

No. 3/19/2009-Estt. (Pay II)
Government of India
Ministry of Personnel, Public Grievances & Pension
Department of Personnel & Training

New Delhi, Dated: 5th April , 2010 .

OFFICE MEMORANDUM

Subject: Applicability of CCS (RP) Rules, 2008 to persons re-employed in Government Service after retirement and whose pay is debitable to Civil Estimates.

The undersigned is directed to refer to this Department's O.M. No. 3/13/2008-Estt. (Pay II) dated 11th November, 2008 on the above-mentioned subject. Certain references have been received seeking clarification regarding the manner of fixation of pay of retired Defence Forces personnel/officers re-employed in Central Government Civilian posts, after the implementation of CCS (RP) Rules, 2008. This has been considered in consultation with Department of Expenditure. The pay fixation of re-employed pensioners on re-employment in Central Government, including that of Defence Forces personnel/officers, is being done in accordance with CCS (fixation of pay of re-employed pensioners) Orders, 1986, issued vide this Department's O.M. No. 3/1/85-Estt. (Pay II) dated 31st July, 1986 (as revised from time to time).

2. After the introduction of the system of running pay bands and grade pays, it has been decided to amend the relevant provisions of CCS (fixation of pay of re-employed pensioners) Orders, 1986 in the manner indicated below: -

Existing provision	Proposed revised provision
<p>Para 4(a): Re-employed pensioners shall be allowed to draw pay only in the prescribed scales of pay of the posts in which they are re-employed. No protection of the scales of pay of the posts held by them prior to retirement shall be given.</p>	<p>Para 4(a): Re-employed pensioners shall be allowed to draw pay only in the prescribed pay scale/pay structure of the post in which they are re-employed. No protection of the scales of pay/pay structure of the post held by them prior to retirement shall be given.</p> <p><i>Note: Under the provisions of CCS (RP) Rules, 2008, revised pay structure comprises the grade pay attached to the post and the applicable pay band.</i></p>
<p>Para 4(b)(i): In all cases where the pension is fully ignored, the initial pay on re-employment shall be fixed at the minimum of the scale of pay of the re-employed post.</p>	<p>Para 4(b)(i): In all cases where the pension is fully ignored, the initial pay on re-employment shall be fixed as per entry pay in the revised pay structure of the re-employed post applicable in the case of direct recruits appointed on or after 1.1.2006 as notified vide Section II, Part A of First Schedule to CCS (RP) Rules, 2008.</p>

<p>Para 4(b)(ii): In cases where the entire pension and pensionary benefits are not ignored for pay fixation, the initial pay on re-employment shall be fixed at the same stage as the last pay drawn before retirement. If there is no such stage in the re-employed post, the pay shall be fixed at the stage next above that pay. If the maximum of the pay scale in which a pensioner is re-employed is less than the last pay drawn by him before retirement, his initial pay shall be fixed at the maximum of the scale of pay of the re-employed post. Similarly, if the minimum of the scale of pay in which a pensioner is re-employed is more than the last pay drawn by him before retirement, his initial pay shall be fixed at the minimum of the scale of pay of the re-employed post. However, in all these cases, the non-ignorable part of the pension shall be reduced from the pay so fixed.</p>	<p>Para 4(b)(ii): In cases where the entire pension and pensionary benefits are not ignored for pay fixation, the initial basic pay on re-employment shall be fixed at the same stage as the last basic pay drawn before retirement. However, he shall be granted the grade pay of the re-employed post. The maximum basic pay cannot exceed the grade pay of the re-employed post <i>plus</i> pay in the pay band of Rs.67000 i.e. the maximum of the pay band PB-4. In all these cases, the non-ignorable part of the pension shall be reduced from the pay so fixed.</p> <p>Illustration</p> <p>A Colonel who retired with basic pay of Rs.61700 (grade pay Rs.8700; pay in the pay band Rs.53000) is re-employed as a Deputy Secretary in an organization with grade pay of Rs.7600. In this case, on re-employment, his basic pay will continue to be Rs.61700. However, his grade pay on re-employment will be Rs.7600 and the pay in the pay band Rs.54100. Thereafter, the non-ignorable part of the pension will be reduced from the pay so fixed.</p> <p><i>Note: In the revised pay structure, basic pay is pay in the pay band plus the grade pay attached to the post.</i></p>
<p>Para 4(c): The re-employed pensioner will, in addition to pay as fixed under Para (b) above shall be permitted to draw separately any pension sanctioned to him and to retain any other form of retirement benefits.</p>	<p>Para 4(c): No change.</p>
<p>Para 4(d): In the case of persons retiring before attaining the age of 55 years and who are re-employed, pension (including PEG and other forms of retirement benefits) shall be ignored for initial pay fixation in the following extent:-</p> <p>(i) In the case of ex-servicemen who held posts below Commissioned Officer rank in the Defence Forces and in the case of civilians who held posts below Group 'A' posts at the time of their retirement, the entire pension and pension equivalent of retirement benefits shall be ignored.</p> <p>(ii) In the case of service officers belonging to the Defence Forces and Civilian pensioners who held Group 'A' posts at</p>	<p>Para 4(d): In the case of persons retiring before attaining the age of 55 years and who are re-employed, pension (including PEG and other forms of retirement benefits) shall be ignored for initial pay fixation in the following extent:-</p> <p>(i) No change.</p> <p>(ii) In the case of Commissioned Service officers belonging to the Defence Forces and Civilian pensioners who held Group 'A'</p>

the time of their retirement, the first Rs. 500/-* of the pension and pension equivalent retirement benefits shall be ignored. (*Already revised to Rs. 4000/- vide O.M. No. 3/13/2008-Estt. (Pay II) dated 11th November, 2008)

posts at the time of their retirement, the first Rs.4000/- of the pension and pension equivalent retirement benefits shall be ignored.

