

KNOW YOUR ENTITLEMENTS

(A Ready Reckoner on Pensionary matters)

(Third Edition - 01 Apr 2018)



साँ: नौ वर्षणः

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FOREWORD

1. Post implementation of 6th and 7th Central Pay Commissions recommendations, the entire pension structure and other retirement benefits admissible to Naval personnel and their NoKs had undergone major changes. As a result, the Govt has issued numerous orders covering pension, family pension, gratuities, terminal benefits etc., applicable to Naval personnel. This edition brought out by IHQ MoD (N)/DPA incorporates all the amendments issued so far in one compendium for easy reference.
2. It gives me enormous pleasure in introducing the third edition of "*Know Your Entitlements*" on pensionary benefits admissible to Naval personnel and their NoKs. The DPA team has put in substantial effort and done an in-depth study in compiling various orders, which have finally been brought out in the form of this publication. I am sure that the publication will be of great use as a reference book for all serving personnel and will ensure correct calculation of pensionary benefits.
3. I would like to compliment PDPA and his team for compiling this publication.


(AK Chawla)
Vice Admiral
Chief of Personnel

Dated: 27 Jul 18

Chapter I - Eligibility Conditions for Grant of Pension and Type of Pensionary Benefits

Service Conditions on Grant of Pension

1.1. The Officers and Sailors are entitled to Retiring/Service Pension on completion of qualifying service. The minimum qualifying service required for earning pension is 20 years for officers and 15 years for sailors. In the case of late entrants i.e. an officer who retire on reaching the prescribed age limit for compulsory retirement with at least 15 years commissioned service qualifying for pension but whose total service is less than 20 years will continue to be 15 years.

1.2. Serving Sailors and corresponding ranks of Army and Air Force granted EC/SSC will be eligible for retiring pension after 12 years of qualifying service actually rendered.

1.3. The following service rendered will be also reckoned towards pension:-

(a) Full pre-commissioned Service rendered under the Central Govt. whether with Civil Department or in the Armed Forces will be taken into account for working out the qualifying service for earning pensionary benefits subject to fulfilment of other conditions. This will also be counted for determining the minimum qualifying service.

(b) Fraction of a year equal to three months and above but less than six months shall be treated as complete one half year and reckoned as Qualifying Service. ***This will, however, not be applicable for computing minimum qualifying service for pension.***

(c) The qualifying service would commence from the date of commission. In case of Short Service Commission (SSC) is followed by Permanent Commission, the period during which an Officer holds SSC on probation will reckon for the purpose of pensionary benefits.

(d) The full training period as Artificer Apprentice is counted as Qualifying Service for pension and gratuity irrespective of whether a portion of the training period has been rendered prior to the age of 17 years. Service rendered before attaining the age of 17 years from the date of enrolment is also counted for the benefit of Pension and Gratuity in respect of Non Artificer Apprentice sailors.

(e) All leave including study leave will count as qualifying service for pension provided that service for at least a period specified by the Govt. has been rendered from the date of return from the study leave last availed. Any period of leave without pay shall not qualify towards Qualifying Service, unless specifically authorised by the Govt.

Note 1:- In case of sailors, a maximum of **twelve month** period can be condoned by the Competent Authority to become eligible for grant of pension.

Authority:- MoD letters No. 1(6)/98/D(Pension/Services) dated 03 Feb 1998 as amended from time to time, No. PN/1280/88/CC/C/D(Pen/Sers) dated 17 Feb 1998, PN/1405/307/CC/C/D(Pen/Ser) dated 13 Apr 2000.

1.4. Prior to 01 Jul 1966, pre-commissioned service maximum to the extent of half was counted for pension. Thereafter, 2/3rd pre-commissioned service is counted for pension till 31 Dec 1985. Full pre-commissioned service is counted for pension with effect from 01 Jan 1986.

Authority:- MoD letters No. 10(1)/59/593-S/1/D(Pension/Services) dated 30 Aug 1966, No. 1(5)/87/D(Pensions/Services) dated 30 Oct 1987.

1.5. The various Pensionary benefits admissible to officers and sailors at the time of retirement/release are as under:-

(a) **On Completion of Minimum Qualifying Service for Pension.**

- (i) Retiring Pension/Service Pension.
- (ii) Retirement Gratuity/Service Gratuity.
- (iii) Commutation of Pension.
- (iv) Leave Encashment.

(b) **Retiring before Completion of Minimum Qualifying Service for Pension i.e. Non-Pensioner.**

- (i) Service/Retiring Gratuity.
- (ii) Retirement Gratuity provided service rendered is five/ ten years and above.
- (iii) Leave Encashment.

(c) **Those Invalided from Naval Service due to Medical unfitness before rendering Minimum Qualifying Service for Pension.**

- (i) Invalid Pension (with conditions).
- (ii) Disability Pension (with conditions).
- (iii) Invalid Gratuity (with conditions).
- (iv) Retiring Gratuity/Service Gratuity (*If minimum service rendered is 05 years and above for sailors and 10 years and above for officers*)
- (v) Leave Encashment.

1.6. In addition to the above, Naval personnel on retirement/ discharge are also entitled for survival benefits from Naval Group Insurance Fund (NGIF).

Chapter II - Retiring/Service Pension and Gratuities

Reckonable Emoluments for counting of Retiring/Service Pension

2.1. The Retiring and Service pension in respect of officers and sailors respectively, retired on or after **01 Jan 2016** will be as follows:-

- (a) **Officers.** The Retiring Pension of Defence Services officers shall be calculated at 50% of the Reckonable Emoluments last drawn which includes Level of Pay in the Pay Matrix, Military Service Pay and Non Practicing Allowance if any last drawn.
- (b) **Sailors.** The Service Pension of sailors shall be calculated at 50% of the Reckonable Emoluments last drawn which includes Level of Pay in the Pay Matrix, Military Service Pay, Classification Allowance and 'X' Group Pay if any, last drawn.

2.2. **Invalid Pension.** When a service personnel is invalidated out of service with a disability neither attributable to nor aggravated by service, he/she will be entitled to Invalid Pension, if the service actually rendered is 10 years or more. The amount of Service Element shall be equal to the Retiring/Service Pension i.e., 50% of the Reckonable Emoluments last drawn which includes level of Pay in Pay Matrix, Military Service Pay, (Non Practising Allowance, Classification Allowance, 'X' Group Pay (where applicable)).

Authority:- MoD letters No. 1(6)/98-D(Pension/Services) dated 03 Feb 1998 and 17(02)/2016-D(Pen/Pol) dated 04 Sep 2017

Commutation of Pension

2.3. The officers and sailors can commute a lump sum payment maximum upto 50% of their Retiring/Service Pension. The balance pension is treated as **Residual Pension**. The commutation value will be worked out taking into account the age of the pensioner on the next birthday as per the following formula:-

Commutation Value: 50% of Basic Pension x 12 x Value of years of Purchase.

2.4. The service personnel, who have commuted a portion of their Pension, are eligible for restoration of the commuted portion of Pension **on completion of 15 years** as follows:-

- (a) In the case of a pensioner who is drawing pension from a branch of a bank, the reduction in the amount of pension on account of commutation shall be operative from the date on which the commuted value of pension is credited by the bank to the applicant's account to which pension is being credited.
- (b) In the case of an individual whose commuted value of pension becomes payable on the day following the date of his retirement, the reduction in the amount of pension on account of commutation shall be operative from its inception. Where, however, payment of commuted value of pension could not be made within the first month after the date of retirement, the difference of monthly pension for the period between the day following the date of retirement and the date preceding the date on which the commuted value of pension is deemed to have been paid shall be authorized by the Accounts Officer.

(c) In the case of an individual, the commuted value is paid in two or more stages, the reduction in the amount of pension shall be made from the respective dates of the payments. The date on which the payment of the commuted value of pension was made to the applicant or the commuted value was credited to the applicant's account shall be entered in both halves of the Pension Payment Order by the disbursing authority under intimation to the Accounts Officer who authorized the payment of commuted value of pension

2.5. The commutation table is placed at **Appendix I**.

Authority:- MoD letter No. 17(4)/2008(2)/D(Pen/Pol) dated 12 Nov 2008 and Commutation Regulations

Gratuities

2.6. **Retirement Gratuity.** Service personnel who has completed **five years** of total Qualifying Service and is eligible for **Service/Retiring/Disability/Invalid Gratuity and Pension** shall be eligible for Retirement Gratuity. The Retirement Gratuity is payable at **1/4 of the Reckonable Emoluments** for each six monthly period of qualifying service subject to a **maximum of Rupees Twenty Lakhs** only. The Reckonable Emoluments for calculating the Gratuity for officers includes Level of Pay in Pay Matrix, Military Service Pay, Non Practicing Allowance where applicable and Dearness Allowance admissible at the time of retirement. In case of sailors Reckonable Emoluments for calculating the Gratuity includes Pay in Pay Matrix, Military Service Pay, Classification Allowance, 'X' Group Pay where applicable and Dearness Allowance admissible at the time of Release/ discharged/ invalidated out/ death.

