

No.F11(3)-EV(A)/76
Government of India
Ministry of Finance
Department of Expenditure

New Delhi, the 6th May, 1976.

OFFICE MEMORANDUM

Subject : Simplification of procedure with a view to eliminating delays in the payment of pension and gratuity.

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The undersigned is directed to refer to this Ministry's O.M. No.F11(3)-EV(A)/76, dated the 28th February, 1976, on the subject mentioned above, and to say that certain related issues have been separately under the consideration of the Government viz. (a) the manner in which pension cases which were pending on the date of effect of the aforesaid O.M. should be processed; (b) the application of the provisions of that O.M. to those cases of retirement on or after 29.2.76 in which the full two-year period envisaged in the time-table is not available; and (c) the manner in which pension papers should be processed in those cases in which retirement occurs ahead of the age of superannuation. Appropriate instructions in regard to these matters are laid down in the ensuing paragraphs.

2. Pending pension cases:

As the O.M. dated 28.2.76 was made applicable to persons retiring on or after 29.2.76, such provisions of that O.M. as involve a liberalisation of entitlements would not be applicable to those who had retired prior to 29.2.76. It is however, the Government's intention that the spirit and approach behind the procedural changes introduced in that O.M. should fully govern the processing of such pending pension cases. Even prior to the issue of that O.M., the C.C.S.(Pension) Rules, 1972, required advance action in regard to pension cases to be initiated one year ahead of the date of the retirement, vide Rule 62, 63, & 66; from July '75 onwards the advance action was to be initiated two years prior to the date of retirement, vide this Ministry's notification No. F11(1)-EV(A)/73, dated the 14.7.75. Moreover, even prior to the issue of the O.M. dated 28.2.76, the procedures in force were designed to facilitate the commencement of the payment of pension on the first of the month in which it is due; the O.M. of 28.2.76 merely sought to reinforce these intentions and objectives. In the light of the above, it has been decided that all pending pension cases

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of those who retired before 29.2.76 should be processed and finalised (where this has not been done already) strictly in accordance with the following instructions:

(i) Where pension and death-cum-retirement gratuity have not yet been released even on a provisional basis, action to draw and disburse provisional pension and provisional death-cum-retirement gratuity should be taken forthwith and the payments should commence not later than 1st June, 1976. For this purpose, recourse may be had, if necessary, to the summary procedures laid down in paragraph 8(a) and (b) of the O.M. dated 28.2.76.

(ii) A flat period of six months at the maximum (four months for the Head of Office and two months for the office which is to issue PPO/GPO) will be allowed for the final determination of pension and gratuity, the issue of the LPC, the ascertainment and adjustment of recoverable balance of loans and advances and other Government dues, etc. Whatever the progress of work upto 29.2.76, the pension cases should be positively completed during the period of six months from 1st March, 1976, fully in conformity with the spirit of the O.M. dated 28.2.76: and the final pension and gratuity payment orders should be issued not later than 31st August, 1976. If the final PPO/GPO has not been issued by that date in any case, provisions of paragraphs 8(c), 9 and 10 should be fully applicable. After 1st September, 1976, there should be no pending pension cases relating to any Government servant who retired prior to 29.2.76 (except those in which disciplinary proceedings are in progress). It shall be the responsibility of Heads of Departments to ensure that the dates laid down above are adhered to.

3. Cases of retirement on or after 29.2.76 in which the two-year time table is not feasible :

(i) Some Government servants might have already retired on or after 29.2.76 and others might be due to retire on varying dates in the future but with less than two years to go. However, as already mentioned, the rules and orders in force prior to the issue of the O.M. dated 28.2.76 did require advance action to be taken to initiate pension cases one year prior to the date of retirement ; and this was changed to two years by this Ministry's notification No. 11(1)-EV(A)/73, dated 14.7.75. There should, therefore, be no difficulty in processing the pension and gratuity in accordance with the time-table laid down:

in paragraph 2(a) of the O.M. dated 28.2.76, at least in all those cases in which the Government servants are due to retire in July,77 or later (i.e. two years after the issue of the notification of 14.7.75 referred to above).

(ii) In respect of Government servants who are due for retirement before July, 1977, it has to be presumed that in pursuance of the extant rules and orders, preparatory work on pension cases must have started one year prior to the date of retirement. In cases where the preparatory work was not taken in hand, the work should be taken in hand immediately. To the extent that the two-year period envisaged in clause(a) of para 2 of the O.M. dated 28.2.76 is not fully available, the abridgement of the time table should take place essentially by a reduction of the time allotted to the first stage envisaged in the aforesaid clause, the other stages remaining unaltered; and the actual work of preparation of pension papers, viz. the reckoning of qualifying service and average emoluments should be taken in hand eight months before the date of retirement and the rest of the time-table applied accordingly.

(iii) In respect of government servants who are due to retire in the very near future (say within the next ten months) and in whose cases the preparatory work on the processing of the pension cases has not been taken in hand, the provisions of the O.M. dated 28.2.76 would be fully applicable subject only to the practical limitation that the four separate stages envisaged in sub-paragraphs (a) (b) (c) & (d) of paragraph 2 of the O.M. would get compressed into one stage. The grant of provisional pension and provisional gratuity on the first of the month in which pension is due and the final settlement of the pension case and all related matters within a period of 6 months from the date of retirement in terms of paragraphs 8,9 and 10 of the O.M. dated 28.2.76 would, of course, be mandatory.

4. Retirement ahead of the age of superannuation:

In case of retirement on a retiring pension under clause (j) or (k) under F.R.56 or under Rule 48 of the CCS(Pension) Rules, 1972, or retirements on invalid pension or compensation pension under Rule 38 and 39 respectively of the CCS(Pension) Rules, or retirement on absorption in or under a Corporation, Company or Body under Rule 37 of those rules, it is not possible to anticipate the date of retirement and consequently it is not feasible to initiate advance action in accordance with the two-year time table laid down in the O.M. dated 28.2.76. Nevertheless, this does not detract from the principle that the pension case has to be finalised as quickly as possible in such cases also. Action should be commenced immediately after the fact of the impending

retirement of the government servant is known, and the pension case and all other related matters and formalities should be fully completed not later than six months from the date of retirement. In such cases also, a provisional pension and death-cum-retirement gratuity should be drawn and disbursed on the first of the month in which the payment of pension falls due. For this purpose, the summary procedures laid down in clauses (a) and (b) of paragraph 8 of the O.M. should be followed; and the provisions of clause (c) of that paragraph and paragraphs 9 and 10 would be equally applicable.

5. In so far as the persons working in the Indian Audit and Accounts Department are concerned, these orders have been issued after consultation with the Comptroller and Auditor General of India.

6. Hindi version of this O.M. will follow.

(S.N. MATHUR)

DEPUTY SECRETARY TO THE GOVERNMENT OF INDIA

To

All Ministries/Departments of the Government of India.

No.F11(3)-EV(A)/76

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8. A.I.S. Division, Department of Personnel and A.P.
9. Secretary, Staff Side, National Council (JCM), 9-Ashoka Road, New Delhi.
10. All members of the Staff Side of the National Council of I.C.M.