

the pensioner has retired. In case of Commissioned Officers who have retired during 1.1.2006 and 1.9.2008, the pension will be reduced pro rata where the pensioner has less than the maximum required service of 33 years for full pension and in no case it will be less than Rs. 3,500/- per month.

NOTES:

The retiring pension of an Officer of the rank of Major General and equivalent, shall not be less than the pension which would have been admissible to him as a Brigadier and equivalent, as the case may be, had he not been promoted to the higher rank.

8. GRATUITY

The maximum limit of all kinds of Gratuity i.e. Retiring / Retirement / Service / Invalid / Special / Terminal/ Death Gratuity shall be Rs. 10 lakhs.

9. COMMUTATION OF PENSION

9.1. Armed Forces Personnel shall be entitled to commute for a lump sum payment upto 50% of their pension.

9.2. The existing Table of Commutation Value for pension Annexed to AI 85/71 shall be substituted by a new table as at 'Annexure - I' to this letter.

9.3. The revised Table of Commutation Value for Pension will be used for all commutations of pension, which become absolute on or after 02.09.2008. In the case of those pensioners, in whose case commutation of pension became absolute on or after 01.01.2006 but before 02.09.2008, the pre-revised Table of Commutation Value for commutation of pension will be used for payment of commuted value of pension based on pre-revised pay/pension. Such pensioners shall have an option to commute the amount of pension that has become additionally commutable on account of retrospective revision of pay/pension on implementation of the recommendations of the Sixth Central Pay Commission. On exercising such an option by the pensioner, the revised Table of Commutation Value for Pension will be used for the commutation of the additional amount of pension that has become commutable on account of retrospective revision of pay/pension. In all cases where the date of retirement/discharge/invalidment/commutation of pension is on or after 02.09.2008, the revised Table of Commutation Value for Pension will be used for commutation of entire pension.

10. ADDITIONAL PENSION TO OLD PENSIONERS

The quantum of pension available to the old pensioners shall be increased as follows:

AGE OF PENSIONER	ADDITIONAL QUANTUM OF PENSION
From 80 years to less than 85 years	20% of basic pension
From 85 years to less than 90 years	30% of basic pension
From 90 years to less than 95 years	40% of basic pension
From 95 years to less than 100 years	50% of basic pension
100 years or more	100% of basic pension

The Pension Sanctioning Authorities should ensure that the date of birth and the age of a pensioner are 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 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 p.m. the pension will be shown as (i) Basic pension = Rs. 10,000 and (ii) Additional Pension = Rs. 2,000 p.m. 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 p.m.

11. FAMILY PENSION

11.1. For the purpose of grant of family pension, the 'Family' shall be categorized as under:

CATEGORY-I

- (a) Widow or widower, upto the date of death or re-marriage, whichever is earlier;
- (b) Son/daughter (including widowed daughter), upto the date of his/her marriage/re-marriage or till the date he/she starts earning or till the age of 25 years, whichever is earlier.

CATEGORY-II

- (c) Unmarried/Widowed/Divorced daughter, not covered by Category I above, upto the date of marriage/re-marriage or till the date she starts earning or upto the date of death, whichever is earlier.
- (d) Parents who were wholly dependent on the Armed Forces personnel when he/she was alive provided the deceased personnel had left behind neither a widow nor a child.

Family pension to dependent parents, unmarried/divorced/widowed daughter will continue till the date of death.

Family pension to unmarried/widowed/divorced daughters in Category-II and dependent parents shall be payable only after the other eligible family members in Category I have ceased to be eligible to receive family pension and there is no disabled child to receive the family pension. Grant of family pension to children in respective categories shall be payable in order of their date of birth and younger of them will not be eligible for family pension unless the next above him/her has become ineligible for grant of family pension in that category.

11.2. The dependency criteria for the purpose of family pension shall be the minimum family pension along with dearness relief thereon.

11.3. The childless widow of a deceased personnel shall continue to be paid family pension even after her re-marriage subject to the condition that the family pension shall cease once her independent income from all other sources becomes equal to or higher than the minimum prescribed family pension in the Central Government. The family pensioner in such cases would be required to give a declaration regarding her income from other sources to the pension disbursing authority every six months.

11.4. The enhanced rate of ordinary family pension shall be payable for a period of ten years, without any upper age limit from the date following the date of death of the personnel, to the family of a personnel who dies in service. These provisions will, however, not apply in cases where the period of seven years for payment of enhanced family pension has already been completed as on 1.1.2006 and the family was in receipt of normal rate of ordinary family pension on that date. There will be no change in the period for payment of enhanced family pension to the family in the case of death of a

pensioner i.e. 7 years from the date of death or till attaining the age 67 years whichever is earlier.

ADDITIONAL FAMILY PENSION TO OLD FAMILY PENSIONERS

11.5 The quantum of family pension available to the old family pensioners shall be increased as follows:

AGE OF FAMILY PENSIONER	ADDITIONAL QUANTUM OF FAMILY PENSION
From 80 years to less than 85 years	20% of basic family pension
From 85 years to less than 90 years	30% of basic family pension
From 90 years to less than 95 years	40% of basic family pension
From 95 years to less than 100 years	50% of basic family pension
100 years or more	100% of basic family pension

The Pension Sanctioning Authorities should ensure that the date of birth and the age of a family pensioner is invariably indicated in the pension payment order to facilitate payment of additional family pension by the Pension Disbursing Authority as soon as it becomes due. The amount of additional family pension will be shown distinctly in the pension payment order. For example, in case where a family pensioner is more than 80 years of age and his/her family pension is Rs. 10,000 p.m. the pension will be shown as (i) Basic family pension = Rs. 10,000 and (ii) Additional pension = Rs. 2,000 p.m. The family pension on his/her attaining the age of 85 years will be shown as (i) Basic Family Pension = Rs. 10,000 and (ii) Additional pension = Rs. 3,000 p.m.

