

OFFICE MEMORANDUM

Sub: Regulation of remuneration in case of contract appointment of Central Government Employees- Regarding

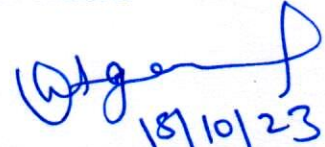
The undersigned is directed to invite attention to this Department's OM of even No. dated 9.12.2020 on the subject mentioned above and to say that the provisions contained in paragraph 6 thereof relating to fixation of remuneration governs the cases of those Central Government employees who retired with pension in terms of CCS(Pension) Rules, 1972 (now replaced by CCS(Pension) Rules, 2021).

2. The question of fixation of remuneration in respect of those central Government employees who retire under National Pension System(NPS), consequent upon their appointment on contract basis, has been considered. The case of such employees is altogether different from those governed by the CCS(Pension) Rules, 2021, as in the case of former annuity is admissible, which is based on the pension corpus accumulated at the time of retirement on the basis of contributions made by the Central Government and the employees during the service span of these employees. Therefore, annuity drawn by such employees is an outcome of contributions made by both the Central Government and the employees, unlike the case of those retiring under the CCS(Pension) Rules, 2021 where the entire pension is paid by the Central Government.

3. In the light of the above, it has been decided that while fixing remuneration in such cases in case of Central Government retirees under the NPS, an amount equivalent to 30% of the last basic pay as drawn at the time of retirement shall be deducted from the last basic pay and the resultant amount shall be the fixed monthly amount as remuneration

4. In respect of all other matters contained in paragraphs 5, 6.3, 7, 8, 9 of the aforesaid OM dated 9.12.2020 shall equally apply in all such cases.

5. These orders shall take effect from the date of issue of orders.



(Umesh Kumar Agarwal)

Deputy Secretary to the Govt. of India

To,
All the Ministries and Departments of the Government of India as per the standard list.