

No.5(14)-E.III(B)/77
Government of India
Ministry of Finance
(Department of Expenditure)

Annexure - F (19)
55

New Delhi, 19th July, 1978.

OFFICE MEMORANDUM

Subject: Fixation of pay of re-employed pensioners-General polity thereof.

The undersigned is directed to invite reference to this Ministry's Office Memorandum No. 7(34)-Est.III/62, dated 16.1.64 according to which pension upto Rs.50/- is being ignored in fixation of the pay on re-employment of persons who retire before attaining the age of 55.

2. Consequent on the liberalisation of the pension rules and the general increase in pay scales on the basis of the third pay Commissions recommendations, the question of raising these limits has been under the consideration of the Government of India. The president has been pleased to decide that in the case of persons retiring before attaining the age of 55, the pension as shown below may be ignored in fixing their pay on re-employment:-

(i) in the case of pensions not exceeding Rs.125/- per month the actual pension-

(ii) in other cases the first Rs. 125/- of the 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 date of issue 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 date of issue of these orders. In the case of the persons who are already on re-employment, the pay may be re-fixed on the basis of these orders with immediate effect 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 date of these orders.

5. The option should be exercised in writing within a period of six months from the date of issue of these orders. The option once exercised shall be final.

6. In so far as the staff of the India Audit and Accounts Department are concerned, these orders are issued in consultation with the Comptroller and Auditor General, of India.

Sd/- (P.S. VENKATESWARAN)
Deputy Secretary to the Govt. of India.