No. PC 1(2)/97/D(Pen-C)
Government of India
Ministry of Defence
New Delhi, Dated 16th May, 2001

To

The Chief of the Army Staff
The Chief of the Naval Staff
The Chief of the Air Staff

Subject: Rationalisation of Pension Structure for Pre 1996 Armed Forces Pensioners - Implementation of Government decisions on the recommendations of the Fifth Central Pay Commission

Sir,

I am directed to refer to this Ministry’s letters No.1(2)/97/D(Pen/Services) dated 24 November 97, No.1(2)/98/D(Pen/Services) dated 14 July, 98, No.1(1)/99/D(Pen/Services) dated 07 June 1999, No.PC 1(2)/97/D(Pen-C) dated 14 March 2000 and No.1(2)/97/D(Pen-C) dated 31 January, 2001 on the above subject and to convey the sanction of the President as given in succeeding paragraphs.

Special Family Pension

2. In the case of pensioners in receipt of special family pension as on 01 Jan 96, their pension will be consolidated in terms of this Ministry’s letter No.1(2)/97/D(Pen/Services) dated 24 Nov 97 in the first instance. The special family pension, so consolidated, irrespective of the date of award, shall not be less than 60% of the minimum pay in the revised scale of pay introduced w.e.f. 01 Jan 96 of the rank, rank and group (in the case of PBOR) held by the deceased personnel at the time of death, subject to a minimum of Rs.2550/- per month.

[Signature]
Dated: 30-5-2008
Dependant pension

3. In case of pensioners in receipt of dependent pension as on 01 Jan 96, pension will be consolidated in terms of this Ministry's letter No.1(2)/97/D(Pen/Services) dated 24 November 97. However, the dependent pension, so consolidated, irrespective of the date of award, shall not be less than 50% of the special family pension worked out on the minimum pay in the revised scale of pay introduced w.e.f. 01 January 96 of the rank held by the deceased Officer at the time of death, subject to a minimum of Rs.1275/- per month.

Dependant Pension (Liberalised)

4. In case of pensioners in receipt of dependent pension (liberalised) as on 01 Jan. 96, pension will be consolidated in terms of this Ministry's letter No.1(2)/97/D(Pen/Services) dated 24 Nov. 97. However, dependent pension (liberalised) so consolidated irrespective of the date of award, shall not be less than 75% (in case both parents are alive) and 60% (in the case of single parent/dependent brother(s) and sister(s)) of the Liberalised Family Pension worked out on the minimum pay in the revised scale of pay introduced w.e.f. 01 Jan 96 of the rank held by the deceased officer at the time of death.

Liberalised Family Pension (LFP)

5. In the case of pensioners in receipt of liberalised family pension as on 01 Jan 96 pension will be consolidated in terms of this Ministry's letter No.1(2)/97/D(Pen/Services) dated 24 Nov. 97. However, the liberalised family pension, so consolidated, irrespective of the date of award, shall not be less than the reckonable emoluments calculated on the minimum pay in the revised scale of pay introduced w.e.f. 01 Jan 96 of the rank, rank and group (in the case of PBOR) held by the deceased personnel at the time of death.
Disability/War Injury Pension

6. For pensioners in receipt of disability pension as on 1.1.96, with effect from 01 Jan 96, the rates of disability element for 100% disability in non-battle casualty cases shall be the rates as indicated in para 7.1(1)(a) of this Ministry's letter No.1(2)/97/D(Pen-C) dated 31 Jan 2001. Where the disability of a pensioner is less than 100% but not less than 20%, the rates of disability element will be proportionately reduced.

7. With effect from 01 Jan 96, the rates of War Injury Element for 100% disability in battle casualty cases shall be the rates as indicated in para 11.2 of this Ministry's letter No.1(2)/97/D(Pen-C) dated 31.1.2001.

8. In case of pensioners who are in receipt of War Injury Pension in terms of Para 18.1 of this Ministry's letter No. 1(5)/87/Dx(Pen/Ser) dated 30 Oct 87, before consolidation of their pension, separate service element and War Injury Element will be calculated as per para 10.1 and 10.2 of this Ministry's letter No. 1(2)/97/D(Pen-C) dated 31.1.2001. Where the disability due to war injury of a pensioner is less than 100% but not less than 20%, the rates of disability element will be proportionately reduced. However, in no case the aggregate of service element and War Injury Element should exceed the reckonable emoluments calculated on the minimum pay in the revised scale of pay introduced w.e.f. 01 Jan 96 of the rank, rank and group (in the case of PBOR) held by the individual.

9. With effect from 01 Jan 96, Constant Attendance Allowance in all eligible battle/non battle casualty cases shall be paid at the revised rates of Rs. 600/- per month irrespective of the rank.

Regulation of Special Family Pension/Liberalised Family Pension on remarriage of widow

10. In case a widow who is in receipt of Special Family Pension/Liberalised Family Pension remarries on or after 01 Jan 96, the pension will be regulated from the date of remarriage as given in paras 3.8 and 6.6 of this Ministry's letter No.1(2)/97/D(Pen-C)
dated 31.1.2001. However, in cases of remarriage of widows before 01 Jan 96 the provisions of this letter will not apply.

11. The above provisions shall be applicable to the all categories of personnel as contained in para 1 of this Ministry’s letter No.1(2)/97/D(Pen-C) dated 31.1.2001 and were in receipt of disability pension/war injury pension /special family pension / liberalised family pension as the case may be on 1.1.96.