2.7 **Retiring/Service Gratuity.** The minimum period of qualifying service for earning Retiring/ Service Gratuity is **Ten years** in the case of Permanent Commissioned Officers and **Five years** for sailors. The rate of Retiring/ Service Gratuity is **1/2 month's emoluments** which includes level of Pay in Pay Matrix, Military Service Pay, Non Practicing Allowance, 'X' Group Pay, Classification Allowance (where applicable) and DA last drawn for each six monthly period. The period of three months and above will be treated as one half year.

2.8 **Terminal Gratuity.** The SSC Officers are entitled to Terminal Gratuity at the rates of **1/2 a month's Reckonable emoluments** i.e. as applicable to Retiring Gratuity.

2.9 **Invalid Gratuity.** When an individual is invalidated out of service with a disability neither attributable to nor aggravated by service and has actually rendered less than 10 years of service, he/she will be entitled to Invalid Gratuity. The Reckonable Emoluments for calculating the Invalid Gratuity are as applicable for Retiring/ Service Gratuity.

Authority:- MoD letter No. 1(6)/98-D(Pension/Services) dated 03 Feb 1998

Chapter III – Definition of Family

3.1. For the purpose of grant of family pension, the 'Family' is defined/ categorized as under:-

Category I

- (a) Widow or widower, up to the date of death or re-marriage, whichever is earlier.
- (b) Son/daughter (including widowed/divorced daughter), up to the date of his/her marriage/re-marriage or till the date he/she starts earning or till the age of 25 years, whichever is earlier.

Category II

- (a) Differently abled child/ children till he/she starts earning or upto the date of death, whichever is earlier.
- (b) Unmarried/Widowed/Divorced daughter, not covered by Category I above, up to the date of marriage/re-marriage or till the date she starts earning or up to the date of death, whichever is earlier.
- (c) Parents who were wholly dependent on the Armed Forces personnel when he/she was alive provided the deceased personnel had left behind neither a widow nor a child.
- (d) Dependent disabled siblings (i.e. Brothers and sisters). Such disabled siblings are also eligible for family pension in the same manner and following same disability criteria as applicable in the case of son/ daughter suffering from any disorder or disability of mind including mentally retarded or physically crippled or differently-abled, so as to render him/her unable to earn a living even after attaining the age of 25 years.

3.2. Family pension to dependent parents, unmarried/divorced/widowed daughter will continue till the date of death. Family pension to unmarried/widowed/divorced daughters in **Category-II and dependent parents shall be payable only after the other eligible family members in Category I have ceased to be eligible to receive family pension and there is no disabled child to receive the family pension.** Grant of family pension to children in respective categories shall be payable in order of their date of birth and younger of them will not be eligible for family pension unless the next above him/her has become ineligible for grant of family pension in that category.

3.3. The unmarried/ widowed/ divorced daughters shall also be eligible for grant of Liberalised/ Special family pension beyond 25 years of age subject to fulfilment of conditions i.e. income criteria. She will be entitled to family pension even after the age of 25 years provided all other eligible children below the age of 25 years have ceased to receive family pension and there is no disabled child to receive the family pension. Family pension to payable to unmarried/ divorced/ widowed daughter in order of their date of birth and younger of them shall not be eligible unless the next above has become ineligible for grant of family pension.

3.4. The dependency criteria for the purpose of family pension shall be the minimum Family Pension along with Dearness Relief thereon. The minimum family pension as per 7th CPC rates is **Rupees Nine thousand plus Dearness Relief thereon.**

3.5. The childless widow of a deceased personnel shall continue to be paid family pension even after her re-marriage subject to the condition that the family pension shall cease once her independent income from all other sources become equal to or higher than the minimum prescribed family pension in the Central Government. The family pensioner in such cases would be required to give a declaration regarding her income from other sources to the pension disbursing authority **every six months.**

3.6. In case, the marriage of the pensioner have taken place after retirement, pensioner is required to apply for endorsement of family pension entitlements in his PPO enclosing therewith registration details of marriage with the Registrar of Marriages or other competent authority under the relevant law.

3.7 Parents who were wholly dependent on the Armed Forces Personnel when he/she was alive are also entitled for family pension. In case of dispute, the division of family pension (special/ Liberalised)(sailors only) can be approved by the Competent Authority.

3.8 In case the Armed Forces personnel is not survived by a widow/ widower or a child, the dependent parents become eligible to receive family pension. However, in case where an deceased Armed Forces personnel is survived by a widow/ widower or child and position changes subsequently because of death or remarriage of the spouse and or death or ineligibility of child/ children including disabled child, the dependent parents become eligible for family pension. As stated above, a childless widow subject to dependency criteria is entitled for family pension even after her marriage. In such an event, the parents of the deceased Armed Forces personnel become entitled to the family pension only the childless widow dies or when her independent income from all sources becomes equal to or higher than prescribed dependency criteria under the rules.

3.9. Family pension is also allowed to judicially separated spouse of service personnel after his/her children cease to be eligible for family pension till his/her death or re-marriage whichever is earlier.

3.10. The Family Pension will not be payable to more than one members of an individual's family at the same time. However, there have been cases where service personnel have been authorized to keep more than one wife/wives due to religious reasons. On death of the service personnel in these cases and deceased is survived by more than one widow the pension will be divided amongst the widows/children. The following procedure is to be followed for division and payment of Family Pension to widows/children.

(a) Where a deceased is survived by more than one eligible widow, the Ordinary Family Pension shall be paid to them in equal shares.

(b) On the death of a widow, her share of the ordinary family pension shall become payable to her eligible child(ren). In case the widow is not survived by any child/eligible child, her share of the family pension shall not lapse but shall be payable to the other widows in equal shares or if there is only one such other widow, in full to her.

(c) Where a deceased is survived by a widow and has also left behind eligible child/children from another wife who is not alive, the eligible child of the deceased wife, shall be entitled to the share of Ordinary Family Pension which the mother would have received if she had been alive at the time of death of the individual. The share or shares of family pension payable to such a child or children or to a widow or widows ceasing to be payable, such share or shares shall not lapse but shall be payable to the other widow or widows and or to other child or children otherwise eligible in equal shares, or if there is only one widow or child in full to such widow or child.

(d) Where the deceased is survived by a widow and has left behind eligible child/children from a divorced wife or wives, the eligible child or children shall be entitled to the share of Ordinary Family Pension which the mother would have received at the time of the death of the individual had she not been so divorced. In case the share or shares of family pension ceasing to be payable, such share or shares shall not lapse and shall be payable to the other widow or widows and or to other child or children otherwise eligible, in equal shares, or if there is only one widow or child, in full to such widow or child.

3.11. In case of mentally retarded son or daughter, the Family Pension shall be payable through a person nominated by the Armed Forces personnel or pensioner. In case no such nomination has been furnished by the pensioner during their life time, the same will be paid through the person nominated by the spouse of deceased personnel or pensioner. However, such personnel/ pensioners can also appoint legal guardian through Local Level Committee in terms of National Trust for the Welfare of Persons with Autism, Cerebral Palsy, Mental Retardation and Multiple Disabilities Act-1999 and Rules 2000. Govt of India, MoD letter No. PC/MF-Air HQ/24229/283/FPHC/PP&R-3(i)/2678/D(Pen/Policy) dated 26 Oct 2007 is relevant.

Authority:- MoD letters 1(2)/97/1/D(Pen-C) dated 31 Jan 2001, No. PN/7995/D(Pen/Pol)/2010 dated 01 Oct 2010, No. 17(4)/2008(2)/D(Pen/Pol) dated 12 Nov 2008, No. 2(2)/2012/D(Pen/Pol) dated 14 Dec 2012, No.01(05)/2010-D(Pen/Policy) dated 17 Jan 13,

Chapter IV – Family Pension

Ordinary Family Pension

4.1. In case of death of an Armed Forces personnel while in service or after retirement with a Service/ Retiring/ Disability/ Invalid/ Special Pension on account of causes which are neither attributable to nor aggravated by service, Ordinary Family Pension shall be admissible to the widow/ NoK of the Armed Forces personnel. The ordinary family pension shall be calculated 30% of Last drawn Reckonable Emoluments which includes Level of Pay in Pay Matrix, Military Service Pay, Non Practicing Allowance, Classification Allowance, 'X' Group Pay. In other words, the family pension will be 60% of Service/ Retiring Pension as drawn by the pensioner before the death.

4.2. The enhanced rate of Ordinary Family Pension shall be payable for a period of **Ten years**, without any upper age limit from the date following the date of death of the personnel, to the **family of a personnel who dies in service**. However, there is no change in the period for payment of Enhanced Family Pension to the family in the case of death of a pensioner i.e. **seven years** from the date of death or till attaining the age **67 years** whichever is earlier.

