No. 1(1)/99/D(Pension/Services)
Government of India
Ministry of Defence

New Delhi, the 11th September, 2001

To,

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


Sir,

The undersigned is directed to refer to Ministry of Defence Letter No. 1(1)/99/D(Pension/Services) dated 7th June, 1999, wherein decision of the Government that pension of all pensioners irrespective of their date of retirement shall not be less than 50% of the minimum of the revised scale of pay introduced with effect from 1.1.96 of the post last held by the pensioner was communicated. Clarifications have been sought by CGDA/CCDA(P) and Services Headquarters as to whether Non Practicing Allowance (NPA) admissible as on 1.1.86 is to be taken into consideration after re-fixation of pay on notional basis as on 1.1.86 and whether NPA is to be added to the minimum of the revised scale while considering stepping up consolidated pension on 1.1.96. NPA granted to medical officers does not form part of the scales of pay. It is a separate element, although it is taken into account for the purpose of computation of pension. This has been examined in consultation with the Deptt. of Pension and Pensioners’ Welfare and the Department of Expenditure and it is clarified that NPA is not to be taken into consideration after re-fixation of pay on notional basis on 1.1.86. It is also not be added to the minimum of the revised scale of pay as on 1.1.96 in cases where consolidated pension/family pension is to be stepped up to 50%/30% respectively, in terms of Ministry of Defence Letter No. 1(1)/99/D(Pension/Services) dated 7th June, 1999.

CGDA/CCDA(P) are requested to issue necessary instructions relating to exclusion of NPA from the basic pay for the purpose of calculation of pension under modified parity immediately. In cases where payment of pension by inclusion of NPA in the basic pay
under modified parity has been made with effect from 1.1.96 separate instructions regarding recovery of over-payments will be issued in consultation with Deptt. of Pensions and PW and Ministry of Finance.

This issues with the concurrence of Ministry of Defence (Finance) vide their U.O. No. 2954/Pen/01 dated 11.09.2001.

Yours faithfully,

[Signature]

DEPUTY SECRETARY TO THE GOVT. OF INDIA

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