# AGENDA ITEMS FOR THE 19<sup>TH</sup> MEETING OF STANDING COMMITTEE OF VOLUNTARY AGENCIES (SCOVA) ON 20.9.2010.

SI. No.	Agenda items for <u>Central Pension Accounting Office (CPAO)</u>			
1.	Issue of Corrigendum PPO for Pre-2006 retirees.			
	While the need for issuance of corrigendum PPO was accepted and implemented for Post-Jan 2006 retirees, the Pre-Jan 2006 cases were left out for issue of corrigendum PPO due to vast number of retirees. A large number of complaints and difficulties faced by few Air Warriors reflect non payment of rightful dues by various Banks due to lack of requisite information, especially State Bank of India, despite directive by PCDA, Allahabad vide Circular No. 397 & 403 dated 18 Nov 09 & 02 Feb 09. The problem is genuine and needs suitable directions for issuance of Corrigendum PPO for all Pre-2006 retiree also. Incorporating required details viz date of birth of Pensioner, name & date of birth of the family Pensioners/nominee details; date of retirement is essential for fixation of pension/ Additional Pension or Family Pension to beneficiaries especially past retirees prior to 1986, beside those above 80 Years of age.			
	Due to non-availability of authenticated details, Banks are unable to give rightful dues to the Pensioner/Family Pensioners especially to those who are residing in rural areas and are not aware of their actual entitlement on Pay Commission revision. The subject of issuance of corrigendum PPO needs priority directions for outsourcing the task if not feasible within CDA capacity.			
2. To communicate the amount of pension as well as Fami to be revised consequent to the 6th Pay Commission to pensioners of Pre - 2006.				
	A period of more than one year is over. But most of the existing pensioners who have been retired before 01-01-2006 have not been communicated the revised amount of Pension as well as Family Pension admissible to the spouse on his / her death. As a result the Family Pensioner is put to hardships on death of his / her pensioner spouse. Necessary instructions may be issued to communicate the revised amount of pension / family pension in PPO or individual pensioners by the Pension Disbursing Authorities.			
3.	Expediting cases of sanctioning of secondary family pension with monitoring mechanism at various levels. All cases of undue and unjustified delays to be viewed seriously and concerned authorities made accountable.			
Agenda items for Ministry of Finance, Department Of Expenditure				
4. Same fitment benefit to Pre-2006 pensioners as recommended and				
	implemented in respect of serving employees by the VI CPC.			
	The VI CPC discriminated against Pre-2006 pensioners in the matter of fitment benefit. While Grade Pay was recommended to employees in addition to merger of 86% D.A. as on 1-1-2006, pensioners were recommended only 40% of basic pension which works out to much less than 50% of grade pay. Grade Pay was worked out at 40% on the maximum of the highest pay scale in the group of pay scales coming			

under each grade pay while past pensioners retired at various stages in their respective pre-revised pay scales. Thus an imbalance is created between pre and post 2006 pensioners which will be rectified only if the same fitment benefit is granted to Pre-2006 pensioners also i.e., basic pension as on 1.1.1996 + 86% D.R. and 50% of relevant grade pay. Unless the above imbalance is rectified, the pre-2006 pensioners and family pensioners will forever lag behind post-2006 pensioners and family pensioners retiring in comparable posts with equal number of years of service. Implementation of VI CPC recommendation in the above regard widened the gap between pre and post 2006 pensioners rather than bridging it. Though the CPC had observed in para 5.1.47 of their report that" In order to maintain the existing modified parity between the present and future retirees it will be necessary to allow the same fitment benefit as is being recommended for the existing Government employees" however, in their recommendations, the commission did not carry the above. The commission had not realized that they were recommending a different fitment benefit to pre-2006 pensioners putting them at a serious disadvantage vis-a-vis future pensioners. The same fitment benefit needs to be extended to Pre-2006 pensioners and family pensioners to do equal justice to them. The IV CPC desired that factors governing pay determination should also apply for pension determination (Para 2.26 of IV CPC report, Part II - Pension).

