OFFICE MEMORANDUM

Subject: Grant of dearness relief to Central Government pensioners/family pensioners- Revised rates effective from 01.01.1999.

The undersigned is directed to refer to this department’s OM No.42/3/98-P&PW(G) dated 15.09.98 sanctioning the instalment of dearness relief admissible from 01.07.98 and to say that the President is pleased to decide that dearness relief shall be paid to the Central Government pensioners/family pensioners to compensate them for the rise in cost of living beyond average Consumer Price Index 306.33 (as on 01.01.1996) at the rate of 32% w.e.f. 01.01.1999 in supersession of the rate mentioned in the O.M. dated 15.09.98 referred to above.

2. These orders apply to (i) All Civilian Central Government pensioners/family pensioners (ii) The Armed Forces pensioners, Civilian pensioners paid out of the Defence Services Estimates, (iii) All India Services pensioners (iv) Railway pensioners and (v) The Burma Civilian pensioners/family pensioners and pensioners/families of displaced Government pensioners from Pakistan, who are Indian Nationals but receiving pension on behalf of Government of Pakistan, who are in receipt of ad-hoc ex-gratia allowance of Rs.1275/-p.m. in terms of this department’s OM No.23/1/97-P&PW(B) dated 23.02.1998.

3. Central Government Employees who had drawn lumpsum payment on absorption in a PSU/ Autonomous body and have become entitled to restoration of 1/3rd commuted portion of pension as well as revision of the restored amount in terms of this department’s OM no.4/59/97-P&PW(D) dated 14.07.98 will also be entitled to the payment of DR @ 32% on the restored amount of 1/3rd commuted portion of pension with effect from 01.01.99.

4. The following categories of CPF beneficiaries who are in receipt of Ex-gratia payment in terms of this department’s OM No.45/52/97-P&PW(E) dated 16.12.97 will be paid DR @ 24% with effect from 01.01.99.

(i) The widows and dependent children of the deceased CPF beneficiary who had retired from service prior to 01.01.1986 or who had died while in service prior to 01.01.1986 and are in receipt of Ex-gratia payment of Rs.605/-p.m.

(ii) Central Government Employees who had retired on CPF benefits before 18.11.1960 and are in receipt of Ex-gratia payment of Rs.654/-, Rs.659/-, Rs.703/- and Rs.965/-.

(iii) Central Government Employees who had retired on CPF benefits between the period 18.11.1960 to 1.12.1985 and are in receipt of Ex-gratia @ Rs.600/- with effect from 01.11.1997.
5. Payment of dearness relief involving a fraction of a rupee shall be rounded off to the next higher rupee.

6. Other provisions governing grant of dearness relief to pensioners such as regulation of dearness relief during employment/re-employment, regulation of dearness relief where more than one pension is drawn etc, will remain unchanged.

7. In the case of retired Supreme Court and High Court Judges necessary orders will be issued by the Department of Justice separately.

8. In view of the position stated above Central Government Pensioners/family pensioners shall be entitled for payment of dearness relief at a uniform rate of 32% of pension/family pension w.e.f. 1st January, 1999 and CPF beneficiaries be entitled for payment of dearness relief at uniform rate of 24%. As DR will now be at uniform rates of 32% and 24% respectively, it has been decided to dispense with the issue of enclosing ready reckoner alongwith the dearness relief orders. It will now be the responsibility of the pension disbursing authority, including the Nationalised Banks, etc. to calculate the quantum of dearness relief payable in each individual case.

9. The Accountants General and authorised Public Sector banks are requested to arrange payment of relief to pensioner etc. on the basis of above instructions without waiting for any further instructions from the Comptroller and Auditor General of India and the Reserve bank of India in view of letter No.528-TA, II/84-80-II dated 23.04.1981 of the Comptroller and Auditor General of India addressed to all Accountants General and Reserve Bank of India Circular No.GANB No.2958/GA-64(ii)(CGL)/81 dated the 21st May, 1981 addressed to State Bank of India and its subsidiaries and all Nationalised Banks.

10. In their application to the employees belonging to Indian Audit and Accounts Department these orders issue in consultation with the C&AG.


(GANGA MURTHY)
Director

To.
All Ministries/Departments to the Government of India.