PART – III

GENERAL

ROUNDING OFF OF PENSIONARY AWARDS

12. The amount of various pensionary awards admissible as per this letter shall be rounded off to the next higher rupee by the Pension Sanctioning Authorities.

MINIMUM/ MAXIMUM PENSION

13. If the amount of any monthly pension viz retiring pension / service pension / invalid pension / special pension / family pension admissible under the provisions of this letter works out to less than Rs. 3500/- per month, it shall be stepped up to Rs. 3500/- per month and authorized for payment at this rate. In cases where service element of disability pension fall short of Rs. 3500/- p.m. the same shall be stepped up to Rs. 3500/- p.m. There will be a maximum ceiling on the amount of service pension/Invalid pension/Special pension and ordinary family pension upto 50% and 30% respectively of the highest pay in the Government (the highest pay in the Govt. is Rs. 90,000 since 1.1.2006).

DEARNESS RELIEF

14. Dearness Relief shall be admissible only beyond average AICPI 536 (Base Year 1982 = 100) on the revised pattern introduced vide Ministry of Personnel, Public Grievances and pension, Department of Pension and Pensioners' Welfare Office Memorandum No. 42/2/2008-P&PW (G) dated 12.09.2008, on various types of pensions/family pension and additional pension/family pension.

COMMUTATION OF ADDITIONAL PENSION

15. The Armed Forces personnel who had already retired / discharged from service during 1.1.2006 and 1.9.2008 and have availed of the benefit of commutation of pension not exceeding maximum permissible limit (i.e. 43% & 45% in respect of commissioned officers and PBOR respectively) within one year of retirement/discharge, the benefit of commutation of additional pension as at Para 8.3 above, will be allowed with reference to the age next birthday as on the date of fresh option without medical examination. In case of Armed Forces personnel retired/discharged during 1.1.2006 to 1.9.2008 and had not availed the commutation of pension upto maximum permissible limit within one year of retirement/discharge, the benefit of commutation of additional pension as at Para 8.3 above may be allowed with reference to age next birthday as on date of fresh option after medical examination. The pensioners who have already undergone medical examination in the latter case need not be medically examined again for this purpose.

PROCEDURE FOR SANCTION OF REVISED PENSION IN RESPECT OF THOSE WHO HAVE ALREADY RETIRED:

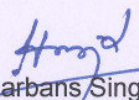
16. For revision of pensionary awards as per provisions of this letter in respect of Armed Forces personnel who have already retired/discharged/invalided out/died on or after 01.01.2006 and in whose cases pensionary benefits at pre-revised rates have already been notified, the Record Offices concerned in case of PBOR and CDA(O), Pune/Naval Pay Office Mumbai/ AFCAO, New Delhi, as the case may be, in respect of Commissioned Officers, will initiate and forward revised LPC-cum-data sheet as prescribed by PCDA(Pensions), Allahabad to their respective Pension Sanctioning Authorities (PSAs) for issue of corrigendum PPOs notifying the revised pensionary awards. Further implementation instructions to all concerned will be issued by PCDA (Pensions), Allahabad immediately on receipt of these orders.

17. Orders regarding grant of disability pension / liberalized disability pension / war injury pension, admissible with effect from 1.1.2006 will be issued separately.

18. Pension Regulations of the three services will be amended in due course.

19. This issues with the concurrence of the Finance Division of this Ministry vide their UO NO.1930/DFA(Pens) dated 24.10.2008.

20. Hindi version will follow.


(Harbans Singh)
Director (Pension/Policy)

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8. The Principal Controller of Defence Accounts (Pension), Allahabad
9. The Principal Controller of Defence Account(Pension Disbursement), New Delhi
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12. The CDA(O), Pune
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Annexure – I

COMMUTATION VALUE FOR A PENSION OF Re. 1 PER ANNUM

Age next birthday	Commutation value expressed as number of year's purchase	Age next birthday	Commutation value expressed as number of year's purchase	Age next birthday	Commutation value expressed as number of year's purchase
20	9.188	41	9.075	62	8.093
21	9.187	42	9.059	63	7.982
22	9.186	43	9.040	64	7.862
23	9.185	44	9.019	65	7.731
24	9.184	45	8.996	66	7.591
25	9.183	46	8.971	67	7.431
26	9.182	47	8.943	68	7.262
27	9.180	48	8.913	69	7.083
28	9.178	49	8.881	70	6.897
29	9.176	50	8.846	71	6.703
30	9.173	51	8.808	72	6.502
31	9.169	52	8.768	73	6.296
32	9.164	53	8.724	74	6.085
33	9.159	54	8.678	75	5.872
34	9.152	55	8.627	76	5.657
35	9.145	56	8.572	77	5.443
36	9.136	57	8.512	78	5.229
37	9.126	58	8.446	79	5.018
38	9.116	59	8.371	80	4.812
39	9.103	60	8.287	81	4.611
40	9.090	61	8.194		

[Basis: LIC (94-96) Ultimate Tables and 8.00% interest]