#### 5. Parity between Past and Future Pensioners.

There has been constant effort on the part of the earlier pay commissions to bridge the gap between pensions of past and future pensioners retiring in comparable posts. More improvements have come about in the pension structure after independence as the country progressed economically and in other respects. In line with this trend, the V CPC had enunciated parity principle in para 137.14 of their report. The V CPC enunciated this principle with the laudable objective of bringing the pensions of past pensioners close to those of future pensioners. They recommended full parity to those who retired prior to 1.1.86 i.e, the date of implementation of IV CPC scales of pay and modified parity w.e.f. 1.1.96. They desired that the same formula be followed in respect of Pre-1996 pensioners and pensioners at the time of implementation of VI CPC recommendations w.e.f. 1.1.2006 vide para 13 7 .21 of their report. The V CPC did not straight away recommend full parity upto 1-1-96 though they felt it was desirable only having regard to the financial implications of implementation of such a measure at that point of time. They observed in para 137.13 of their report as follows:

"The process of bridging the gap in the pension of pensioners has already been set in motion by the fourth CPC when past pensioners were granted additional relief in addition to consolidated of their pension. This process of attainment of reasonable parity needs to be continued so as to achieve complete parity over a period of time."

The Govt. of India accepted parity principle enunciated by the V CPC and implemented the same w.e.f. 1.1.1996 in respect of Pre-1986 pensioners and family pensioners. It is, therefore, incumbent on the part of the Govt. to carry forward this principle to Pre 1.1.1996 pensioners w.e.f. 1.1.2006. It is not correct for the Government to abdicate this responsibility. The VI CPC was erroneous in linking parity with cent percent neutralization of

price rise for the following reasons.

- 1. Cent percent neutralization of price rise was there upto certain levels even prior to 1.1.1996 and
- 2. It was the V CPC which recommended taking forward parity principle as well as extension of cent percent neutralization of price rise to all levels.

Hence there was no link whatsoever between carrying forward the principle of parity and 100% neutralization of price rise. The commission's observation had created a wrong and misleading impression in the above regard. The Central Government will, therefore, do well to discharge their moral responsibility towards their past employees by carrying forward the parity principle. Pre-1.1.1996 pensioners and family pensioners may, therefore, be first brought on par with post 1.1.1996 pensioners and family pensioners as recommended by V CPC while revising their pensions as per V CPC formula.

6. Stepping up of Pension and Family Pension to 50% and 30% respectively.

The stepping up of pension and family pension to 50% and 30% respectively of the sum of the minimum of the pay in the pay band and grade pay thereon corresponding to the pre revised pay scale from which the pensioner has retired (Para 5.1 of VI CPC report). The manner in which this recommendation has been implemented has done grave injustice to pre 1.1.2006 pensioners. Instead of taking the pay in the pay band corresponding to the minimum pay of the pre revised pay scale, minimum pay in the pay band has been taken for this purpose and thus those who retired in higher pre revised pay scales have been equated with those who retired in lower scales. Thus equal treatment has been denied to those who retired in various pre revised pay scales in the matter of 'stepping up'. While those who were given separate pay scales were protected in this regard, those whose pre revised pay scales had come into pay bands have been adversely affected. This is a gross discrimination denying equal treatment as enshrined in Article 14 of the Constitution of India As such the 'Stepping up' may be implemented so as to protect all those who retired in various pre revised pay scales replaced by four pay bands. Introduction of pay bands with grade pay should not be allowed to act to the serious detriment of any section of past pensioners.

7. Extension of new benefits granted to the past pensioners.

The Hon'ble Supreme Court of India had categorically ruled in their historic Judgment in Nakara case that dividing the homogeneous class of pensioners into those retiring before and after a certain date in the matter of extending new pensionary benefits granted is unconstitutional and violative of Article 14 of the Constitution of India. Yet, the Government of India limited the new benefits such as (a) taking last pay drawn or average of last 10 months of pay whichever is beneficial to the retiring employee for computation of pension and (b) full pension for 20 years qualifying service/10 years of qualifying service in superannuation case to those retiring after 1-1-2006 in the case of (a) of the above and 2-9-2008 in the case of (b). The representations made against the above violation are disposed of by the Dept. of P&PW, New Delhi vide their letter No. F.No. 38/37/0 P&PW (A) dt. 11-2-2009 on untenable grounds. Hence a Presidential reference needs to be made to the Supreme Court to clarify

- whether or not the above orders of the Government violated the letter and spirit of their judgment in Nakra Case instead of driving the retired employees to approach courts of law in their advanced ages. The Government should be fair enough to its retired employees and their families as this is an issue with far reaching consequences to them.
- 8. Additional pension for service beyond 20 years of service.

In this connection, the reasoning given by the VI CPC in recommending additional pension for service above 33 years of qualifying service may kindly be seen and service above 20 years suitably rewarded.

