

Items on Pension and Retirement benefits to be included in website of CCA, Jharkhand Circle, Ranchi :

## **Types of Pension :**

### **Superannuation**

A superannuation pension shall be granted to a Government servant who is retired on his attaining the age of 60 years.

### **Retiring Pension:**

A retiring pension shall be granted to a Government servant who retires, or is retired before attaining the age of Superannuation or to a Government servant who, on being declared surplus opts, for voluntary retirement.

### **Voluntary Retirement:**

Any Government servant can apply for voluntary retirement, three months in advance, only after the completion of twenty years of his qualifying service, provided there is no vigilance or Departmental Enquiry pending /initiated against him/her.

### **Invalid Pension:**

Invalid Pension may be granted if a Government servant applies for retirement from the service on account of any bodily or mental infirmity which permanently incapacitates him/her for the service. The request for invalid pension has to be supported by medical report from the competent medical board.

### **Compensation Pension:**

If a Government servant is selected for discharge owing to the abolition of a permanent post, he shall, unless he is appointed to another post the conditions of which are deemed by the authority competent to discharge him/her to be at least equal to those of his own, have the option –

(a) of taking compensation pension to which he may be entitled for the service he had rendered, or

(b) of accepting another appointment on such pay as may be offered and continuing to count his previous service for pension.

### **Compulsory Retirement Pension:**

A Government servant compulsorily retired from service as a penalty may be granted, by the authority competent to impose such penalty, pension or gratuity, or both at a rate not less than two-thirds and not more than full compensation pension or gratuity, or both admissible to him on the date of his compulsory retirement. The pension granted or allowed shall not be less than Rs. 3500/- p.m.

### **Compassionate Allowance:**

(i) A Government servant who is dismissed or removed from service shall forfeit his pension and gratuity:

Provided that the authority competent to dismiss or remove him from service may, if the case is deserving of special consideration, sanction a compassionate allowance not exceeding two-thirds of pension or gratuity or both which would have been admissible to him if he had retired on compensation pension.

(ii) A compassionate allowance sanctioned under the proviso to sub-rule (i) shall not be less than the amount of Rupees one thousand nine hundred and thirteen per mensem.

### **Extraordinary Pension:**

**Extraordinary Pension in the form of Disability pension/extraordinary family pension may be paid to the Government servant/his family if disablement/death (or the aggravation of disablement/death)of the Government servant, during his service, are attributed to the Government service. For the award of extraordinary pension, there should thus be a casual connection between disablement and Government service; and death and Government service, for attributability or aggravation to be conceded. The quantum of the pension, however,depends upon the category of the disablement/death.**

**Government servants appointed on or after 1.1.2004 are not covered by the CCS(Extraordinary Pension) Rules.**

### **Family Pension:**

**Family pension is granted to the widow / widower and where there is no widow / widower to the children of a Government servant who entered in service in a pensionable establishment on or after 01/01/1964 but on or before 31.12.2003 or having entered service prior to that date came to be governed by the provisions of the Family Pension Scheme for Central Government Employees, 1964 if such a Government servant-**

**(i) dies while in service on or after 01/01/1964 or**

**(ii) retired/died before 31.12.1963 or**

**(iii) retires on or after 01/01/1964**

**and at the time of his death was in receipt of pension.**

**Family pension is payable to the children up to 25 years of their age, or marriage or till they start earning a monthly income exceeding Rs.3,500/- + DA admissible from time to time p.m. whichever is earlier.**

**Widow daughter / divorced daughter/ unmarried daughter of deceased Government servant is also entitled for the family pension till her remarriage or up to life time or starts earning a monthly income exceeding Rs.3,500/- + DA admissible from time to time p.m. whichever is earlier.**

**Family pension is also payable to the dependent parents of deceased Government servants w.e.f. 01/01/98, where there is no claimant i.e. spouse or child for family pension, alive.**

**If the son or daughter, of a Government servant is suffering from any disorder or disability of mind or is physically crippled or disabled so as to render him or her unable to earn a living even after attaining the age of 25 years, the family pension can continue to be paid for life time subject to conditions.**

#### **Contacts**

**CAO : 0651-2211326**

**Pension Section: 0651-2273296**

## **Retirement Benefits**

- **Pension**
  - **Commutation of Pension**
  - **Death-cum-retirement Gratuity**
  - **General Provident Fund and Incentives**
  - **Contributory Provident Fund**
  - **Leave Encashment**
  - **Central Government Employees Group Insurance Scheme (CGEGIS)**
  - **TA for settlement at a station after Retirement**
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## **Brief of Retirement Benefits**

