

Office of the  
**Pr. Chief Commissioner of Income Tax,**  
Andhra Pradesh & Telangana, Hyderabad

F. No. Pr. CCIT/AP & Telangana/Estt/2016-17

Date: 19/09/2016

**OFFICE MEMORANDUM**

**Sub:** Forwarding of instructions/circulars on Pension matters - Reg.

**Ref :** Board's letters in F.No. I-11020/07/2016.Ad.IX dated 22/08/2016,  
24/08/2016 & 01/09/2016

\*\*\*\*\*

Please refer to the above.

2. I am directed to forward herewith the instructions/circulars relating to following pension matters, regarding implementation of Government's decision of the recommendations of the Seventh Central Pay Commission, for information.

- i. Revision of provisions regulating pension/gratuity/commutation of pension/family pension/disability pension ex-gratia lump-sum compensation etc.,
- ii. Revision of pension of Pre-2016 pensioners/family pensioners – Reg.
- iii. Revision of Disability Pension/Family pension of Pre-2016 disability pensioners/family pensioners.

*K. H. Krishnan*  
19.9.16

**(K H KRISHNAN)**

Administrative Officer(Estt.),  
O/o Pr.CCIT, A.P &Telangana,  
Hyderabad.

To

**All Heads of Offices/DDOs of AP & Telengana**

8524

भारत  
 त्त ग...  
 आयकर विभाग/Income Tax Dept.  
**2405**  
**29 AUG 2016**  
 प्रधान आयकर अधिकारी का कार्यालय (Income Tax)  
 O/o. Pr. Chief Commissioner of Income Tax  
 आ.प्र. एवं तेलंगणा/A.P. & Telangana  
 10th Floor, "C" Block, I.T. Towers,  
 A.C. Guards, Hyderabad - 4.

F. No. I-11020/07/2016Ad.IX  
 Government of India  
 Ministry of Finance  
 Department of Revenue  
 (Central Board of Direct taxes)  
 \*\*\*\*\*

आयकर विभाग (आ.प्र. एवं तेलंगणा)  
 आय. प्र. प्रधान आय. अधिक. का कार्यालय  
**31 AUG 2016**  
 DCIT (H.O's Admn.)  
 O/o. Pr. Chief Commissioner of Income Tax,  
 A.P. & TELANGANA  
 Room No. 460, 4th Floor

Hotel Samrat, Chankyapuri,  
 New Delhi - 110021  
 Dated: 22nd August, 2016

To

✓  
All Pr. CCITs/DGITs

DD

**Sub:- Forwarding of Instructions/Circulars to All Pr. CCITs through CBDT regarding Implementation of Government's decision of the recommendation of the Seventh Central Pay Commission - Revision of provisions regulating pension/gratuity/commutation of pension/family pension/disability pension/ex-gratia lump-sum compensation, etc.**

Sir,

I am directed to forward herewith an **O.M. No. 38/37/2016-P&PW(A)(i) dated 04.08.2016** from Ministry of Personnel, Public Grievance & Pension, Department of Pension & Pensioners' Welfare regarding Implementation of Government's decision of the recommendation of the Seventh Central Pay Commission - Revision of provisions regulating pension/gratuity/commutation of pension/family pension/disability pension/ex-gratia lump-sum compensation, etc for your information and further necessary action in the matter.

**Encl.:- As above.**

Yours faithfully

*Nirbhai Singh*  
 (Nirbhai Singh)

Under Secretary to the Govt. of India  
 nirbhaisingh57@gmail.com  
 Tel.24122761

DC (Admn.)  
 AOC (B+H)



becoming due under these orders, the pension already sanctioned shall not be revised to the disadvantage of the pensioner in view of Rule 70 of the CCS (Pension) Rules, 1972.

**EMOLUMENTS**

4.1 The term 'Emoluments' for purposes of calculating various pensionary benefits other than various kinds of Gratuity shall have the same meaning as in Rule 33 of the Central Civil Services (Pension) Rules, 1972.

4.2 Basic pay in the revised pay structure means the pay drawn in the prescribed level in the Pay Matrix with effect from 01.01.2016 but does not include any other type of pay like special pay, etc.

4.3 In the case of all kinds of gratuity, dearness allowance admissible on the date of retirement/death shall continue to be treated as emoluments along with the emoluments as defined in Paragraph 4.1 above.

**PENSION**

5.1 Subject to para 5.2, there shall be no change in the provisions regulating the amount of pension as contained in Rule 49 of the CCS(Pension) Rules.

5.2 The amount of pension shall be subject to a minimum of Rs.9000/- and the maximum pension would be 50% of highest pay in the Government (The highest pay in the Govt. is Rs 2,50,000 with effect from 1.1.2016). The provisions of sub-rule (2) of Rule 49 of the CCS (Pension) Rules, 1972 shall stand modified to this extent.