- 9. A suitable alternative to merger of DR after it reaches 50% in view of VI CPC recommendation against 50% DA/DR merger benefit to ensure revision at reasonable intervals.
- 10. Appointment of 7<sup>th</sup> Central Pay Commission, HRA & Transport Allowance, Children's educational allowance & Hostel Subsidy and Festival Advance.

# Agenda Items for <u>Department of Pension & Pensioners' Welfare</u> (DOP&PW)

11. Restoration of commuted pension after 12 years.

The V CPC recommended restoration after 12 years taking all relevant factors into consideration. There are no subsequent developments to justify reversing of this recommendation by the VI CPC. The Government would so well to issue orders restoring commuted pension after 12 years as grave injustice is being done to pensioners in not accepting and implementing recommendation of the V CPC in the above regard.

- 12. Revision of Ex-gratia rates in respect of pre. 1986 CPF/SRPF retirees and their families.
  - a) Revision of these rates effected w.e.f. 1.11.2006 gave them only marginal benefit. Even in this, those who retired from groups B,C & D are badly hit as the increases in their cases are very negligible. Ex-gratia rates applicable to families of deceased beneficiaries remain the same. These ex-gratia beneficiaries and their families have to be done justice by revising their ex-gratia rates in the same manner as was done in the case of pensioners.
  - b) Further they are given 8% less DR which again is highly discriminatory.

Further, the present discrimination against families of the beneficiaries getting ex-gratia in the matter of DR should end.

- c) They should also be made eligible for grant of FMA on par with pensioners.
- 13. Ex-gratia amount to be raised for CPF/SRF retirees.
  - a) The Ex-gratia amount sanctioned to CPF/SRPF retirees is very low. It should be raised to 50% of the minimum of the corresponding pay scale fixed by the VIth CPC for groups A, B, and C and D. The total number of such CPF/SRF retirees alive today are negligible. Government has restored and revised 1/3<sup>rd</sup> pension of PSU Absorbees who had commuted 100% pension based on the court order. Therefore, it is not justified to deny revision of Ex-gratia to these small groups of people. They also should be given reasonable amount of Ex-gratia to maintain their day to

day needs. b) Ex-gratia to widows of CPF/SRPF retirees is to be raised and paid uniform rate of D.R. c) Sanction Ex-gratia to CPF / SRPF voluntary retirees with 20 years of service, since the denial of the benefit is unjustified. Ex-gratia should not be less than minimum pension and the same should 14. be effective from 01/01/06. 15. Extension of secondary family pension to dependant widowed daughter-in-16. Extension of benefit of enhanced family pension for 10 years even in cases <u>of death afte</u>r retirement. 17. Fixed Medical Allowance to be enhanced to Rs. 1,000.00 p.m w.e.f. 01/01/06. 18. Implementation of Web Based Pensioners Portala) Online Grievance redressal system: Live status as well as final status does not get reflected. The system of monitoring by DOP need to be strengthened and DOP need to have teeth to ensure compliance from different Departments. b) Grant in aid to pensioners Associations to cover 'Rent' for office accommodation: Most of the Pensioners Associations, due to inadequate finances, find it hard to hire adequate office accommodation. To facilitate smooth & effective working provision for office accommodation 'Rent may' be made in the Grant- in-aid to pensioners Associations. 19. The implementation of orders dated 01.09.2008 read with the orders dated 14.10.08 is not correct. For instance, consider the example given at Sl. No. 3 of the Annexure-II dealing with Pre-revised scale of pay Rs5,000-8,000 in PB-2 of Rs 9300-34800 with Grade Pay of Rs.4200/-. The RCP arrived as per the recommendations was at Rs. 5,650/- and the same is asked to be stepped up to Rs.6,750/- vide OM ibid. Since Fitment Scale for this scale starts at Rs.9300/- Pay Band it is correct. But it the next scale Rs.5500-175-9000 is taken into consideration with the same Grade Pay it should not be limited to 6750/- since the Fitment Scale is Rs.10,230-17,720 for this scale. It should be compared with the minimum admissible pension of Rs.7225/- (Rs.5115 + Rs.2100) being 50% of the Minimum of the Pay Band + Grade Pay of Rs.4200/- related to the post. The Grade Pay is also varies for the same post carrying the same scale of pay when implemented in the different departments. As such, the Pension Calculator should not be relied upon but case to case examine of pensioner's case has to be ensured vide Annexure-III to the OM ibid. Agenda Items for Ministry of Health & Family Welfare 20. Health Care of Pensioners / Family Pensioners residing in the Non-CGHS areas is badly neglected. The Orders of Health Ministry reiterating that all the pensioners are at liberty to enroll themselves with any of the nearest CGHS hospital/dispensary may be widely circulated. The implementation of the orders enforced. Already pending bills with the Heads of Departments concerned for which claims made under the existing CS (MA)

various Hon'ble CATs in the country.

