

No.7/7/2008-P&PW (F)
Government of India
Ministry of Personnel Public Grievances and Pensions
Department of Pension and Pensioners Welfare

Lok Nayak Bhawan,
Khan Market, New Delhi-110 003
dated 13th February, 2009

OFFICE MEMORANDUM

Subject: Implementation of Government's decision on the recommendation of the Sixth CPC – Revision of provisions regulating gratuity -

The undersigned is directed to say that in terms of para 7.1 of this Department's O.M. No.38/37/2008-P&PW(A) dated the 2nd September, 2008 issued in implementation of the decision taken on the recommendation of the Sixth Central Pay Commission, the benefit of adding years of qualifying service for the purpose of computation of pension shall stand withdrawn with effect from the date of issue of the O.M.

2. Sixth Central Pay Commission in Para 5.1.33 of its Report made the following recommendation:

“Linkage of full pension with 33 years of qualifying service should be dispensed with. Once an employee renders the minimum pensionable service of 20 years, pension should be paid at 50% of the average emoluments received during the past 10 months or the pay last drawn, whichever is more beneficial to the retiring employee. Simultaneously, the extant benefit of adding years of qualifying service for purposes of computing pension/related benefits should be withdrawn as it would no longer be relevant.”

This recommendation was accepted by Government of India vide Resolution No.38/37/2008-P&PW (A) dated 29th August, 2008.

3. It is clear from the above recommendations/decisions, that the benefit of adding years of qualifying service is withdrawn for the purpose of computing pension as well as other related benefits such as gratuity.

4. This issues with the concurrence of the Ministry of Finance, Department of Expenditure U.O. No.4.2/40/2009-IC dated 12.2.2009

5. Ministry of Agriculture etc. are requested to take into consideration the above position while computing pension and gratuity of government servants who have retired since 2.9.2008.



(M.P. Singh)
Director (PP)
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