### **Pension :**

- 1 The maximum limit for commutation has been raised to 40% w.e.f. 1.1.1996. A Government servant is now entitled to commute for a lumpsum payment up to 40% of his/her pension.**
- 2 Provisional pension and provisional gratuity (up to 100%) should be sanctioned by the Head of Office if he were of the opinion that the Government servant is likely to retire before his pension or gratuity or both can be finally assessed and settled in accordance with the relevant rules.**
- 3 In the case of a missing Government servant/pensioner, family pension can be paid after a period of six months from the date of lodging an FIR with the police authorities.**
- 4 A judicially separated spouse of the deceased Government servant with children can get family pension after the children cease to be eligible till his/her death/remarriage, whichever is earlier.**
- 5 Dependent parents and widowed/divorced daughter/unmarried daughter are now included in the definition of family for the purpose of consideration for grant of family pension.**
- 6 Family pension is also admissible to a posthumous child and also to children from the void or the voidable marriage as per the relevant provisions in the rules.**
- 7 Normal family pension is now at a uniform rate of 30% of pay last drawn, subject to a minimum of Rs. 3500 (w.e.f. 1.1.2006).**
- 8 Family pension is admissible to children from the void or voidable marriage in their own turn, after the legally wedded wife ceases to be the recipient of the family pension.**

- 9 In the event of death of a family pensioner, the arrears of family pension is automatically payable to the eligible member of the family next in line. Succession certificate for payment of the arrears is required only in such cases where there is no family member eligible to receive family pension after the death of the family pensioner.**
- 10 With effect from 1.1.2006, in case of a Government Servant retiring in accordance with the provisions of CCS(Pension) Rules after completing qualifying service of not less than ten years, the amount of pension is calculated at fifty percent of emoluments or average emoluments whichever is more beneficial to him.**

### **Gratuity :**

- 11 The maximum limit of all types of gratuity has been raised to Rs. 10 lakhs w.e.f. 1.1.2006**
- 12 Dearness Allowance admissible on the date of retirement/death is included in the emoluments for the purpose of computing all types of gratuity.**

### **Qualifying Service :**

- 13 Qualifying service of 3 months and above may be rounded-off into a completed six-monthly period for the purpose of computation of both pension and DCRG. The period of nine months would thus be considered as two half years.**
- 14 Dismissal or removal of a Government servant from a service or post entails forfeiture of his/her past service**

### **Miscellaneous :**

- 15 PPO should be issued so as to reach the Government servant at least one month in advance of his date of superannuation.**
- 16 No specific orders are necessary for retirement on due date.**
- 17 Retirement benefits up to Rs. 10,000 can be paid through uncrossed cheque/demand draft.**
- 18 Encashment of leave is a benefit granted under CCS (Leave) Rules and thus not a pensionary benefit. As per the current provision, no interest is payable on the delayed payment of leave encashment.**
- 19 Payments under Central Government Employees Group Insurance Scheme (CGEGIS) are not terminal benefit and can not be withheld. No Government dues can be recovered from the accumulation except the amount claimed by the financial institution as dues from the employee on account of loans taken for house building purpose.No interest is payable on account of the delayed payments under this scheme.**
- 20 Dues to Municipality (water and electricity charges etc.) and Co-operative Societies are not treated as Government dues, since Municipal Committees and Co-operative Societies are not considered as Government bodies/organizations. No recovery of such dues can be made from the DCRG. Only arrears of license fee can be recovered from dearness relief.**

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### **Pension**

**The minimum eligibility period for receipt of pension is 10 years. A Central Government servant retiring in accordance with **the Pension Rules** is entitled to receive superannuation pension on completion of at least 10 years of qualifying service.**

In the case of Family Pension the widow is eligible to receive pension on death of her spouse after completion of one year of continuous service or before even completion of one year if the Government servant had been examined by the appropriate Medical Authority and declared fit for Government service.

W.e.f 1.1.2006, Pension is calculated with reference to average emoluments namely, the average of the basic pay drawn during the last 10 months of the service or last basic pay drawn whichever is beneficial. Full pension with 10/20 years of qualifying service is 50% of the average emoluments or last basic pay drawn whichever is beneficial. Before 1.1.2006, for qualifying service of less than 33 years, amount of pension was proportionate to the actual qualifying service broken into completed half-year periods. For example, if total qualifying service is 30 years and 4 months (i.e. 61 half-year periods), pension will be calculated as under:-

$$\text{Pension amount} = R/2(X)61/66$$

where R represents average reckonable emoluments for last 10 months of qualifying service or the last pay drawn as opted by the govt servant.

Minimum pension presently is Rs. **3500** per month. Maximum limit on pension is 50% of the highest pay in the Government of India (presently Rs. **45,000**) per month. Pension is payable up to and including the date of death.

