

No. 1(4)/2007/D(Pen/Policy)/Vol-II
Government of India
Ministry of Defence
Department of Ex-Servicemen Welfare,
D(Pension/Policy)

New Delhi, Dated 4th November, 2022

To

The Chief of the Defence Staff
The Chief of the Army Staff
The Chief of the Naval Staff
The Chief of the Air Staff

Subject: Grant of pro-rata pensionary benefits to the JCO/ORs of Defence Services on permanent absorption/employment in Central Public Enterprises/Central Autonomous Bodies/Central Public Sector Undertaking-reg.

I am directed to refer to this Ministry's letter No. 8(3)/85/A/D(Pension/Services) dated 17th March 1986, No. 8(3)/86/A/D(Pension/Services) dated 19th February 1987 and No. 8(1)/86/A/D(Pen/Sers) dated 12th February 1988 under which commissioned officers of the Defence Forces have been granted pro-rata pensionary benefits on their permanent absorption in Central Public Enterprises/ Central Public Sector Undertaking. Further, vide MoD letter No. A/49738/AG/PS-4(c)/689/A/D(Pens/Sers) dated 21st April 1988, the pro-rata pensionary benefits were extended to the Commissioned Officers of Defence forces on their permanent absorption in Central Autonomous Bodies. MoD vide letter No. B/39029/AG/PS-4(c)/520/A/D(Pens/Sers) dated 10th April 1996 as amended vide MoD letter No. B/39029/AG/PS-4(c)/997/A/D(Pens/Sers) dated 5th July 1996 withdrew facility of receiving capitalized value equivalent to 100% commutation of pension on absorption.

2. Extending the provision of pro-rata pension to JCOs/ORs of the Defence Services who join/joined Central Public Enterprises/Central Autonomous Bodies/ Central Public Sector Undertaking on permanent absorption/employment was under consideration of this Ministry for some time. Now, the President is pleased to decide that the provision of pro-rata pension of the aforesaid letters will also apply to those JCOs/ORs who:-

(a) While on deputation to Central Public Enterprises/Central Autonomous bodies/ Central Public Sector Undertaking exercise an option for permanent absorption and are discharged/permitted to retire prematurely from Defence Services for this purpose, or

(b) are appointed in Central Public Enterprises/Central Autonomous Bodies/ Central Public Sector Undertaking on the basis of their own application sent through proper channel in response to advertisements and they are permitted to retire prematurely



B117

from service in the Defence Services for the purpose of taking the appointment in those Central Public Enterprises/Central Autonomous Bodies/ Central Public Sector Undertaking.

3. The pensionary benefits enumerated in this letter are admissible only to those JCOs/ORs who leave the Defence service with proper permission to secure employment in a Central Public Enterprises/ Central Autonomous Body/Central Public Sector Undertaking. A case for grant of these benefits will be initiated by the Service Headquarters only after ascertaining from the Central Public Sector Enterprises/Central Autonomous Body/ Central Public Sector Undertaking concerned that the personnel has actually joined them. All cases for grant of pensionary benefits to JCOs/ORs of Army and their counterparts in Air Force/Navy will be decided by respective Service Headquarters and a separate sanction will be issued in each case.

4. JCOs/ORs having not less than 10 years of qualifying service in Defence Service will be entitled to receive pro-rata pension. The pro-rata pension of JCOs/ORs who get absorbed/appointed in Central Public Enterprises / Central Autonomous Body/ Central Public Sector Undertaking will be calculated as per provisions applicable for calculation of pension of regular JCOs/ORs at the time of absorption. Death-cum-retirement gratuity, based on the length of qualifying service of a JCO/OR till the date of his/her absorption will be admissible, as calculated under the DCRG Rules as applicable before absorption.

5. No Pro-rata pension will be payable to a JCO/OR absorbed in a Central Public Enterprises/Central Autonomous Bodies/ Central Public Sector Undertaking with less than 10 years of qualifying service in Defence Service. Further, condonation of short fall in Service shall not be admissible for grant of pro-rata pension, if JCOs/OR has less than 10 years of qualifying service.

6. A JCO/OR who is absorbed/appointed in Central Public Enterprises/Central Autonomous Bodies/ Central Public Sector Undertaking on or after issue of this order will be entitled to commutation of a portion of his/her Pro-rata pension as admissible in accordance with the prescribed rules.

7. The family of a JCO/OR absorbee having not less than 10 years of qualifying service in Defence Service who was in receipt of pro-rata pension will be eligible for benefits under the ordinary family pension scheme under AI 2/S/64 read with AI 51/80 as applicable to the Commissioned Officer. In this connection, as per GoI, MoD letter No. 1(7)/2013-D(Pension/Policy) dated 15.05.2015 the simultaneous notification of name of spouse and other eligible member will be carried out during sanction of pro-rata pension for regularization of family pension to eligible members of family after demise of JCOs/ORs. However, this benefit will not be admissible to the family of JCO/OR who is absorbed in a Central Public Enterprises/ Central Autonomous Body/ Central Public Sector Undertaking before completion of 10 years of Service in the Defence Services.



BIM

8. Any liberalization of pension/gratuity and other rules as decided upon by the Government of India in respect of JCOs/ORs and applicable from a date after the permanent absorption of JCOs/ORs would not be extended to him/her, after his/her permanent absorption in Central Public Enterprises/Central Autonomous Bodies/ Central Public Sector Undertaking.

9. The provision of this letter will be applicable to those JCOs/ORs who are absorbed/appointed in Central Public Sector Enterprises/Central Public Sector Undertaking (on or after 06.03.1985) or Central Autonomous Bodies (on or after 31.03.1987). In such cases there will be a notional fixation of pro-rata pension retrospectively in accordance to the provision of Govt. letters mentioned at para 1 above as applicable to him/her and thereafter Pro-rata pension will be revised up to the date of effect of letter with relevant Govt. orders for revision of pension. However, the financial benefit in past cases that is, cases prior to issue of this order, will be allowed prospectively from the date of issue of this order only and therefore no commutation of pension or DCRG shall be admissible in past cases.

10. The pro-rata pension will not be granted to those JCOs/ORs who have got their Military service counted on absorption/employment in Central Public Enterprises/ Central Autonomous Bodies/ Central Public Sector Undertaking.

11. Pension Regulation for the three services will be amended accordingly in due course.

12. All other terms & conditions mentioned in the MoD letters at Para 1 of this letter will remain unchanged.

13. This issues with the concurrence of Ministry of Defence (Finance/Pension) vide their ID No.17(02)/2020/Fin/Pen dated 23.10.2020.

14. Hindi version will follow.



(B L Meena)

Under Secretary to the Government of India

Copy to:

CGDA
MoD(Fin/Pen)
As per standard list.

