

No.8(34)/Est.III/57
Government of India
Ministry of Finance
(Department of Expenditure)

New Delhi-2, the 25th November, 1958.
the 4th Agrahayana, 1880 S.E.

OFFICE MEMORANDUM

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

In supersession of all earlier orders on the subject, the Government of India have decided that the following procedure should be adopted in fixing the pay of pensioners including officers pensioned off or retired on Contributory Provident Fund, and from services of the State Governments, local bodies, Port Trusts etc. administered by Government, Railways, Defence estimates, etc., re-employed in Central Civil Departments :-

(a) Re-employed pensioners should be allowed only the prescribed scales of pay, that is, no protected time scales such as those available to pre-1931 entrants should be extended to them.

(b) The initial pay, on re-employment, should be fixed at the minimum stage of the scale of pay prescribed for the post in which an individual is re-employed.

In cases where it is felt that the fixation of initial pay of the re-employed officer at the minimum of the prescribed pay scale will cause undue hardship, the pay may be fixed at a higher stage by allowing one increment for each year of service which the officer has rendered before retirement in a post not lower than that in which he is re-employed.

(c) In addition to (b) above, the Government servant may be permitted to draw separately any pension sanctioned to him and to retain any other form of retirement benefit for which he is eligible e.g., Government's contribution to a Contributory Provident Fund, gratuity, commuted value of pension, etc., provided that the total amount of initial pay as at (b) above, plus the gross amount of pension and/or the pension equivalent of other forms of retirement benefit does not exceed:-

- (i) the pay he drew before his retirement (pre-retirement pay), or
- (ii) Rs.3,000/-, whichever is less.

Note 1. In all cases where either of these limits is exceeded, the pension and other retirement benefits may be paid in full and the necessary adjustments made in the pay so as to ensure that the total of pay and pensionary benefits is within the prescribed limits.

Where, after the pay is fixed at the minimum or any higher stage, it is reduced below the minimum as a result of the said adjustments, increase in pay may be allowed after each year of service at the rates of increments admissible, as if the pay had been fixed at the minimum or the higher stage as the case may be.

Note 2. Pay last drawn before retirement will be taken the substantive pay plus special pay, if any; pay drawn in an officiating appointment may be taken into account if it was drawn continuously for at least one year before retirement.

(d) In the case of posts for which personnel with the requisite qualifications and experience are not available it is found necessary to recruit an officer for service at a place situated at a considerable distance from his home at the restriction that initial pay on re-employment plus pension should not exceed the last pay drawn, may be relaxed to the extent indicated below:-

(i) Initial pay on re-employment plus gross pension/pension equivalent of other retirement benefits should not exceed the pay last drawn before retirement by more than Rs.250/-.

(ii) The total of initial pay on re-employment as fixed under para.(b) plus gross pension/pension equivalent of other retirement benefits should not exceed Rs.1,000/-.

(iii) The above concession will be admissible only where the officer has retired on a superannuation pension.

(e) In cases where the minimum pay of the post in which the officer is re-employed is more than the last pay drawn, officer concerned may be allowed the minimum of the prescribed scale of the post less pension and pension equivalent of other retirement benefits.

(f) Where the restriction that pay on re-employment plus gross pension/pension equivalent of other retirement benefits should not exceed the last pay drawn has to be relaxed in circumstances other than those mentioned in sub-paragraphs (d) and (e) above, the approval of the Ministry of Finance should be obtained in each individual case.

(g) Once the initial pay of a re-employed pensioner has been fixed in the manner indicated above, he may be allowed to draw normal increments in the time-scale of the post to which he is appointed, provided that the pay and gross pension equivalent of other retirement benefits taken together do not at any time exceed Rs.3,000/- per month.

(h) Re-employed officers may be permitted to contribute to the Contributory Provident Fund, provided that where the period of re-employment is initially for a year or less but is later extended so as to exceed one year the Government contribution with interest will be credited only after the completion of one year's re-employed service. The Government contribution with interest shall be payable for the entire period for which the re-employed officer is allowed to contribute to the Contributory Provident Fund if such period exceeds one year.

(i) (i) In cases where an officer, who before retirement was in the civil employ of the Central Government (excluding the Railway Department), is re-employed before he has had an opportunity to avail himself of the leave which had been refused to him in the exigencies of public service, and if the officer is the

Civil Service Regulations, before the date of superannuation, and which, under the rules, could be enjoyed by him after the date of superannuation, the officer may be permitted to avail himself of the unutilized portion of such leave on termination of the period of re-employment, on the same leave salary as would have been admissible to him in the normal course but for the re-employment.

