

No.38/31/11-P&PW(A)(Vol.IV)
Government of India
Ministry of Personnel, Public Grievances and Pensions
Department of Pension and P.W

3rd Floor, Lok Nayak Bhawan,
Khan Market, New Delhi.
Dated the 14th October, 2014

OFFICE MEMORANDUM

Subject :- Revision of pension of pre-1996 pensioners – inclusion of Non-Practicing Allowance (NPA) for revision of pension of retired medical officers w.e.f. 1.1.1996.


The undersigned is directed to say that in this Department's OM No.45/10/98-P&PW(A) dated 17.12.1998, it was provided that pension of all pensioners irrespective of their date of retirement would not be less than 50% of the minimum of the revised scale of pay introduced w.e.f. 1.1.1996. In this Departments OM No.45/3/99-P&PW(A) dated 29.10.1999, it was clarified that in the case of retired medical officers, Non-Practicing Allowance (NPA) was not to be added to the minimum of the revised scale of pay as on 1.1.1996 for stepping up of the consolidated pension/family pension to 50% / 30% respectively, in terms of the OM dated 17.12.1998.

2. In its judgment dated 27.11.2013 in Civil Appeal No.10640-46/2013 and other connected matters, Hon'ble Supreme Court has observed that in accordance with Ministry of Health and Family Welfare's OM No.45012/11/97-CHS.V dated 7.4.1998, NPA counts as pay for all service benefits including retirement benefits. Hon'ble Supreme Court has further observed that clarification issued vide this Department's aforesaid OM dated 29.10.1999 is legally unsustainable. Hon'ble Supreme Court has directed to recalculate the pension payable to the Applicants (i.e. pre-1996 retired medical officers) by adding the element of NPA. The Review Petitions filed by the Government against the above mentioned judgment have been dismissed by Hon'ble Supreme Court on 31.7.14.

3. It has now been decided, in consultation with Ministry of Finance, Department of Expenditure and Ministry of Law, Department of Legal Affairs to implement the judgment dated 27.11.2013 of Hon'ble Supreme Court in CA No.10640-46 of 2013 and other connected matters. Accordingly, in the case of pre-1996 retired medical officers, NPA @ 25% shall be added to the minimum of the revised scale of pay as on 1.1.1996 corresponding to the pre-1996 pay scales from which the pensioner had retired, in cases where consolidated pension/family pension was to be stepped up to 50% / 30% respectively of the minimum of revised pay-scale in terms of OM No.45/10/98-P&PW(A) dated 17.12.1998 read with OM No.45/86/97-P&PW(A) (Pt.) dated 11.5.2001.

4. This issues with the approval of Ministry of Finance, Department of Expenditure vide their I.D. No. 518/E-V/2014 dated 29.9.2014.

5. Hindi version will follow.


(Tripti P. Ghosh)
Director

To
(i) All Ministries/Departments of Government of India.
(ii) O/oCAG/CGDA