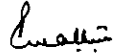
3. Apart from the above, it is also clarified as under: -

- (i) **Drawal of increments:** Once the initial pay of the re-employed pensioner has been fixed in the manner indicated above, he will be allowed to draw normal increments as per the provisions of Rule 9 and 10 of CCS (RP) Rules, 2008.
- (ii) **Allowances:** The drawal of various allowances and other benefits in the revised pay structure shall be regulated with reference to the grade pay of the re-employed post or the basic pay, as the case may be.
- (iii) **Treatment of Military Service Pay (MSP):** MSP is granted to Defence Forces officers/personnel while they are serving in the Defence Forces. Accordingly, on their re-employment in civilian organizations, including secret organizations under the Cabinet Secretariat umbrella, the question of grant of MSP to such officers/personnel does not arise. However, the benefit of MSP given to all retired Defence Forces officers/personnel by reckoning it at the time of calculation of their pension (notionally in the case of pre-1.1.2006 pensioners) should not be withdrawn. **Accordingly, while the pension of such re-employed pensioners will include the element of MSP, they will not be granted MSP while working in civilian organizations.**
- (iv) **Fixation of pay of personnel/officers re-employed prior to 1.1.2006 and who were in employment as on 1.1.2006:** In the case of personnel/officers who were re-employed before 1.1.2006 and who were working in the Central Government organizations on re-employment basis as on 1.1.2006, their pay will be fixed in accordance with the provisions of DOPT O.M. No.3/13/2008-Estt.(Pay II) dated 11.11.2008. This O.M. stipulates that re-employed persons who become eligible to elect revised pay structure shall exercise option in the manner laid down in Rule 6 of CCS (RP) Rules, 2008 and their pay shall be fixed in accordance with the provisions of Rule 7 of CCS (RP) Rules, 2008. In this context, it is clarified that in accordance with the provisions of Rule 7 of CCS (RP) Rules, 2008, Department of Expenditure issued fitment tables corresponding to each pre-revised pay scale vide O.M. No.1/1/2008-IC dated 30.8.2008. In the case of those personnel/officers as well, who were re-employed before 1.1.2006 and who were working in the civilian organizations on re-employment basis as on 1.1.2006, their pay will be fixed with reference to the fitment table of the **pre-revised civilian pay scale** in which they were re-employed and corresponding to the stage in the pre-revised pay scale as on 1.1.2006.
- (v) **Fixation of pay of personnel/officers who retired prior to 1.1.2006 and who have been re-employed after 1.1.2006:** In the case of personnel/officers who had retired prior to 1.1.2006 and who have been re-employed after 1.1.2006, their pay on re-employment will be fixed by **notionally** arriving at their revised basic pay at the time of retirement as if they had retired under the revised pay structure. This will be done with reference to the fitment table of the Defence Service Rank/Civilian service post (as the case may be) from which they had retired and the stage of basic pay at the time of their retirement. Their basic

pay on re-employment will be fixed at the same stage as the notional last basic pay before retirement so arrived at. However, they shall be granted the grade pay of the re-employed post. The maximum basic pay cannot exceed the grade pay of the re-employed post *plus* pay in the pay band of Rs.67000 i.e. the maximum of the pay band PB-4. In all these cases, the non-ignorable part of the pension shall be reduced from the pay so fixed.

4. The existing instructions on the subject shall be treated as amended to this extent.

5. In so far as the persons serving in the Indian Audit & Accounts Department are concerned, these orders are being issued after consultation with the Comptroller & Auditor General of India.



(Rita Mathur)
Director

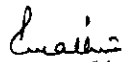
To

All Ministries/Department (As per standard list attached)

✓ **Copy to :** Director (NIC), Department of Personnel & Training, to upload the O.M. on this Department's website under the Head "Establishment (Pay)", Sub-Head "Pay Rules" & under the caption "What's New".

Copies also forwarded to:

1. The Comptroller & Auditor General of India and all States under his control. (With 400 spare copies)
2. Controller General of Accounts/Controller of Accounts, Ministry of Finance.
3. Secretaries to UPSC/Supreme Court of India/Election Commission/Lok Sabha Secretariat/Cabinet Secretariat/Central Vigilance Commission/President's Secretariat/Vice President's Secretariat/Prime Minister's Office/Planning Commission.
4. Department of Personnel & Training (AIS Division)/JCA/Admn. Section.
5. Additional Secretary (Union Territories), Ministry of Home Affairs.
6. All State Governments and Union Territories.
7. Secretary, National Council (Staff Side), 13-C, Feroz Shah Road, New Delhi
8. All Members of the Staff Side of the National Council of JCM/Departmental Council.
9. All Officers/Sections of the Department of Personnel & Training/Department of Administrative Reforms & Public Grievances/Department of Pension & Pensioners' Welfare.
10. Ministry of Finance, Department of Expenditure
11. 25 spare copies.



(Rita Mathur)
Director