- (ii) The leave salary for the period of such leave would be the same as would have been admissible in the normal course but for re-employment reduced by the amount of pension and/or pension equivalent of gratuity and other retirement benefits.
- (iii) The leave salary for the refused leave which is permitted to be availed of on termination of the period of re-employment would be borne by the Department which would have borne it had the leave been enjoyed before re-employment and not postponed.
- (iv) The existing position will continue in the case of officers who may be re-employed during the period of their leave preparatory to retirement.
- (v) To the extent the leave earned during the period of re-employment is not availed of during the period of re-employment itself, it will be allowed to be availed of on termination of re-employment, provided the leave on average pay or earned leave carried forward under para. 1(i)(i) above and the earned leave allowed as terminal leave shall together not exceed the limits upto which leave on average pay, privilege leave or earned leave can be allowed at a time under the Fundamental Rules, Civil Service Regulations or the Revised Leave Rules, whichever of these rules were applicable to the officer before retirement.

If a person has on the date of re-employment enjoyed a portion of the refused leave, the leave admissible to him on finally leaving office after re-employment will be composed of the unavailed portion of such leave and the leave earned during the period of re-employment in such manner as the officer desires and the incidence of such leave salary will follow the manner in which the two leaves are combined. Formal sanction to such leave should be accorded by the authority or authorities empowered to sanction it prior to and during re-employment.

- (vi) The earned leave earned during re-employment shall be allowed to be availed of as terminal leave even though it may not have been formally applied for and refused in the exigencies of public service.

2. The Administrative Ministries will be competent to fix the pay of retired officers re-employed under their accordance with the formula mentioned in paragraph 1 provided the post in which the officer is re-employed carries a sanctioned scale of pay. Cases in which a scale of pay has not been sanctioned for the post, will, as hitherto continue to be referred to the Ministry of Finance in this Ministry's Office Memorandum No.F.10(5)-E.V/50 dated 6th June, 1950.

3. These orders will apply to cases of re-employment occurring hereafter and past cases are not to be re-opened. In respect of officers already on re-employment, these orders will apply from the date of commencement of the further period of re-employment, if the existing period of re-employment is extended.

4. In so far as the staff of the Indian Audit and Accounts Department are concerned, these orders are issued in consultation with the Comptroller and Auditor General, who will exercise powers of an administrative Ministry for the purpose of the orders in respect of persons re-employed in the I.A. & A. Department.

R. Narayanaswami
(R. Narayanaswami)

Joint Secretary to the Government of India

To

All Ministries of the Government of India; the Cabinet Secretariat; the Prime Minister's Secretariat; the Secretary to the Development Board; the Partition Secretariat; the Secretary to the President; the Election Commission of India and Planning Commission; the Lok Sabha and Rajya Sabha Secretariat; the Department of Atomic Energy; the O. & M. Division of the Cabinet Secretariat.

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Copy forwarded to the Military and Private Secretaries to the President; the Registrar, Supreme Court; the Union Public Service Commission; the Secretary General, Indian Red Cross Society, New Delhi; the Comptroller General Army Provision (Eastern Group); the Financial Commissioner, Railways; the Comptroller and Auditor General of India (with 15 spare copies); all Accountants General including Accountant General Posts and Telegraphs; and Comptrollers including Accountant General Posts and Telegraphs; and Comptrollers including Comptroller, Orissa State Branch, Mayurbhanj House Puri, I.N.Railway; the Deputy Accountants General under the Accountant General Posts and Telegraphs; the Accounts Office, Telegraph Check Office, Calcutta; the Accountants General, Food, Industries and Supplies, New Delhi, Bombay and Calcutta; the Deputy Accountant General, Food, New Delhi; the Audit Officer, Tungbharra Project, Financial Adviser and Chief Accounts Officer, Hirakud Right Bank; the Director of Audit Defence Services; the Director of Railway Audit and all Railways Audit Offices under his control; Financial Adviser and Chief Accounts Officer, Northern Railway, Delhi; Financial Adviser and Chief Accounts Officer, North Eastern Railway, Gorakhpur; Financial Adviser and Chief Accounts Officer, Western Railway, ...

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