Government of India
Ministry of Personnel, Public Grievances and Pensions
(Department of Personnel & Training)
New Delhi, the 4th April, 86

OFFICE MEMORANDUM

Subject: Fixation of pay of re-employed pensioners—General policy thereof—raising limit of exemption of pension—

The undersigned is directed to invite reference to the Ministry of Defence O.M. No. 2(2)83/D(Civ-IV) dated the 8th February, 1983 and the Ministry of Finance (Department of Expenditure) O.M. No. F 4(3)-II/82 dated the 12th December, 1982, according to which pension upto Rs. 250/- is being ignored in fixation of pay on re-employment of service officers and officers holding Group A posts at the time of their retirement, retiring before attaining the age of 55 years.

2. The Government of India have been considering for some time the question of liberalisation of these provisions. The President has now been pleased to decide that in the case of ex-servicemen and civilian officers retiring before attaining the age of 55 years, the pension as indicated below may be ignored in fixing their pay on re-employment:

(i) In the case of service officers and officers holding Group A posts in civil side, the first Rs. 500/- of pension; and

(ii) In the case of personnel below commissioned officer rank and officers holding Group B or lower posts in the civilian side at the time of their retirement, the entire pension.

3. The pension for the purpose of these orders includes pension equivalent of gratuity and other forms of retirement benefits.

4. These orders will take effect from the 1st April, 1986 and the existing limits of civil and military pensions to be ignored in fixing pay of re-employed pensioners will therefore cease to be applicable to cases of such pensioners as are re-employed on or after the 1st April, 1986. In the case of persons who are already on re-employment, the pay may be fixed on the basis of these orders with effect from the 1st April, 1986 provided they opt to come under these orders. If they so opt, their terms would be determined afresh as if they have been re-employed for the first time from the 1st April, 1986.

5. The option should be exercised in writing within a period of six months from 1st April, 1986. The option once exercised shall be final.
6. In so far as persons serving in the Indian Audit & Accounts Department are concerned, these orders are issued in consultation with the Comptroller and Auditor General of India.

(S. Hariharan)
Under Secretary to the Govt of India

To
All Ministries/Departments of the Govt of India

Copy also forwarded to:
1. The Comptroller and Auditor General of India and all States under his control.
3. Secretaries of the UPSC/Supreme Court of India/Election Commission/Lok Sabha Secretariat/Rajya Sabha Secretariat/Cabinet Secretariat/CVC/President's Secretariat/Vice President's Secretariat/Prime Minister's Office/Planning Commission/Fourth Central Pay Commission.
4. Department of Personnel and Training (AIS Division)/JCA Section.
5. Additional Secretary (Union Territories), Ministry of Home Affairs.
6. All State Governments and Union Territories
7. Governors of all States/Ex Governors of Union Territories.
8. Secretary, National Council (Staff Side)
9. All Members of the Staff Side of the National Council of JCM/Departmental Council.
10. All Officers/Sections of the Department of Personnel and Training/Department of Pension and Pensioners' Welfare and Department of A.H. & P
11. All Officers/Sections of the Ministry of Home Affairs/Ministry of Personnel, PG & Pensions.

(S. Hariharan)
Under Secretary to the Govt of India