### **Commutation of Pension**

A Central Government servant has an option to commute a portion of pension, not exceeding 40% of it, into a lump sum payment with effect from 1.1.1996. No medical examination is required if the option is exercised within one year of retirement. If the option is exercised after expiry of one year, he/she will have to under go medical examination by the specified competent authority.

Lump sum payable is calculated with reference to the



**Commutation Table constructed on an actuarial basis. The monthly pension will stand reduced by the portion commuted and the commuted portion will be restored on the expiry of 15 years from the date of receipt of the commuted value of pension. Dearness Relief, however, will continue to be calculated on the basis of the original pension (i.e. without reduction of commuted portion).**

**The formula for arriving for commuted value of Pension (CVP) is**

$$\text{CVP} = 40 \% \text{ of Pension X Commutation factor X12}$$

**\* The commutation factor will be with reference to age next birthday on the date on which commutation becomes absolute as per the New Table as Annexure to this Deptt's [O.M. No. 38/37/08- P&PW\(A\) dated 2.9.2008](#)**

### **Death/Retirement Gratuity**

#### **Retirement Gratuity**

**This is payable to the retiring Government servant. A minimum of 5 years qualifying service and eligibility to receive service gratuity/pension is essential to get this one time lump sum benefit. Retirement gratuity is calculated @ 1/4th of a month's Basic Pay plus Dearness Allowance drawn before retirement for each completed six monthly period of qualifying service. There is no minimum limit for the amount of gratuity. The retirement gratuity payable is 16½ times the Basic Pay, subject to a maximum of Rs. 10 lakhs.**

#### **Death Gratuity**

**This is a one-time lump sum benefit payable to the widow/widower or the nominee of a permanent or a quasi-permanent or a temporary Government servant, including CPF beneficiaries, dying in harness. There is no stipulation in regard to any minimum length of service rendered by the deceased employee. Entitlement of death**

**gratuity is regulated as under:**

<b>Qualifying Service</b>	<b>Rate</b>
<b>Less than one year</b>	<b>2 times of basic pay</b>
<b>One year or more but less than 5 years</b>	<b>6 times of basic pay</b>
<b>5 years or more but less than 20 years</b>	<b>12 times of basic pay</b>
<b>20 years of more</b>	<b>Half of emoluments for every completed 6 monthly period of qualifying service subject to a maximum of 33 times of emoluments.</b>

**Maximum amount of Death Gratuity admissible is Rs. 10 lakhs w.e.f. 1.1.2006**

### **Service Gratuity**

**A retiring Government servant will be entitled to receive service gratuity (and not pension) if total qualifying service is less than 10 years. Admissible amount is half month's basic pay last drawn for each completed 6 monthly period of qualifying service. There is no minimum or maximum monetary limit on the quantum. This one time lump sum payment is distinct from and is paid over and above the retirement gratuity.**

### **Issue of No Demand Certificate**

**Dues owed by the retiring employees on account of Licence Fee for Government accommodation, advances, over payment of pay and allowances are required to be assessed by the Head of Office and intimated to the Accounts Officer two months in advance of the date of retirement so that these are recovered from retirement gratuity before payment. For this purpose the Licence Fee for those in occupation of Government accommodation is taken into account up to the end of the permissible period for which accommodation can be retained after retirement under the Rules on normal rent. The recovery of Licence Fee beyond that period is the responsibility of the**

**Directorate of Estates. If, for any reason final dues cannot be assessed on time, then 10% of gratuity is withheld from gratuity**

### **General Provident Fund and Incentives**

**As per General Provident Fund (Central Services) Rules, 1960, all temporary Government servants after a continuous service of one year, all re-employed pensioners (Other than those eligible for admission to the Contributory Provident Fund) and all permanent Government servants are eligible to subscribe to the Fund. A subscriber, at the time of joining the fund is required to make a nomination, in the prescribed form, conferring on one or more persons the right to receive the amount that may stand to his credit in the fund in the event of his death, before that amount has become payable or having become payable has not been paid. A subscriber shall subscribe monthly to the Fund except during the period when he is under suspension. Subscriptions to the Provident Fund are stopped 3 months prior to the date of superannuation. Rates of subscription shall not be less than 6% of subscriber's emoluments and not more than his total emoluments. Rate of interest on GPF accumulations with effect from 1.4.2009 is 8% compounded annually and the rate of interest will vary according to notifications of the Government. The Rules provide for drawal of advances/ withdrawals from the Fund for specific purposes.**

### **Deposit Linked Insurance Revised Scheme**

**Under the GPF Rules, on the death of subscriber, the person entitled to receive the amount standing to the credit of the subscriber shall be paid an additional amount equal to the average balance in the account during the 3 years immediately preceding the death of the subscriber subject to certain conditions provided in the relevant Rule. The additional amount payable under that Rule shall not exceed Rs. 60,000/-. To get this benefit, the subscriber should have put in at least 5 years**

service at the time of his/her death.