Rules, 1964 should be settled on the strength of decisions given by

- (a) Merger of Postal Dispensaries with the CGHS should be expedited. In the meanwhile, the pensioners of Departments of Posts and Telecom may be allowed as in the case of other Officials on deputation to Public Sector Undertakings to join the CGHS on a life time measure on a regular basis to avail the CGHS facility.
- (b) The rates of contribution raised w.e.f. 1-6-2009 are to be reduced and also the renewal of issue of regular CGHS cards should be allowed for those beneficiaries who were already registered with the CGHS on a temporary basis renewing their Cards periodically without insisting upon the rates increased w.e.f. 1.6.2009.
- 21. Withdrawal of arbitrary orders dated 01/08/1996 and 01/09/1996 issued by Ministry of Health and Director of CGHS. The orders should be withdrawn and the benefit of CGHS facilities be allowed to the pensioners of Department of Post and Department of Telecom as specially provided in the order of the Department of Personnel and Pension.

#### Agenda Items for DOP&T

22. Early commencement of meeting of National Anomaly Committee to settle all anomalies arising out of 6<sup>th</sup> central pay commission recommendations.

### Agenda Items for Department of Telecom & Posts

23. Grant of concessional telephone facilities to retired P&T Employees.

The impact of the decision of Hon. High Courts of Delhi and Cuttack has been given effect in the case of individual petitioners only. However similarly placed pensioners are ignored and indirectly are forced to knock the doors of Courts. It is requested to apprise the DOT to make a General Rule and all similarly placed pensioners are considered for Service Telephones.

24. The existing Pensioners of Department of Posts and Telecom covered by P&T Dispensaries are neither consider for treatment of hospitalisation facilities nor for Fixed Medical Allowance.

This item was included in previous SCOVA meeting held on 25-03-2008, but it is still undecided. This may be settled and decided now.

Pensioners falling within the limit of P&T Dispensaries / CGHS Hospitals may be allowed to opt for P&T Dispensaries or drawl of Fixed Medical Allowance,

The existing pensioners may be allowed either to opt for Fixed Medical Allowance or the facilities of P&T Dispensaries / CGHS.

### Agenda Items for Ministry of Defence

25. Extension of Benefits of Modified Parity to Pre-Jan 06 Retiree Officers.

Govt. has provided necessary relief to Lt Gen (Retd) and equivalent in providing benefit of modified parity. Similar parity in pension to Pre-Jan

2006 retiree officers in respective of rank, needs consideration for extension of benefit. The matter has already been projected at Chiefs of Staff Committee level in Aug 09. The parity amount as suggested below would eliminate grievance of major retirees of Pre-2006 period.

Rank	Revised as per VI CPC (Past Retiree)	Parity with 31 Jan 06 Retiree (Recommended)	NO OT
Lt	13,500	15,050	
Capt	13,850	17,025	575
Maj	14,100	22,135	4659
Lt Col	25,700	28,695	56942
Col	26,050	30,375	9256
Brig	26,150	31,170	4311
Maj Gen	26,700	33,925	1508
Lt Gen	36,500@	39,500	349

@ Minimum pension guaranteed as result of placing all Lt Gens in HAG scale vide amendment to SAI 2/S/2008 dated 16 Jul 2009.

## 26. Disability Pension: Extension of benefit to Pre-Jan 2006 disability Pensioners.

Disability pension for Pre-Jan 2006 retiree is based on fixed amount as per Govt. of India, MoD letter. No. 16(6)/2008(1)/D (Pension/Policy) dated 04 May 2009. This has resulted in large disparity in disability elements related benefit, when compared to post Jan-2006 retirees (who are entitled for 30% of last enhanced pay drawn amount on retirement as per letter of even reference dated 05 May 09). The issue needs a review for providing benefit of disability pension to earlier retiree, on the same yardstick, as applicable now for Post-Jan 06 retiree.

#### Agenda Items for Ministry of Railways

- 27. Companion facility in the same class to all complimentary pass holders of Railways. Cut off age limit for this purpose should be the same as for concessions extended in railway fares.
- 28. Inclusion of Representatives of A.I.R.R.F and SCOVA in Railway Hospital Advisory Committees.