4.3. The provision of minimum **seven years** Qualifying Service will continue to be applicable for grant of Enhanced rate of Ordinary Family Pension in cases where death occurred while in service.

4.4. The amount of all kind of family pension shall be subject to minimum of **Rupees Nine Thousand only**. The maximum amount of normal rate and enhanced rate of Family Pension shall be 30% and 50% respectively of highest pay in the Govt. which is ₹ 2,50,000/- with effect from 01 Jan 2016.

Authority: MoD letters No 17 (4)/2008/D(Pen/Pol) dated 12 Nov 08, No.16(6)2008 (2)/D(Pension/Policy) dated 05 May 09 and No. 17(4)/2008(2)/D(Pen/Policy) dated 05 Jun 09, 17(02)/2016-D(Pen/Pol) dated 04 Sep 2017

Additional Pension/ Family Pension

4.5. In addition to pension and Family Pension, the old age pensioners/ family pensioners are also entitled for additional pension/ family pension. The quantum of such pension/ family pension is as follows:-

<u>Age of Pensioner/Family pensioner</u>	<u>Additional Quantum of Family Pension</u>
From 80 years to less than 85 years	20% of Basic Pension/Family Pension
From 85 years to less than 90 years	30% of Basic Pension/Family Pension
From 90 years to less than 95 years	40% of Basic Pension/Family Pension
From 95 years to less than 100 years	50% of Basic Pension/Family Pension
100 years and above	100% of Basic Pension/Family Pension

4.6. The Pension Disbursing Authorities have been authorized to disburse the additional pension of 80 years of age and above, based on the Date of Birth as held in PPO. The Banks/ DPOs have been authorized by the Govt to disburse the pension/ family pension, on provisional basis upto a period of **six months** from the month in which the proof of age/ date of birth is provided by the pensioner/ family pensioner. The following documents are accepted by PDAs as proof of Date of Birth:-

(a) PAN Card	(b)	Matriculation Certificate containing Date of Birth
(c) Passport	(d)	ECHS Card
(e) Driving License	(f)	Election ID Card
		(g) Aadhaar Card

4.7. The above documents should be submitted to IHQ MoD (N)/ DPA or NAVPEN for processing the case for endorsement of **Date of Birth** through Corrigendum PPO being issued by Pension Sanctioning Authorities, to ensure that additional pension is continued to be paid even after **six months**. In case the pensioner/ family pensioner is unable to submit any of the six documents mentioned above, but claims additional pension based on some other documentary evidence, such cases will be submitted by the PDAs to MoD through NAVPEN/ DPA. **Additional pension will not be released by the PDAs in these cases until the Corrigendum PPO's are issued by PSAs as per the final decision taken by MoD.**

4.8. In case the exact date of birth is not available on the documents but an indication regarding the age of pensioner/ family pensioner is available therein, the additional pension/ family pension shall be paid from 1st January of the year following the year in which the pensioner/ family pensioner has completed the age of 80 years, 85 years, 90 years etc. In case only age is mentioned in the PPO/Office records, the additional pension will starts from 1st January of the year following the years in which the pensioner/ family pensioner has completed the age of 80 years etc. **No Corrigendum PPO's are required to be notified in these cases.**

4.9. The original Discharge certificate issued by the NAVPEN, Descriptive Roll which is in the possession of the Pension Disbursing Agency and the original Pension Certificate issued by the Pension Sanctioning Authority can be treated as office records. All other documents submitted by the pensioner in support of date of birth/ age will require notification of Corrigendum PPO's for payment of additional pension.

Note:- Additional Old age pension/ family pension available to pensioners of 80 years of age and above shall be applicable in the case of Disability/ War Injury Element/ Liberalised Disability Element of Disability/ Liberalised Disability/ War Injury Pension also. *MoD letter No.17(01)/2017(02)/D(Pension/Policy) dated 05 Sep 2017 is relevant.*

Authority:- MoD letter No.1(1)/2009/D(Pen/Policy) dated 18 Aug 2009

SIMPLIFICATION OF PENSION PROCESS FOR PERMANENTLY DISABLED CHILDREN/ SIBLINGS AND DEPENDENT PARENTS

4.10. The process of grant of pension to dependent parents/disabled children and sibling has been further streamlined by the Govt. vide MoD letter No 1(7)/2013-D(Pension/ Policy) dated 15 May 2015. The officer/pensioner/family pensioner may, at any time before or after retirement/death, make a request to the Appointing Authority seeking advance approval for grant of family pension for life to a permanently disabled child/sibling. The broad guidelines are as follows:-

- (a) Before allowing the family pension for life to any such son or daughter, the appointing authority shall satisfy that the handicap is of such a nature so as to prevent him or her from earning his or her livelihood and the same shall be evidenced by a certificate obtained from a Medical Board comprising of a Medical Superintendent or a Principal or a Director or Head of the Institution or his nominee as Chairman and two

other members, out of which at least one shall be a specialist in the particular area of mental or physical disability including mental retardation setting out, as far as possible, the exact mental or physical condition of the child. In accordance with the Govt. orders, the family pension to the dependent disabled siblings shall be payable if the siblings were wholly dependent upon the officer immediately before his or her death and deceased officer is not survived by a widow or an eligible child or eligible parents.

(b) The family pension to the parents shall be payable if the parents were wholly dependent on the officer, immediately before his or her death and the deceased officer is not survived by a widow or an eligible child.

(c) The family pension, wherever admissible to parents, will be payable to the mother of the deceased officer failing which to the father of the officer.

(d) On acceptance of such a request, the appointing authority will immediately issue a sanction order for grant of family pension to such children/sibling/dependent parents on their turn. No further authorization for grant of family pension to the disabled child/sibling/dependent parents would be required. The appointing authority and record office concerned will maintain the details of such disabled children/siblings/dependent parents in the service book and sheet roll of the officer to enable prompt processing of such requests. On the basis of this approval, the permanently disabled child/siblings/dependent parents will be authorised to receive family pension at the appropriate time, i.e, after the death of pensioner and/or after the death/ineligibility of any other member in the family eligible to receive family pension prior to the disabled children/siblings/dependent parents, as explained in the succeeding paragraphs.

(e) The name(s) of permanently disabled child/children/siblings and/or dependent parents may be added to the PPO issued to the retiring officer, if there is no other eligible prior claimant for family pension other than the spouse. No fresh PPO need to be issued in such cases and the family pension will be payable by the pension disbursing authority in the following order and the following manner:-

(i) **To the Spouse.** Family Pension to widow will commence on death of the pensioner. She must submit death certificate of pensioner to Bank. The family pension will continue till death or remarriage of spouse. In the case of a childless widow, the family pension may continue even after her re-marriage as per rules.

(ii) **To the Permanently Disabled Child/Children.** On the death/re-marriage of spouse, on production of such death certificate/remarriage intimation. Family pension to the spouse will be discontinued and family pension would be allowed by the PDA for life for permanently disabled child/children in the prescribed order.

(iii) **To the Dependent Parents-First Mother, Then Father.** When claimants in (i) and (ii) die or become ineligible on production of death certificate/remarriage intimation of spouse and/or death certificates of all permanently disabled children, family pension would be allowed by the PDA to dependent parents. This family pension would continue till death of the dependent parents.

(iv) **To the Permanently Disabled Siblings.** When family pension to all above ceases to be payable on account of death/re-marriage on production of death certificates/remarriage intimation as applicable, the family pension will be allowed by PDA to the permanent disabled siblings.

(f) For all other cases, where there are other eligible prior claimants to family pension, the names of disabled child/children/dependent parents/permanently disabled sibling will be added to the PPO issued to the preceding eligible family pensioner, based on the authorization made by the officer. Family pension to these permanently disabled child/ children/ siblings/dependent parents will be payable after the death ineligibility of the prior claimant, as the case may be.

(g) The authorization as indicated above shall be made in the PPO or by issuing a revised PPO of a child, parents or siblings are authorised for family pension after issue of the PPO. The revised PPO shall take the usual route to the Pension Disbursing authority. The PDA shall start disbursing family pension to the permanently disabled child/sibling or dependent parents after the death of the pensioner/spouse/other family pensioner, as the case may be, on the basis of the PPO/revised PPO, approval of the appointing authority and the death certificate(s) of the pensioner and other family pensioners and the self certificate for income.

(h) Such an authorization shall become invalid in case a person becomes member of family after issue/amendment of such PPO and is entitled to family pension prior to the disabled child/sibling/dependent parents at the time of the death of the pensioners/ spouse. For example, the pensioner may marry/remarry after the death of first spouse or adopt a child. Such spouse/child may be eligible for family pension at the time of death of the pensioner or death/ineligibility of the spouse. A child adopted by the spouse of the pensioner shall not be treated as a member of the family of the deceased pensioner. A decision regarding grant of family pension in such cases will be taken by the appointing authority in accordance with provisions as promulgated from time to time.