5.3 The quantum of additional pension/family pension available to the old pensioners/ family pensioners shall continue to be as follows:-

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

The Pension Sanctioning Authorities should ensure that the date of birth and the age of a pensioner is invariably indicated in the pension payment order to facilitate payment of additional pension by the Pension Disbursing Authority as soon as it becomes due. The

ed.

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 pm.

**Retirement/ Death Gratuity**

**6.1 The rates for payment of death gratuity shall be revised as under:**

Length of qualifying service	Rate of Death Gratuity
Less than One year	2 times of monthly emoluments
One Year or more but less than 5 years	6 times of monthly emoluments
5 years or more but less than 11 years	12 times of monthly emoluments
11 years or more but less than 20 years	20 times of monthly emoluments
20 years or more	Half month's emoluments for every completed six monthly period of qualifying service subject to a maximum of 33 times of emoluments.

Accordingly, Rule 50(1)(b) of CCS (Pension) Rules, 1972 shall stand modified to this extent.

6.2 The maximum limit of Retirement gratuity and death gratuity shall be Rs. 20 lakh. The ceiling on gratuity will increase by 25% whenever the dearness allowance rises by 50% of the basic pay. Accordingly, first proviso under Rule 50(1)(b) of CCS (Pension) Rules, 1972 shall stand modified to this extent.

**FAMILY PENSION 1964**

7.1 Family pension shall be calculated at a uniform rate of 30% of basic pay in the revised pay structure and shall be subject to a minimum of Rs.9000/-p.m. and maximum of 30% of the highest pay in the Government. Rule 54(2) relating to Family Pension, 1964 under CCS (Pension) Rules, 1972 shall stand modified to this extent.

7.2 The amount of enhanced family pension shall be 50% of basic pay in the revised pay structure and shall be subject to a minimum of Rs.9000/-p.m. and maximum of 50% of the highest pay in the Government. (The highest pay in the Govt. is Rs. 2,50,000 with effect from 1.1.2016).

7.3 There will be no other change in the provisions regulating family pension, enhanced family pension and additional family pension to old family pensioners.

ad

**COMMUTATION OF PENSION**

8.1 There will be no change in the provisions relating to commutation values, the limit upto which the pension can be commuted or the period after which the commuted pension is to be restored.

9.1 The pension/family pension under para 5 and 7 above shall qualify for dearness relief sanctioned from time to time, in accordance with the relevant rules/instructions.

**FIXED MEDICAL ALLOWANCE**

10.1 Fixed Medical Allowance to the pensioners who are residing in non-CGHS areas and are not availing OPD facility of CGHS shall continue to be paid at the existing rate till a final decision is taken on the basis of recommendations of the Committee constituted for the purpose.

**CONSTANT ATTENDANT ALLOWANCE**

11.1 The amount of Constant Attendant Allowance to pensioners who retired on disability pension with 100% disability under the CCS (Extraordinary) Pension Rules, 1939, (where the individual is completely dependent on somebody else for day to day functions) shall continue to be paid at the existing rate till a final decision is taken on the basis of recommendations of the Committee constituted for the purpose.

**EX GRATIA LUMP SUM COMPENSATION**

12.1 The amount of ex gratia lump sum compensation available to the families of Central Government Civilian employees, who die in the performance of their *bona fide* official duties under various circumstances shall be revised as under:

Circumstances	Amount
Death occurring due to accidents in course of performance of duties	25 lakh
Death in the course of performance of duties attributed to acts of violence by terrorists, anti social elements etc.	25 lakh
Death occurring in border skirmishes and action against militants, terrorists, extremists, sea pirates	35 lakh
Death occurring while on duty in the specified high altitude, unaccessible border posts, etc. on account of natural disasters, extreme weather conditions	35 lakh
Death occurring during enemy action in war or such war like engagements, which are specifically notified by Ministry of Defence and death occurring during evacuation of Indian Nationals from a war-torn zone in foreign country	45 lakh

sl.

13.1. Formal amendments to CCS (Pension) Rules, 1972 and CCS (Extraordinary) Pension Rules, 1939 in terms of the decisions contained in this order will be issued in due course. Provisions of the CCS (Pension) Rules 1972, CCS (Extraordinary) Pension Rules, 1939, and CCS(Commutation of Pension) Rules, 1981 which are not specifically modified by these orders, will remain unchanged.

14.1. These orders issue with concurrence of the Ministry of Finance Department of Expenditure vide their U.O. No. 30-1/33(c)/ 2016-IC dated 03.08.2016

15.1. In their application to the employees of the Indian Audit and Accounts Department, these orders issue in consultation with Comptroller and Auditor General of India.

16. Ministry of Agriculture etc. are requested to bring the contents of these orders to the notice of Controller of Accounts/Pay and Accounts Officers and Attached and Subordinate Offices under them on a top priority basis.

*Vandana Sharma*

(Vandana Sharma)

Joint Secretary to the Government of India

To

1. All Ministries/ Departments of Government of India
2. Principal Director, Office of Comptroller & Auditor General of India, New Delhi
3. Controller General of Accounts, New Delhi
4. CCA, Central Pension Accounting Office, New Delhi.