

5. DPE/Guidelines/IV(d)/5

Fixation of pay of re-employed pensioners—General Policy thereof—Raising limit of exemption of pension.

Reference is invited to this Department's OM No.3/3/85-S&A Cell dated 29.10.96 on the subject mentioned above, in terms of which pension upto Rs.500/- is to be ignored in fixation of pay on re-employment of service officers and officers holding Group 'A' posts who have retired before attaining 55 years of age.

2: The question of further liberalization of the provision has been under consideration and instructions have since been issued by the Department of Personnel and Training vide their OM No.3/4/97-Estt.(Pay-II) dated 7.11.97. It has now been decided to enhance the ignorable part of pension from Rs.500/- to Rs.1500/- in the revised pay scale to the service officers and officers retiring before attaining the age of 55 years and holding group 'A' posts in civil side on their re-employment.

3. The pension for the purpose of pay fixation will mean gross monthly pension. These guidelines will take effect from 1.1.96. The limit of Rs.1500/- per month on entire pension, as the case may be, will be applicable to cases of pensioners re-employed on or after 1.1.96. In the case of persons who are already on employment, their pay may be re-fixed on the basis of these guidelines w.e.f. 1.1.96, provided they exercise an option, in writing, for such re-fixation within a period of 6 months from the date of adoption of these guidelines by the concerned Public Sector Undertaking (PSU), if they so opt, their terms would be determined afresh if they have been re-employed for the first time from 1.1.96.

4. The guidelines issued by BPE (now DPE) vide its OM No.3/3/85-S&A Cell dated 29.10.86 & OM No.1/1/83-BPE(S&A Cell) dated 6.3.89 on the subject stand modified to the extent mentioned above. Pay fixation of the re-employed pensioners will be decided as per these provisions, except the cases in which re-employed pensioners have already retired after serving their tenure/remaining service on superannuation.

5. All administrative Ministries/Departments of the Government of India are requested to bring the foregoing to the notice of the Public Enterprises under their administrative control for information and compliance.

(DPE O.M. No. K-114/97-DPE(WC)GL dated 26th February, 2002)