(j) In order to facilitate the prompt payment of the family pension in such cases, officers/pensioners/their spouses may open a bank account of such children/siblings/parents and submit the same to the Pension Sanctioning authority through the appointing authority for inclusion in the PPO/revised PPO.

Authority:- MoD letter No. 1(7)/2013-D(Pension/Policy) dated 15 May 2015

4.11. Family Pension Eligibility for Children

(a) After the demise of the pensioner and his wife, the unmarried daughter who was dependent upon the father/ mother is eligible for Family pension irrespective of her age till her marriage.

(b) Similarly, divorced daughter is also eligible for family pension subject to the condition that the divorce should have taken place before the death of her father/ mother and she should be dependent upon them at the time of their demise.

(c) Also, widow daughter is also eligible for family pension subject to the condition that the widow status should happen before the death of her father/ mother and she should be dependent upon them at the time of their demise.

Note:- However, the admissibility of family pension to such daughters is subject to her employment status and income criteria. Income should not be more than the Govt prescribed limit.

(d) Differently-abled children of veteran are also eligible for family pension subject to the following:-

(i) Details of handicapped child must be promulgated through his Family particulars by IHQ MoD (N)/CABS/NAV PEN.

(ii) Disability Certificate in respect of the differently child is issued by Military Hospital or Medical board as per the prescribed format and same must be submitted to IHQ MoD (N)/DPA/NAV PEN.

(iii) Endorsement of the name of handicapped child on PPO must be taken.

(e) After the demise of the pensioner and his wife, children below the age of 25 years are eligible for family pension till his/ her marriage and subject to the employment status and income criteria. However, the eldest child among them will receive family pension until his/ her disqualification and thereafter family pension will be sanctioned to the next child.

Minimum/ Maximum Pension/Family Pension

4.12. If the amount of any monthly pension (*excluding Disability Element and Constant Attendance Allowance*) viz. Retiring Pension/ Service Pension/ Invalid Pension/ Special Pension/ Family Pension works out to less than ₹ 9000/- (Rupees Nine thousand only) per month, it shall be stepped up to ₹ 9000/- per month and authorised for payment at this rate. In cases where Service Element of Disability Pension falls short of ₹ 9000/- p.m the same shall be stepped up at this level.

4.13. There will be maximum ceiling on the amount of Service Pension/ Invalid Pension/ Special Pension and Ordinary Family Pension upto 50% and 30% respectively of the highest pay in the Government (the highest pay in the Govt. Is ₹ 2,50,000.00 per month since 01 Jan 2016). Disability element shall not be taken into account for the purpose of stepping up of service element to the minimum level of ₹ 9000/- per month.

Authority:- MoD letter No. 17(02)/2016-D(Pen/Pol) dated 04 Sep 2017

4.14. **Joint Notification of Family Pension**. For all cases of death in service the family pension is granted to the widow as per existing rules. However, for death after retirement, the wife is normally entitled to family pension only if the husband/pensioner was in receipt of Service/ Retiring/Disability Pension etc. Every officer/ sailor who has retired or gone out of service after 01 Mar 1977/ 01 Mar 1985 respectively with a pension has a joint notification of pension along with his legal wife. Joint notification basically means that like the husband the wife is automatically entitled to family pension after death/ missing of her husband. The lady has to contact the Bank/ DPDO, from where her husband was drawing the pension, along with death certificate for claiming the Family Pension. She will have to follow certain procedural formalities at the Bank like submission of original death certificate, submission of a few witnesses' names who know her status as the legal wife, life certificate for herself, non marriage related certificate etc. The Family pension should normally commence within 4-6 weeks of completing the procedural formalities required by the Bank. Before 01 Mar 1977/ 01 Mar 1985 for officers/ sailors, there was no provision for joint notification of Family pension with wife and the pension was made on the name of retiring defence personnel only. After the death of the individual, a fresh case for family pension was required to be forwarded to

concerned CDA for audit and issue of PPO. The procedure was cumbersome and time consuming. Hence, Govt decided to carry out the joint notification in respect of such pensioners where name of spouse is not endorsed in PPOs. In majority of cases, the same has been completed. However, wherever the cases are left, pensioners should ensure that they immediately apply for the same through Record Offices (IHQ MoD (N)/DPA for officers and NAVPEN for sailors). **If a pensioner who does not have joint notification with spouse and expire subsequently, then spouse will not be entitled for pension unless the name is endorsed through Corrigendum PPO after following the lengthy process of verification.**

4.15. **Ceiling in Case of Two Pensions.** In the case of pensioners in receipt of Military as well as Civilian Pension/ Family Pension, the floor ceiling of ₹ 9000/- will not apply to two pensions taken together and the individual pension/ Family Pension will be governed by respective Pension Rules. Accordingly, the floor ceiling of ₹ 9000/- will apply individually to the Military and civilian pension.

Authority:- MoD letter No.17(02)/2016-D(Pen/Pol) dated 04 Sep 2017

Chapter V – Entitlement Rules

Entitlement Rules

5.1. The definition of duty for deciding the Attributability called “**Entitlement Rules for Casualty Pensionary Awards to Armed Forces personnel**” are appended below. These rules are to be read in conjunction with **circumstances of categories** as amended by Govt. from time to time.

5.2. (a) These Rules may be called Entitlement Rules for Casualty Pensionary Awards to Armed Forces personnel, 2008 and supersede the Entitlement Rules for Casualty Pensionary Awards to Armed Forces Personnel, 1982 as amended from time to time.

(b) These Rules shall be read in conjunction with the Guide to Medical Officers (Military Pension), 2008, as amended from time to time.

5.3. **Invalidment from Service.**

(a) Invalidation from service with disablement caused by service factors is a condition precedent for grant of disability pension. However, disability element will also be admissible to personnel who retire or are discharged on completion of terms of engagement in low medical category on account of disability attributable to or aggravated by military service, provided the disability is accepted as not less than 20%.

(b) An individual who is boarded out of service on medical grounds before completion of terms of engagement shall be treated as invalidated from service.

(c) Sailors who are placed permanently in a medical category other than S1A1 and are discharged because:-

- (i) No alternative employment suitable to their LMC can be provided, or
- (ii) They are unwilling to accept alternative employment, or
- (iii) They having been retained in alternative employment are discharged before the completion of their engagement, shall be deemed to have been invalidated out of service.

5.4. **Medical Test at Entry Stage.** The medical test at the time of entry is not exhaustive, but its scope is limited to broad physical examination. Therefore, it may not detect some dormant disease. Besides certain hereditary constitutional and congenital diseases may manifest later in life, irrespective of service conditions. The mere fact that a disease has manifested during military service does not per se establish Attributability to or Aggravation by military service.

5.5. **Causal Connection.** For award of disability pension/Special Family Pension, a causal connection between disability or death and military service has to be established by appropriate authorities.

5.6. **Onus of Proof.** Ordinarily the claimant will not be called upon to prove the condition of entitlement. However, where the claim is preferred after 15 years of discharge/retirement/ invalidment/ release by which time the service documents of the claimant are destroyed after the prescribed retention period, the onus to prove the entitlement would lie on the claimant.

5.7. **Post Discharge Claims**

- (a) Cases in which a disease was not present at the time of the member's retirement/ discharge from service but arose within 7 years thereafter, may be recognized as attributable to service if it can be established by the competent medical authority that the disability is a delayed manifestation of a pathological process set in motion by service conditions obtaining prior to discharge.
- (b) In cases where an individual in receipt of a disability pension dies within a period of seven years from the date of release/retirement, may be considered to have died of the disease for which he was granted disability pension if it can be so established by the competent medical authority. If the medical certificate as to the cause of the death is not available, other factors and circumstantial evidence would be taken into account.

Duty

5.8. For the purpose of these Rules, a person subject to the disciplinary code of the Armed Forces shall be treated on 'Duty':

- (a) When performing an official task or a task failure to do which would constitute an offence, punishable under the disciplinary code applicable to him.
- (b) When moving from one place of duty to another place of duty irrespective of the mode of movement.
- (c) During the period of participation in recreation and other unit/sports activities organized or approved by service authorities and during the period of traveling in relation thereto:-
 - (i) Personnel of the Armed Forces participating in local/ national/ international sports tournaments as members of service team; or mountaineering expeditions/ gliding organized by service authorities.
 - (ii) Personnel of Armed Forces participating in sports tournaments or in privately organized mountaineering expeditions of indulging in gliding as a hobby in their individual capacity, shall not be deemed to be 'on duty' for the purpose of these Rules, even though prior permission of the competent service authorities may have been obtained by them.
 - (iii) Injuries sustained by personnel of the Armed Forces in impromptu games and sports which are organized by or with the approval of the local service authority and death or disability arising from such injuries, will be regarded as having occurred 'on duty' for the purpose of these Rules.

