

No.5(12) Est.III/B/70  
Government of India  
Ministry of Finance  
(Department of Expenditure)

New Delhi, dated the 18th February, 1971.

OFFICE MEMORANDUM

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

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The undersigned is directed to refer to the orders contained in this Ministry's Office Memorandum No.8(63) Est.III/60 dated 12.1.61 on the subject noted above. According to these orders, in cases where delays are likely to occur in determining the pension and other pensionary benefits, the re-employed officers may be paid their pay on provisional basis after taking into account the maximum pension and gratuity that might be admissible to them on the basis of the last pay drawn. This means that till the pensionary benefits are sanctioned and authorised for payment, a re-employed pensioner will neither be paid the full pay of the post nor the pension to which he has become entitled during the period he is paid provisionally.

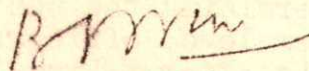
2. With a view to removing the hardship in this connection, it has been decided that a re-employed person may be paid the full pay of the post on provisional basis which will be inclusive of his pension but will exclude an approximate amount of pension equivalent of gratuity/pension equivalent of employer's portion of C.P.F. as the case may be, provided he executes an agreement in the appropriate form (vide Annexure I). He will also be required to furnish a quittance in the prescribed form (vide Annexure II) indicating receipt of his pay including pension. The quittance should be obtained from the re-employed person concerned along with the pay bill every month he is paid provisionally.

3. When the pension and other retirement benefits are ultimately sanctioned to the re-employed person by the competent authority, the pay would be fixed after taking into account the pension and pension equivalent of other form of retirement benefits in accordance with the orders contained in the Ministry of Finance Office Memorandum No.8(34) Estt.III/57 dated 25.11.58 as modified upto date and he will have no fresh claim for pensionary benefits in respect of the past periods during which he drew the same along with the provisional pay. The actual amount of pension equivalent of gratuity/employers portion of C.P.F. will be adjusted against the gratuity/C.P.F. to the extent it is different from the approximate amount deducted from the pay of the post provisionally paid.

Contd/..2.

4. The orders will apply only to the cases of Civil retired Central Government employees re-employed in Central Civil Departments and do not apply to cases of any other categories of retired persons (such as retired persons of Defence Department, Railway Department and State Governments) on their re-employment under Central Government.

5. In so far as the persons serving in the Indian Audit and Accounts Department are concerned, the orders are issued in consultation with the Comptroller and Auditor General of India who will exercise the powers of an Administrative Ministry for the purpose of these orders in respect of persons re-employed in the Indian Audit and Accounts Department.

  
( B.S. NIM )

Under Secretary to the Government of India.

To

All Ministries of the Government of India, etc. etc.

"F. LAKRA"

Annexure - I

Form of agreement to be executed by a Central  
Government (Civil) Pensioner on his re-employment.

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An agreement made .....day of .....One thousand nine hundred and .....between.....(herein after called the retired Government servant, which expression shall include his heirs, executors, administrators and legal representatives) of the one part and the President of India (herein after called the 'Government') on the other part.

Whereas the Government has appointed ..... a retired Government servant in the post of .....which carries a scale of .....

Whereas in accordance with the orders contained in the Ministry of Finance, Office Memorandum No.8(34) Est.III/57 dated the 25th November, 1958 as modified unto date, the initial pay on re-employment plus the gross amount of pension and/or the pension equivalent of other forms of retirement benefits shall not exceed (i) the pay he drew before his retirement or (ii) Rs.3000/- whichever is less.

Whereas the pension and/or the pension equivalent of retirement benefits in respect of the retired Government Servant's previous service has not been finally determined and sanctioned by the Competent authority before his re-employment

Whereas the approximate amount of pension equivalent of gratuity/pension equivalent of employer's contribution to the Contributory Provident Fund receivable by the retired Government servant has been worked out to be Rs.....p.m.....

Whereas the retired Government Servant is desirous of receiving pay in the re-employed post each month inclusive of the amount of pension due to him for the relevant period but exclusive of a sum of Rs. .... representing the approximate amount of pension equivalent of gratuity/pension equivalent of employer's contribution to C.P.F.

Now therefore, the Government have agreed to fix his pay at a sum of Rs. .... per month "provisionally", which sum shall include the amount of pension due to him for the relevant period but exclude an approximate amount of pension equivalent of gratuity/pension equivalent of employer's contribution to C.P.F.

On the condition that:

The provisional pay shall be subject to adjustment on the fixation of his final pay in accordance with the orders referred to above, when the pension and/or the pension equivalent of other forms of retirement benefits in respect of his previous service are sanctioned to the retired Government servant by the competent authority.

Contd/..2.

The retired Government servant shall not have any further claim for the pension in respect of the period during which he had drawn the amount thereof included in the provisional pay.

And further that the actual pension equivalent of gratuity/pension equivalent of employer's contribution to C.P.F. shall be subject to adjustment from the gratuity/C.P.F. when sanctioned, to the extent it is different from the approximate amount excluded from the pay in the re-employed post to arrive at the provisional pay.

In witness whereof the retired Government servant has hereunto set his hand the day and year first before written.

Signed by the said  
in the presence of

Signatures .....

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Annexure - II

Receipt to be given by the re-employed pensioner  
along with pay bill every month.  
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Received a sum of rupees .....  
being the provisional pay (which is inclusive of the amount of  
pension accrued to me) in .....  
(name of post held and office) for the month of .....  
I hereby declare and state that my pension for the month of  
..... may be treated as adjusted  
against the above payment when the pensionary benefits are  
sanctioned to me and I will not be entitled to any further  
payment on account of pension for the said period.

Signature.....

ARTICLE II

Receipts to be given by the receiver of payments  
shall be paid every month.

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Receiver of payments shall be required to furnish to the  
proper authorities a statement of the amount of the  
payments received by him for each month and for the  
year ending on the 31st day of December. The  
statement shall be in the form of a statement of  
account and shall be audited by the proper  
authorities. The receiver shall be held responsible  
for the correctness of the statement and shall be  
liable for the amount of the payments received by  
him for each month and for the year ending on the  
31st day of December.

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