Dearness Relief

12. Dearness Relief shall be admissible only beyond average CPI 1510 on the revised pattern introduced vide Ministry of Personnel, Public Grievances and Pension (Deptt. of Pension & Pensioners’ Welfare) Office Memorandum No.42/2/97-P&PW(G) dated 27th October, 97 on various types of pension/family pension admissible under the provisions of this letter.

13. Where Pension have already been sanctioned provisionally or otherwise in cases on or after 1.1.96, the same would be revised in terms of these orders. In cases where pension has been finally sanctioned under the pre revised orders and if it happens to be more beneficial than the pension becoming due under these orders, the pension already sanctioned shall not be revised to the disadvantage of pensioners.

14. The actual benefit which shall accrue on account of these orders will be payable w.e.f. 01 Jan 96.

15. This issues with the concurrence of Finance Division of this Ministry vide their U.O. No.948/DFA/P/O dated 16.5.2001.

16. Pension Regulations for the three Services will be amended in due course.
17. Hindi version will follow.

Yours faithfully,

(SUDHAKER SHUKLA)
DIRECTOR (PENSIONS)

Copy to:

1. Presidents Secretariat
2. Vice President's Secretariat
3. Prime Minister's Office
4. The Controller General of Defence Accounts
5. The Principal Controller of Defence Accounts (Pensions), Allahabad
6. Controller of Defence Accounts (Pension Disbursement), New Delhi
7. Controller of Defence Accounts (Navy), Mumbai
8. Controller of Defence Accounts (Air Force), New Delhi
9. Controller of Defence Accounts (O), Pune
10. The Director of Audit, Defence Services, New Delhi
11. Army Hqrs/AG/PS 4
12. Naval Hqrs/DPA
13. Air Hqrs/DPP&R and DPA
14. TA Directorate/AHQ
15. Director General of Resettlement
16. Department of Pensions and Pensioners' Welfare
17. Department of Expenditure/Ministry of Finance (E-5 Section)

Internal Distribution:
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8. D(Civ-H)/D(GS-VI)/D(Res)/PG Cell
9. Director of Public Relations
10. Editor-in-Charge, Sainik Samachar
11. D(Pen A/C)/D(Pen/Ser)
The following amendments are made in MOD's letter No. PC. 1(2)-97/(Pen-C) dt. 16.5.2001 regarding rationalisation of Pension structure for Pre 1.1.1996 Armed Forces Pensioners - Implementation of Govt. decision on the recommendations of 5th CPCR.

1. In para 3 line 5
   Delete the words and 10.2.1.

Following para be added as 3.1:

SECOND LIFE AWARD (SPECIAL FAMILY PENSION) IN RESPECT OF PBOR
INCLUDING NCES(E)

(i) In case of pensioners in respect of Second Life Award(SLP) the pension shall not be less than 50% of SLP worked out on the minimum pay in the revised scale of pay introduced w.e.f. 1.1.96 of the rank held by the deceased personnel at the time of death subject to a minimum of Rs.1275/- p.m.

(ii) Following para be added as para 4.1:

4.1 SECOND LIFE AWARD (SPECIAL FAMILY PENSION) IN RESPECT OF PBORs INCLUDING NCES(E)

In case of pensioners in respect of Second Life Award (Liberalised Family Pension) in respect of PBOR, the pension shall not be less than 60% of the minimum pay of the revised scale introduced w.e.f. 1.1.96 of the rank held by the deceased personnel at the time of death subject to a minimum of Rs.1275/- p.m. and subject to other conditions stipulated in the para 4.1 of MOD letter 1(2)-97/(Pen-C) dt. 31.1.01.

This is a note with the concurrence of Dt/Fin/Ten. vide their U.O. No. 2578/Pension/0/dt. 31.1.01.

(P. J. Mathew)
Under Secretary to the Govt. of India

To
The Chief of the Army Staff
The Chief of Naval Staff
The Chief of Air Staff
No.PC-I(2)/97/Do/Pen-1(Pen/Cy/D(Pen/Policy)),
Government of India,
Ministry of Defence

New Delhi, dated the 30th May, 2008.

CORRIGENDUM

The following amendments are made to MOD letter No.PC-I(2)/97/Do/Pen-C, dated 16th May, 2001 regarding rationalization of pension structure for pre 1.1.1996 Armed Forces pensioners – implementation of Government decision on the recommendation of 5th Central Pay Commission -

After para 8, the following para be added as para 8.1

Para 8.1

In the case of pre-1986 pensioners in receipt of War Injury Pension in terms of Govt. of India, Ministry of Defence letter No.2008/47/Pen-C/71, dated 24.2.1972, the war injury element will be calculated at the rates indicated at para 11.2 of this Ministry’s letter No.1(2)/97/Do/Pen-C, dated 31.1.2001 for 100% disability. Where the disability due to war injury is less than 100% but not less than 20%, the rates of war injury element will be proportionately reduced. These rates will be applicable in invalidism as well as retention cases. However, in no case the aggregate of service element and war injury element should exceed the reckonable emoluments calculated on the minimum pay in the revised scale of pay introduced w.e.f 1.1.1996 of the rank, rank and group (in case of PBOR), held by the individual.

2. This issues with the concurrence of Ministry of Defence(Finance) vide their U.O. No.2104/Fin/Pen., dated 29.05.2008.

Yours faithfully,

(A.K. EKKA)
UNDER SECRETARY TO THE GOVT. OF INDIA

To

The Chief of Army Staff
The Chief of Naval Staff
The Chief of Air Staff