- (iv) The personnel of the Armed Forces deputed for training at courses conducted by the Himalayan Mountaineering Institute, Darjeeling and other similar institutes shall be treated at par with personnel attending other authorized professional courses or exercise for the Defence Services for the purpose of grant of disability/ family pension on account of disability/ death sustained during the courses.
- (d) When proceeding on leave/valid out pass from his duty station to his leave station or returning to duty from his leave station on leave/valid out pass.
 - (i) An Armed Forces personnel while traveling between his place of duty to leave station and vice-versa is to be treated on duty irrespective of whether he has availed railway warrant/concession vouchers/cash TA etc. or not for the journey. This would also include journey performed from leave station to duty station in case the individual returns early.
 - (ii) The occurrence of injury should have taken place in reaching the leave station from duty station or vice versa using the commonly available/ adopted route and mode of transport.
- (e) When traveling by a reasonable route from one's official residence to and back from the appointed place of duty, irrespective of the mode of conveyance (whether private or provided by the Govt.).
- (f) Death or injury which occurs when an individual is not strictly 'on duty' e.g. on leave, including cases of death/disability as a result of attack by or action against extremists or anti-social elements may also be considered attributable to service, provided that it involved risk which was due to his belonging to the Armed Forces and that the same was not a risk faced by a civilian. Death and disability due to personal enmity is admissible. For the purpose of these Rules, leave shall include casual leave. Leave/casual leave shall not be treated as 'duty' except in situations mentioned above.

5.9. Attributability

- (a) **Injuries.** In respect of accidents or injuries, the following rules shall be observed:
 - (i) Injuries sustained when the individual is 'on duty', as defined, shall be treated as attributable to military service, (provided a nexus between injury and military service is established).
 - (ii) In cases of self-inflicted injuries while 'on duty', attributability shall not be conceded unless it is established that service factors were responsible for such action.
- (b) **Diseases.** For acceptance of a disease as attributable to military service, the following two conditions must be satisfied simultaneously:-
 - (i) That the disease has arisen during the period of military service, and,
 - (ii) That the disease has been caused by the conditions of employment in military service.
 - (iii) Diseases due to infection arising in service other than that transmitted through sexual contact shall merit an entitlement of Attributability and where the disease

may have been contracted prior to enrolment or during leave, the incubation period of the disease will be taken into consideration on the basis of clinical course as determined by the competent medical authority.

(iv) If nothing at all is known about the cause of disease and the presumption of the entitlement in favour of the claimant is not rebutted, Attributability should be conceded on the basis of the clinical picture and current scientific medical application.

(v) When the diagnosis and/or treatment of a disease was faulty, unsatisfactory or delayed due to exigencies of service, disability caused due to any adverse effects arising as a complication shall be conceded as attributable.

5.10. **Aggravation.** A disability shall be conceded aggravated by service if its onset is hastened or the subsequent course is worsened by specific conditions of military service, such as posted in places of extreme climatic conditions, environmental factors related to service conditions e.g. Field, Operations, High Altitudes etc.

5.11. **Competent Authorities**

(a) **Attributability/Aggravation.**

(i) **Injury Cases.** Decision regarding attributability/ aggravation in respect of injury cases in invalidment/ retirement or discharge would be taken by the IHQ MoD (N), in case of officers and NAVPEN in case of sailors, for the purpose of casualty pensionary awards.

(ii) **Disease Cases.** The decision regarding attributability/ aggravation in respect of disease cases shall be taken by the IHQ MoD (N) in case of officers and NAVPEN in case of sailors on the basis of the findings of the RMB/IMB as approved by the next higher medical authority which would be treated as final and for life.

(b) **Assessment.**

(i) The assessment with regard to percentage of disability in both injury and disease cases as recommended by the Invaliding/Release Medical Board as approved by the next higher medical authority shall be treated as final and for life unless the individual himself requests for a review, except in the cases of disability/ disabilities which are not of a permanent nature.

(ii) Where disablement is due to more than one disability, a composite assessment of the degree of disablement shall be made by reference to the combined effect of all such disabilities in addition to separate assessment for each disability. In case of overlapping disabilities, the composite assessment may not be the sum of individual disabilities.

(c) **Re-Assessment of Disability.** There shall be no periodical review by Resurvey Medical Boards for re-assessment of disabilities except for disabilities which are not of a permanent nature, for which there shall be only one reassessment of the percentage by a Reassessment Medical Board. The percentage of disability assessed/ recommended by the Reassessment Medical Board shall be final and for life unless the individual himself asks for a review.

5.12. Death Cases

(a) **Due to Injury.** Decision regarding attributability/ aggravation in respect of death in injury cases for grant of special family pension shall be taken by IHQ MoD (N).

(b) **Due to Disease.** Decision regarding attributability/ aggravation shall be taken by IHQ MoD (N), as the case may be, on the basis of medical opinion of DGAFMS or such medical authorities as prescribed from time to time.

Note:- In case of battle casualty, the awards for liberalized family pension shall be decided by the Pension Sanctioning Authority based on the casualty report published by the authorities concerned.

5.13. Appeals

(a) **First Appeal.** If a person is aggrieved by the denial of entitlement, he may, if so desires, submit an appeal before IHQ MoD (N)/DPA within **six months**, which would be considered by the **Appellate Committee for First Appeal**. The Appellate Committee's decision for upholding or rejecting the appeal will be by consensus.

(b) **Second Appeal.** Any person, aggrieved by the decision of the First Appeal, may file a second appeal within **six months** of the decision of the Appellate Committee for First Appeal to the Second Appellate Committee. The decision of upholding or rejection of the appeal will be by consensus. However, in case any member (s) is/are not agreed with the decision of the other members, the matter will be referred to **Hon'able Raksha Rajya Mantri (RRM)** for final decision.

Authority:- MoD letter No.F.No.1(3)/2002/Vol.III/D(Pen/Pol) dated 18 Jan 2010

ILLUSTRATIVE EXAMPLES OF CASES TO BE COVERED UNDER DIFFERENT CLAUSES

Clause (a) – Death Attributable to Accidents While On Duty.

1. Death, as a result of an accident while travelling in public, private or official vehicle or otherwise, or of personnel on field duties.
2. Death occurring due to an accident while travelling on bonafide duties in a service aircraft.
3. Accidents during test flights of aircraft and non-scheduled flights, of a chartered aircraft resulting in death of service personnel travelling on duty in public interest in such flights.
4. Death, in accidents of personnel undertaking official journeys on duty.
5. Accidents to ships, rivers steamers, etc. resulting in death of Service personnel undertaking journeys on duty by these modes of travels.
6. Death, as a result of accidents, of service personnel while proceeding on raids against anti-social elements, etc
7. Death, due to contact with live electric/power lines, of personnel deployed on flood/ cyclone relief activities.
8. Death due to electrocution, of service personnel engaged in rectification of defects in generation and distribution of electricity.
9. Accidents while engaged in rectification of defects in machinery and equipments.
10. Death due to accidental explosion of boilers, storage tanks of inflammable materials, chemicals etc.
11. Death due to fire accidents while on duty.
12. Death of Fire Fighting staff engaged in fire-fighting operations.

Clause (b) - Death Attributable to acts of Violence by the Terrorists, Anti-social Elements etc.

13. Death resulting from acts of violence of assault by terrorists, smugglers, dacoits, anti-social elements etc. against individual service personnel:-
 - (a) With the intention of deterring or preventing him from performing his duties, or
 - (b) Because of any act done or attempt to be done in the lawful discharge of his duties of
 - (c) Because of his official position.

14. Service personnel killed in the course of performance of their duties as a result of violence or attack by armed hostile extremists, terrorists, anti-social elements, etc.

15. Service personnel on duty, killed in an incident or terrorists violence in J&K, the North Eastern Region etc. other than in actual operations and encounters.

16. Death due to stone throwing, use of weapons and other violent acts by demonstrators, anti-social elements etc. Service personnel while employed in aide of the civil administration in quelling agitations, protest demonstrations, riots etc.

17. Death of service personnel while proceeding on raids against anti-social elements etc. attributable to attacks by the parties so raided, including anti-social elements.

18. Death while on duty, as unwitting victims of bomb blast in public or vehicle, indiscriminate shooting incidents in public, etc.

Clause (c).Death occurring during wars or Border Skirmishes and Action Against Militants, Terrorists and Extremists.

19. The ex-gratia compensation under this clause will be restricted only to those cases where service personnel are killed in actual field operations. A higher rate of compensation has been prescribed in these cases having regard to the magnitude of the hardships and risks involved in field operations including combing operations against terrorists, militants, etc. This will generally be applicable only to the service personnel deployed along the borders, LoC, etc, as well as those engaged in combating terrorism. The condition of being actually involved in operations will, therefore, have to be satisfied before the compensation is sanctioned.