### **Leave Encashment**

**Encashment of leave is a benefit granted under the CCS (Leave) Rules and not a pensionary benefit. Encashment of Earned Leave/Half Pay Leave standing at the credit of the retiring Government servant is admissible on the date of retirement subject to a maximum of 300 days. There is no provision under the Rule for payment of interest on delayed payment of Leave Encashment.**

### **Central Government Employees Group Insurance Scheme**

**A portion of monthly contributions paid while in service is credited in a Saving Fund, on which interest accrues. A Government servant while entering service has to apply in Form No. 4 of the above Scheme to the Head of Office, who shall issue a sanction for the payment of subscriber's accumulation in the Savings Fund segment together with interest and arrange for its disbursement, soon after retirement. Payments under this Scheme are made in accordance with the Table of Benefit which takes in to account interest up to the date of cessation of service. Insurance cover benefit under this Scheme is available to the family in the event of death of the subscriber. No interest is payable on account of delayed payments under this Scheme.**

## **Release of Retirement Benefits:**

### **Pension and Retirement Benefits:**

Consequent on the corporatisation of the service providing arm of the Department of Telecom and the promulgation of Rule 37A of the CCS Pension Rules, as per which the Government has taken the responsibility for payment of pension to the erstwhile government servants absorbed in the PSU, the CCA Office is responsible for budgeting of pension expenditure and authorization and issue of Pension Payment Orders for Telecom pensioners including those retiring from MTNL and BSNL. It liaisons with banks to ensure proper application of rules and regulations and for smooth disbursement of pensions. The CCA Office also carries out post audit/post check of pension payments. The pension cases and other retirement cases are processed by the SSAs of the field units in BSNL and sent directly to the CCA Offices. The CCA Office issues PPOs and the authorities for DCRG, Commutation payment, family pension authority, authority for payment of the accumulation CGEGIS – 1980, CGEGIS – 1977, to those on deemed deputation to the BSNL and also for those who opt to get absorbed in BSNL.

### **Rules / Regulations / Acts administered by the Department of Pension and Pensioners' Welfare**

- **Central Civil Services (Pension) Rules, 1972 \***
- **The Pensions Act, 1871**
- **Central Civil Services (Commutation of Pension) Rules, 1981**
- **Central Civil Services (Extraordinary Pensions) Rules**
- **General Provident Fund (Civil Services) Rules, 1960**
- **Payment of Arrears of Pension (Nomination) Rules, 1983**
- **Liberalized Pensionary awards in the case of death/disablement as a result of attack by extremists, anti-social elements etc.**

## Pension Process Map and Time Frame

S.No	Process	Authority Concerned	Timeframe	Applicable Rule CCS Pension Rules
1	Preparation of list of employees who are due to retire within 24 to 30 months	Head of the Department	1 <sup>st</sup> January and 1 <sup>st</sup> July each year.	56(1)
2	Communication of the list to the Accounts Officer Concerned	Head of the Department Head of the Office	31 <sup>st</sup> January and 31 <sup>st</sup> July each year. In case of Government servants retiring for reasons other than immediately as soon as the fact comes to notice.	56(2)
3	Communication of the list to the Directorate of Estates in respect of employees having General Pool Accommodation with a view to obtain 'No Demand Certificate.	Head of the Office.	24 months before retirement.	56(4)
4	Verification and determination of qualifying service, and if necessary, in consultation with the employee; and	Head of the Office.	24 months before the retirement. The process to complete before ten months from	59 (a) & (b)

	determination of average emoluments.		the retirement.	
5	Communication of facts to the retiring employees for action by the employees.	Head of the Office.	10 months before the retirement.	59(c)
6	Submission of papers by the employee	Employee	8 months before retirement.	59(c)(iii)
7	Presentation of papers to pay and accounts office.	Head of the Office	6 months before the retirement.	61(4)
8	Checking the pension and gratuity admissible and forwarding the PPO to the pension paying authority.	Pay and accounts office	1 month before the retirement.	65
9	Dispatch of PPO to CPAO	PAO	On the last working day of the month preceding the month of retirement.	
10	Dispatch of PPO to Link Branch of Authorized Bank	CPAO	By 20 <sup>th</sup> of the month of retirement.	
11	Dispatch of PPO to Paying Branch	Link Branch	By 23 <sup>rd</sup> of the month of retirement	
12	Completion of all formalities and crediting the pension to the pensioner's account.	Paying Branch	Last date of the month.	

