepted and implemented by the government. Cases of this nature shall continue to be governed as per the existing provisions specifically applicable to them.

3. Family pension shall be worked out as per Department of Pension &P.W.'s O.M. No. 45/10/98-P&PW (A) dated 17.12.1998 read with O.M. No. 45/86/97-P&PW (A)-Pt.III dated 10.2.1998 and O.M. No. 45/86/97-P&PW (A)-Pt .I dated 27.10.1997, after determining basic pension as per above formula.

4. In order to avoid wrong fixation of pension by adopting different corresponding pay scales by different Ministries/Departments a specimen of an illustrative examples indicating IDA pay scales and corresponding presumptive CDA pay scales for working out basic pension in CDA scales is enclosed as per Annexure.

5. These orders issue with the approval of Ministry of Finance, Department of Expenditure vide their U.O./ No. 76/4/2001-IC dated 26.12.2002.

6. In their applicability to the personnel of Indian Audit &Accounts Department, these orders issue in consultation with the Comptroller &Auditor General of India vide their U.O. No. 249-Audit (Rules)/80-2002 dated 10./12.2002.

7. Ministry of Agriculture etc., are requested to urgently bring the contents of these orders to the notice of the public sector undertakings etc. under their administrative control. All pension Disbursing Authorities in the PSUs are also advised to display these orders prominently on their notice boards for information and guidance of pensioners/family pensioners of the PSUs.

(Ganga Murthy)  
Director (PP)

To

All Ministries/Departments of the Government of India