Clause (d).Death Occurring while on duty in the Specified High Altitude, Inaccessible Border Posts, etc, on Account of Natural Disasters, Extreme Weather Conditions

20. The compensation under this clause will be payable to the NoK of the deceased service personnel where death occurred due to difficulties in high altitude areas, inaccessible border posts caused due to natural disasters, extreme weather conditions etc.

Clause (e).Death Occurring During Enemy Action in International War or such War like Engagements which are Specifically notified by MoD

21. The compensation under this clause will be admissible to the NoK of the deceased service personnel when death occurred in the specific areas, carrying out the duties as specified by the Govt. from time to time.

Chapter VI – Circumstances of Categories for Attributability to / Aggravation by Naval Service

6.1. For determining the pensionary benefits on death or disability under different circumstances due to the causes attributable to/aggravated by naval service, the cases will be broadly categorized as follows:-

- (a) **Category A.** Death or disability due to natural causes neither attributable to nor aggravated by Naval Service as determined by the competent medical authorities. Examples would be ailments of nature of constitutional diseases as assessed by medical authorities, chronic ailments like heart and renal diseases, prolonged illness, accidents while not on duty.
- (b) **Category B.** Death or disability due to causes which are accepted as attributable to or aggravated by Naval Service as determined by the competent medical authorities. Disease contracted because of continued exposure to a hostile work environment, subject to extreme weather conditions or occupational hazards resulting in death or disability would be examples.
- (c) **Category C.** Death or disability due to accidents in the performance of duties such as:-
 - (i) Accidents while traveling on duty in Government Vehicles or public/private transport.
 - (ii) Accidents during air journeys.
 - (iii) Mishaps at Sea while on duty.
 - (iv) Electrocution while on duty, etc.
 - (v) Accidents during participation in organized sports events/ adventure activities/expeditions/training.
- (d) **Category D.** Death or disability due to acts of violence/attack by terrorists, anti-social elements, etc whether on duty other than operational duty or even when not on duty. Bomb blasts in public places or transport, indiscriminate shooting incidents in public, etc. would be covered under this category, besides death/disability occurring while employed in the aid of civil power in dealing with natural calamities. Death or disability arising as a result of following will also be included:
 - (i) Unintentional killing by own troops during the course of duty in an operational area.
 - (ii) Electrocution/ attacks by wild animals and snake bite/ drowning during the course of action in counter insurgency/ war.
 - (iii) Accidental death/ injury sustained due to natural calamities such as flood, avalanches, landslides, cyclone, fire and lightening or drowning in river while performing operational duties/ movement in action against enemy forces and armed hostilities in operational area to include deployment on international border of line of control.

(e) **Category E.** Death or disability arising as a result of:-

- (i) Enemy action in international war.
- (ii) Action during deployment with a peacekeeping mission abroad.
- (iii) Border skirmishes.
- (iv) During laying or clearance of mines including enemy mines as also minesweeping operations.
- (v) On account of accidental explosions of mines while laying operationally oriented mine-field or lifting or negotiating mine-field laid by the enemy or own forces in operational areas near internal borders or the line of control.
- (vi) War like situations, including cases which are attributable to/aggravated by:-
 - (aa) Extremist acts, exploding mines etc., while on way to an operational area.
 - (ab) Battle inoculation training exercises or demonstration with live ammunition, which will cover the following two categories:-
 - (aaa) Flying operation involved in rehearsing of war plans and implementation of OP instructions inclusive of international exercises.
 - (aab) All combat and Tactical Sorties in preparation of war.
 - (aac) Valley flying and missions involving operating at Ultra Low Levels.
 - (aad) All operational missions undertaken during peace like Special Operations, Live ORP, Recce, Elint, Survey and induction trials of new weapons.
 - (aae) Missions undertaken in support of troops and security forces deployed in forward areas.
 - (aaf) Flying missions involving landings on the ALGs.
 - (ac) Kidnapping by extremists while on operational duty.
- (vii) An act of violence /attack by extremists, anti-social elements etc. while on operational duty.
- (viii) Action against extremists, anti-social elements, etc. Death/disability while employed in the aid of civil power in quelling agitation, riots or revolt by demonstrators will be covered under this category.

- (ix) Operations specially notified by the Government from time to time.
- (x) Death or disability arising as a result of poisoning of water by enemy agents while deployed in operational area in active hostilities.
- (xi) Death during trial of indigenously developed weapon system.

Notes:-

1. *The illustrations given in each category are not exhaustive. Cases not covered under these categories will be dealt with as per Entitlement Rules to casualty pensionary awards in vogue.*
2. *The question whether a death/disability is attributable to or aggravated by Naval Service will be determined as per provisions of the Pension Regulations for the Navy and the entitlement Rules in vogue as amended from time to time.*
3. *In case of death while in Service which is not accepted as attributable to or aggravated by Military Service or death after retirement/ discharge/ Invalidment, Ordinary Family pension shall be admissible as specified in Govt orders issued from time to time.*
4. *Where an Armed Forces personnel is invalidated out of service due to non- attributable/ non aggravated causes Invalid Pension/ Gratuity shall be paid in terms of Rules as applicable at the time of such Invalidment.*

Authority:- MoD letter No.1(2)/97/D(Pen-C) dated 31 Jan 2001, No.1(11)/2006-D(Pen-C)/PC dated 08 Sep 2009, No. 1(11)/2006-D(Pen-C)/PC dated 05/08 Mar 2010, No.2(1)/2011-D(Pen/Policy) dated 03 Feb 2011

Chapter VII – Casualty Pensionary Awards

Special Family Pension

7.1. Special Family Pension (SFP) is granted to the widow/ children of an service personnel irrespective of his length of service, if his death whilst in the Service was due to or hastened by a wound, injury or disease as prescribed under Category 'B' and 'C', which is attributable to or aggravated by Naval Service.

7.2. The Special Family Pension shall be calculated at the uniform rate of **60%** of **Reckonable Emoluments** irrespective of whether widow has child/children or not. There shall be no maximum ceiling on Special Family Pension.

7.3. In case the children become the beneficiary, the Special Family Pension at same rate (ie., 60% of Reckonable Emoluments) shall be admissible to the senior most eligible child till he/she attains the age of 25 years or upto the date of his/her marriage whichever is earlier. Thereafter Special Family Pension shall pass on to next eligible child.

7.4. Families of Short service Commissioned Officers (SSCO) and Emergency Commissioned Officers (ECO) who dies under circumstances mentioned in category "B" & "C" shall also be entitled to Special Family Pension.

7.5 **Special Family Pension on remarriage of Widow.** Special Family Pension on remarriage of widow, shall be regulated as follows:-

(a) **Commissioned Officers**

(i) **If she has child(ren):-**

<p>(aa) If she continues to support Children after re-marriage</p>	<p>Full Special Family Pension to continue to widow.</p>
<p>(ab) If she does not support children after re-marriage.</p>	
<p>(i) Ordinary Family Pension Equal to 30% of emoluments last drawn to the re-married widow.</p>	
<p>(ii) 50% of Special Family Pension to the eligible children.</p>	

(ii) **If widow has no children**

Full SFP continue to widow

(b) **Sailors**

(i) If SFP is sanctioned to the widow.

Same provisions as applicable to officers.

(ii) Where first life award is sanctioned to parents

(aa) If widow continues to support Children after remarriage or has No issues.	}	50% of SFP to parents 50% of SFP to widow
(ab) If widow does not support Children after re-marriage but the children are supported.		Full SFP to parents and Ordinary Family Pension to widow
(ac) If children are not supported either by the re-married widow or the parents.	}	50% of SFP to parents 50% of SFP to eligible children and Ordinary Family Pension to widow.
(ad) On death or disqualification of Parents and the widow supports the Children or has no issues.		Full SFP to widow
(ae) On death or disqualification of Parents and the widow not supporting the Children.	}	Full SFP to eligible children Ordinary Family Pension to widow

Notes 1:- A widow whose Special Family Pension (SFP) was stopped on her re-marriage before 01 Jan 1996 is also eligible for Special Family Pension. MoD letter No. 1(1)/2001/D(Pen/Policy) dated **20 Jan 09** is relevant.

7.6. **Dependent Pension (Special).** Dependent Pension in respect of Officers (including MNS Officers, TA Officers and SSCOs and ECOs) shall be admissible to the parent(s)/eligible brothers and sisters (in the absence of parents) of the deceased officers, who die under circumstances as prescribed for **Special Family Pension** above, as a bachelor or widower without children, at a rate equal to 50% of notional Special Family Pension that would have been admissible to the wife/ children of the late officer.

7.7. **Second Life Award - Sailors.** Second life Awards (Special Family Pension) shall be admissible to the parents of the deceased irrespective of single or both and in the absence of the parents, to the eligible brothers and sisters, at the rate equal to 50% of notional Special Family Pension.

