

No.42/2/2007-P&PW (G)
Government of India
Ministry of Personnel, Public Grievances & Pensions
Department of Pension & Pensioners Welfare

3rd Floor, Lok Nayak Bhavan,
New Delhi, the 18th September, 2007

OFFICE MEMORANDUM

Subject: Grant of dearness relief to Central Government pensioners/family pensioners -
Revised rate effective from 01.07.2007.

The undersigned is directed to refer to this Department's OM No. 42/2/2007-P&PW (G) dated 29.03.2007 sanctioning the installment of Dearness Relief (DR) admissible from 01.01.2007 and to say that the President is pleased to decide that DR shall be paid to the Central Government Pensioners/Family Pensioners to compensate them for the rise in cost of living at the rate of 41% w.e.f. 01.07.2007 in supersession of the rate mentioned in the OM dated 29.03.2007 referred to above.

2. These orders apply to (i) All Civilian Central Government Pensioners/Family Pensioners (ii) The Armed Forces Pensioners, Civilian Pensioners paid out of the Defence Service Estimates, (iii) All India Service pensioners (iv) Railway pensioners and (v) The Burma Civilian pensioners/family pensioners and pensioners/families of displaced Government pensioners from Pakistan, who are Indian Nationals but receiving pension on behalf of Government of Pakistan, who are in receipt of ad-hoc ex-gratia allowance of Rs.1275/- p.m. in terms of this Department's OM No. 23/1/97-P&PW(B) dated 23.02.1998.

3. Central Government Employees who had drawn lumpsum amount on absorption in a PSU/Autonomous body and have become eligible to restoration of 1/3rd commuted portion of pension as well as revision of the restored amount in terms of this department's OM No. 4/59/97-P&PW (D) dated 14.07.1998 will also be entitled to the payment of DR @ 41% w.e.f. 01.07.2007 on full pension i.e. the revised pension which the absorbed employee would have received on the date of restoration had he not drawn lumpsum payment on absorption and Dearness Pension subject to fulfilment of the conditions laid down in para 5 of the O.M. dated 14.07.98. In this connection, instructions contained in this Deptt.'s O.M. No.4/29/99-P&PW (D) dated. 12.07.2000 refers.

4. The surviving CPF beneficiaries who had retired from service between the period 18.11.1960 to 31.12.1985 and are in receipt of Ex-gratia @ Rs.600/- p.m. with effect from 01.11.1997 under this Department's O.M. No.45/52/97-P&PW (E) dated 16.12.1997 are entitled to Dearness Relief @ 41% w.e.f. 01.07.2007.

5. The following categories of CPF beneficiaries who are in receipt of Ex-gratia payment in terms of this department's OM No.45/52/97-P&PW (E) dated 16.12.1997 will be paid DR @ 33% w.e.f. 01.07.2007.

- (i) The widows and dependent children of the deceased CPF beneficiary who had retired from service prior to 01.01.1986 or who had died while in service prior to 01.01.1986 and are in receipt of Ex-gratia payment of Rs.605/- p.m.
 - (ii) Central Government Employees who had retired on CPF benefits before 8.11.1960 and are in receipt of Ex-gratia payment of Rs.654/-, Rs.659/-, Rs.703/- and Rs.965/-.
6. Payment of DR involving a fraction of a rupee shall be rounded off to the next higher rupee.
7. Other provisions governing grant of DR in respect of employed family pensioners and re-employed Central Government Pensioners will be regulated in accordance with the provisions contained in this Department's OM No. 45/73/97-P&PW (G) dated 02.07.1999. The provisions relating to regulation of DR where pensioner is in receipt of more than one pension will remain unchanged.
8. In the case of retired Supreme Court and High Court Judges necessary orders will be issued by the Department of Justice separately.
9. It will be the responsibility of the pension disbursing authority, including the nationalised banks, etc. to calculate the quantum of DR payable in each individual case.
10. The offices of Accountant General and Authorised Public Sector Banks are requested to arrange payment of relief to pensioner etc. on the basis of above instructions without waiting for any further instructions from the Comptroller and Auditor General of India and the Reserve Bank of India in view of letter No.528-TA, II/34-80-II dated 23/04/1981 of the Comptroller and Auditor General of India addressed to all Accountant Generals and Reserve Bank of India Circular No. GANB No. 2958/GA-64 (ii) (CGL)/81 dated the 21st May, 1981 addressed to State Bank of India and its subsidiaries and all Nationalised Banks.
11. In their application to the pensioners/family pensioners belonging to Indian Audit and Accounts Department these orders issue in consultation with the C&AG.
12. This issues with the concurrence of Ministry of Finance, Department of Expenditure vide their U.O. No.507/EV/2007 dated 17.9.2007.


(M.P. SINGH)
DIRECTOR (PP)
T.NO. 24624802

To,

All Ministries/Departments to the Government of India/Chief Secretaries and AGs of all States/UTs.

Please visit <http://persmin.nic.in/pension> for the orders on pension matters including above orders.