Note 1:- Conditions regarding age limit and marriage shall equally apply to dependent brothers/sisters for grant of Dependent Pension/Second Life Award which shall be paid to the senior most eligible brother/sister at a time.

Liberalised Family Pension (LFP)

7.8. In case of death of an Armed Forces Personnel under the circumstances mentioned in category "D" & "E", the eligible member of the family shall be entitled to **Liberalised Family Pension** equal to **Reckonable Emoluments** last drawn. The terms of Reckonable Emoluments include level of Pay in Pay Matrix, MSP, NPA, 'X' Group Pay, Classification Allowance, where applicable. Liberalised Family Pension at this rate shall be admissible to

the widow in the case of officers and to the nominated heir (division of LFP between wife and parents permitted) in the case of sailors until death or disqualification.

7.9. If the service personnel is not survived by widow but is survived by a child/children only, all children together shall be eligible for Liberalised Family Pension at the rate equal to **60% of Reckonable Emoluments**. Liberalised Family Pension shall be payable to the child/children for the period during which they would have been eligible as in the case of Special Family Pension. The Liberalised Family Pension shall be paid to the senior most eligible child at a time. On his/her death/disqualification it will pass on to next eligible child.

7.10. Families of SSCOs and ECOs who die under similar circumstances as mentioned in category "D" and "E" shall also be entitled to Liberalised Family Pension as applicable to other service personnel.

7.11. **Dependent Pension (Liberalised) - Commissioned Officers (including MNS Officers, TA Officers and SSCOs/ECOs)**. Where an Officer dies as a bachelor or as a widower without children under the circumstances mentioned at 'D' & 'E', Dependent Pension (Liberalised) shall be admissible to parents without reference to their pecuniary circumstances at the rate of 75% of Liberalised Family Pension for both parents and at the rate of 60% of Liberalised Family Pension for single parent. On the death of one parent, Dependent Pension at the latter rate shall be admissible to the surviving parent. In the absence of parents, Dependent Pension (Liberalised) is also admissible to Dependent brother(s)/sister(s) if otherwise eligible, at the rate of 60% of LFP.

Note 1:- Condition regarding age limit and marriage shall equally apply to dependent brother(s)/sister for grant of Dependent Pension which shall be paid to the senior most eligible brother/sister at a time.

7.12. **Second Life Award (Liberalised Family Pension) - Sailors**. Second Life Award in respect of sailors who die under the circumstances mentioned at 'D' and 'E' shall be regulated as under:-

(a) If the first recipient (other than the parents) of the family pensionary award dies/is disqualified earlier than 07 years (counting from the date of casualty), the award will be continued at the same rate to the parents as second life award, if still alive for the balance of seven years without any reduction. After the initial period of seven years, the second life award will be continued at the rate of 60% of the Liberalised Family Pension.

(b) Where the first life award was given to a parent and the widow remarries, the Liberalised Family Pension shall be regulated depending upon the period of widow's remarriage as follows:-

(i) **If Widow continues to support the Children or has no Children**. Widow will get family pension equal to Special Family Pension (i.e. 60% of Liberalised Family Pension or Reckonable Emoluments) from the date of remarriage and the parents will also get family pension at the rate of 60% of Liberalised Family Pension for the balance of Seven years if the remarriage of widow takes place during Seven years of casualty. After the period of seven years or where remarriage of widow took place after seven years, widow will get family pension @ 60% of Liberalised Family Pension and parents will get family pension at the rate of 30% of Liberalised Family Pension. On death or disqualification of

parents, widow will get family pension equal to the Liberalised Family Pension for life.

(ii) **If Widow does not support the Children.** Widow will get Ordinary Family Pension (i.e.30% of reckonable emoluments)for life from the date of remarriage and the parents continue to get first life award at the same rate (i.e. full Liberalised Family Pension) for balance of seven years where remarriage takes place within seven years of casualty, provided they support the children. Otherwise, the entitlements of parents will be equally divided between the parents and children. After the period of seven years or where remarriage of widow takes place after seven years of casualty, parents will get family pension at the rate of 60% of Liberalised Family Pension provided they support the children, otherwise it will be divided equally between the parents and the children. On death/disqualification of parents of deceased service personnel, the senior most eligible child will get family pension at the rate of 60% of Liberalised Family Pension.

Note 1:- Wherever children become beneficiary, the award will be continue for a period and subject to the conditions as applicable for grant of Special Family Pension.

7.13. **Liberalised Family Pension on re-marriage of Widow.** Liberalised Family Pension on re-marriage of widow shall be regulated as follows:-

(a) **Commissioned Officers.**

(i) **If she has children:-**

- (aa) If she continues to support children after re-marriage. } Full Liberalised Family Pension to continue to widow.
- (ab) If she does not support children after re-marriage. } Ordinary Family Pension at 30% to widow and Special Family Pension at 60% to eligible children.

(ii) **If widow has no children**

- } Full Liberalised Family Pension to continue to widow

(b) **Sailors.**

(i) **If Liberalised Family Pension is Sanctioned as first life award to The Widow**

- } Same provisions as at para (a) (i) above shall be applicable

(ii) Where first life award is sanctioned to parents.

- } The admissibility of Liberalised Family Pension in such cases would be regulated as specified above

Authority:- MoD letter No. 1(2)/97/D(Pen-C) dated 31 Jan 2001 as amended from time to time

Grant of Education Concession to the Children of Armed Forces Personnel

7.14. Following education concessions to the Children of Armed Forces officers and sailors/ equivalent ranks in Army and Air Force, who are **Missing/ Disabled/ Killed in Action**:-

- (a) **Tuition Fees**. Full reimbursement of tuition fee (Capitation fee and caution money not included) levied by the Education Institutions concerned (including charges levied for the school bus maintained by the school or actual fares paid for railway pass for students or bus fare certified by the Head of Institutes).
- (b) **Hostel Charges**. Full re-imbursement of Hostel charges for those studying in boarding schools and colleges.
- (c) **Cost of Books/ Stationery**. ₹ 2000/- (**Rupees two thousand only**) per annum per student or the amount claimed by the student, whichever is less.
- (d) **Cost of Uniform Where this is Compulsory**. ₹ 2000/- (**Rupees Two thousand only**) or the amount claimed by the student, whichever is less.
- (e) **Clothing**. ₹ 700/- (**Rupees Seven hundred only**) or the amount claimed by the student, whichever is less.

7.15. The education concessions referred to above will be admissible only for undertaking studies in Govt/ Govt aided schools/ educational institutes. Military/ Sainik Schools and other schools or college recognized by the Central or State Governments including the autonomous organisations financed entirely by the Central/ State Govts.

7.16. The above educational concessions will be available for school going children from **two classes** prior to 1st class till First Degree Course.

7.17. Re-imbursement of Children Education Allowance (CEA) shall have no nexus with the performance of the child in his class. In other words even if a child fails in a particular class, the re-imbursement of CEA shall not be stopped.

7.18. **The combine amount of Tuition Fee and Hostel Charges will be admissible without any capping/ restrictions.** The concession shall go up by 25% each time, the DA rises to 50%. Under the scheme CEA re-imbursement can be availed for two eldest surviving children only, except when the number of children exceeds two due to second child birth resulting in multiple births.

Authority:-MoD letters No 6-1/2009.Edu.Concession/II/D(Res) dated 25 Oct 2010 as amended vide No.6(I)/2009/Edu.Concession/ D(Res.-II) dated 13 Sep 17 and No.6(1)/2009/Edu.Concession/D (Res.II) dated 23 Mar 18.

Ex-Gratia Lump-sum Compensation

7.19. The families of defence service personnel who die in harness in the performance of their **bonafide official duties** shall be paid the following ex-gratia lump sum compensation:-

<u>S No.</u>	<u>Description</u>	<u>Amount</u>
(a)	Death occurring due to accidents in course of duties	₹ 25 Lakhs
(b)	Death in the course of duties attributable to acts of violence by terrorists, anti-social elements etc.	₹ 25 Lakhs
(c)	Death occurring in border skirmishes and action against militants, terrorists, extremists, sea pirates	₹ 35 Lakhs
(d)	Death occurring while on duty in the specified high altitude, inaccessible border posts, on account of natural disasters, extreme weather conditions	₹ 35 Lakhs
(e)	Death occurring during enemy action in war or such war like engagements, which are specifically notified by MoD and death occurring during evacuation of Indian Nationals from a war-torn Zone in foreign country	₹ 45 Lakhs

7.20. The graded structure of Ex-Gratia Lump sum compensation takes into account the hardships and risks involved in certain assignments, the intensity and magnitude of the tragedy and deprivation the families of Govt. servants experience on the demise of the bread-winner in different circumstances, the expectations of the employer from the employees to function in extreme circumstances etc. The compensation is intended to provide an additional insurance and security to employees who are required to function under hard circumstances and are exposed to different kinds of risks in the performance of their duties.

7.21. Detailed conditions and guidelines for grant of Ex-Gratia Lump sum compensation are given in Annexure to MoD letter No. 20(1)/98/D(Pay/Services) dated 22 Sep 1998.

Authority:-MoD letters No. 20(1)/98/D(Pay/Services) dated 22 Sep 1998 and 20 (2)/2016/D (Pay/Services) dated 02 Nov 2016

Chapter VIII - Disability/War Injury Pensionary Awards

Disability Pension

8.1. Disability Pension is admissible to Service personnel who are retired whether on attaining the age of superannuation or prematurely/ discharged/ Invalided Out, with a disability, assessed at 20% or more and same is declared as either attributable to, or aggravated by Naval Service. Govt/ MoD vide letter 17 (02)/2016-D(Pen/Pol) dated 04 Sep 17 has directed that disability accepted as 20% or more, the extent of such disability or functional incapacity shall be broad-banded in the manner as prescribed by MoD vide letter No. (2)/97/D(Pen-C) dated 31 Jan 2001. The para 4 of said Govt letter determine the disability or function incapacity for the purpose of computing the disability element in following manner:-

<u>S No.</u>	<u>Percentage of disability as Assessed by Invaliding Medical Board</u>	<u>% to be reckoned for computing disability element</u>
(a)	Less than 50%	50%
(b)	Between 50% and 75%	75%
(c)	Between 76% and 100%	100%

8.2. The Disability Pension should not be related to **Invalid Pension**. The **Invalid Pension** is admissible to personnel who are **Invalided Out from Service**, wherein the disability is **Neither Attributable to Nor Aggravated by** Naval Service. Further same is admissible provided the Individual has rendered minimum 10 years Qualifying Service. In case of lesser service, **Invalid Gratuity** is payable.

8.3. Disability Pension is also different than **War Injury Pension**. The entitlement of **War Injury Pension** is described in succeeding paragraphs.

8.4. The **Disability Pension** consisting of both the elements i.e. **Service Element** and **Disability Element** is also admissible to Non Regular officers, wherein the disability has been accepted as attributable to or aggravated by Naval Service. The said benefit is admissible to personnel retired on or after 30 Aug 2006. The personnel who are eligible for **Disability Pension** will not be entitled for **Terminal Gratuity**.

8.5. The Rates of Disability Pension is 30% of Last Drawn Reckonable Emoluments which includes Level of Pay in Pay Matrix, MSP, NPA, Classification Allowance, 'X' Group Pay, where applicable for **100%** disability. The rates are proportionately reduced for lesser percentage of disability. **Disability Pension maximum up to 50% can also be commuted.**

8.6. In accordance with Govt, Central Board of Direct Taxed letters P.No.34/3/68-IT(AI) (Instruction No.136) and F.No. 200/51/99-ITA.I (Instruction No. 2/2001) dated 14 Jan 1970 and 02 Jul 2001 respectively, the **Disability Pension** i.e. **Disability Element** and **Service Element** of a disabled officer/ PBOR of the Indian Armed Forces continues to be exempted from Income Tax.

Authority:- MoD letter No.1(2)/97/D(Pen-C) dated 07 Feb 2001, No.16(01)/2012-D(Pen-Pol) dated 23 Mar 2016, 17(02)/2016-D(Pen/Pol) dated 04 Sep 17

Disability Pension on Invalidment.

8.7. When an service personnel is **Invalided out of service** on medical grounds under circumstances mentioned in category 'B' and 'C', which is accepted as attributable to or aggravated by Naval Service, he/she shall be entitled to disability pension consisting of Service Element and Disability Element as follows:-

(a) **Service Element.**

(i) **Commissioned Officers.** The amount of Service Element shall be equal to the Retiring Pension i.e.50% of the Reckonable Emoluments last drawn which includes Level of Pay in Pay Matrix, Military Service Pay, Non Practicing Allowance (NPA) if any. There shall be no condition of minimum qualifying service having been actually rendered for earning this element, if otherwise due.

(ii) **Sailors.** The Service Element will be determined as follows:-

<u>S No.</u>	<u>Length of actual qualifying Service rendered</u>	<u>Entitlement of Service Element</u>
(aa)	15 years or more	Equal to normal Service Pension relevant to the length of qualifying service actually rendered.
(ab)	Less than 15 years	Equal to Service Pension but it shall in no case be less than 2/3 rd of the minimum Service pension or minimum Guaranteed Pension.

8.8. The Service Pension of Personnel Below Officers Rank (PBORs) shall be calculated at 50% of the Reckonable Emoluments last drawn which includes level of Pay in Pay Matrix, Military Service Pay, Classification Allowance and 'X' Group Pay if any.

8.9. In cases where permanent Disability is not less than 60%, the Disability Pension (i.e. total of Service Element plus Disability Element) shall not be less than 60% of Reckonable Emoluments as prescribed above.

8.10. **Disability Element.** When an service personnel is retained in service despite disability arising/sustained under circumstances mentioned in category 'B' and 'C' and is subsequently retired/discharged on attaining age of retirement or on completion of tenure, he/she shall be entitled to disability element at the rates of 30% of reckonable emoluments last drawn for 100% disability. For disability less than 100% it shall be reduced proportionately. The same rate is also applicable in cases where personnel invalidated out from Service or taken premature retirement from Service and having disability attributable to/aggravated by Naval Service.

8.11. **Lump-sum Compensation in lieu of Disability Element.** The service personnel who is retained in service despite such disability, can opt for compensation in lump sum (in lieu of disability element) equal to the capitalized value of disability element on the basis of disability actually assessed. The age on next birthday will be reckoned with reference to the date of onset of disability with loading of age, if any, recommended by the Disability Compensation Medical Board. Once compensation has been paid in lieu of the disability element, there shall be no further entitlement to the disability element for the same disability. Such disability shall also not qualify for grant of any pensionary benefits or relief subsequently.

Note 1:- Retiring/Service Pension or Retiring Service Gratuity as admissible shall be payable in addition to disability element from the date of retirement/discharge irrespective whether the same is on superannuation or premature provided minimum Qualifying Service required for earning the pension has been rendered.

War Injury Pension

8.12. **War Injury Pension on Invalidment.** When a service personnel is invalidated out of service on account of disabilities sustained under circumstances mentioned in category 'E', he/she shall be entitled to **War Injury Pension** consisting of **Service Element** and **War Injury Element** as follows:-

- (a) **Service Element.** Equal to Retiring/Service Pension to which he/she would have been entitled on the basis of his/her pay on the date of Invalidment. There shall be no condition of minimum qualifying service for earning this element.
- (b) **War Injury Element.** The rates of **War Injury Element** calculated @ 100% of the Reckonable Emoluments last drawn for all ranks which would be proportionately reduced where disability is less than 100%. The broad-banding of percentage of War Injury Element should also be carried out in similar manner as prescribed above. The element can also be commuted, if required.

Note 1:- The ceiling on aggregate of War Injury Pension (consisting of Service Element and War Injury Element) stand removed with effect from 01 Jul 2009.

8.13. **War Injury Pension on Retention in Service.** The service personnel who are retained in service despite the disability due to War Injury and retire subsequently will have an option as follows to be exercised within a period as prescribed by the Govt. from time to time:-

- (a) To draw lump sum compensation in lieu of War Injury Element foregoing war injury element at the time of subsequent retirement/discharge at the rate of 60% of reckonable emoluments last drawn **OR**
- (b) To draw War Injury Element at the time of retirement in addition to Retiring/Service Pension admissible on retirement/discharge foregoing lump sum compensation. The War Injury Element on retirement/discharge shall be admissible @ 60% of reckonable emoluments last drawn for 100% disability. For disability less than 100%, the War Injury Element shall be proportionately reduced.

Note 1:- Retiring/Service Pension/Gratuity as admissible will be paid in addition to War Injury Element from the date of retirement/discharge.

Liberalised Disability Pension on Invalidment/ Retirement/ Discharge.

8.14. Service personnel sustaining disability under the circumstances mentioned in category 'D' shall be entitled to same pensionary benefits as admissible to War Injury cases on Invalidment/ Retirement/ Discharge including lump sum compensation in lieu of disability. However, on invalidment they shall be entitled to disability element instead of war injury element **in addition to service element**.

8.15. The existing rate of **Liberalized Disability Pension** for 100% disability for all personnel shall be 30% of Reckonable Emoluments last drawn for 100% disability. For disability less than 100%, it shall be reduced proportionately.

8.16. The **Service Element** will be equal to Retiring/ Service pension i.e. 50% of Reckonable emoluments last drawn. There shall be no condition of minimum qualifying service for earning this element. In no case aggregate of Service Element and Disability Element shall be less than 80% of Reckonable Emoluments last drawn.

Note 1:- Service personnel sustaining disability under the circumstances mentioned in Category 'D' of shall not be treated as War Disabled. Hence they will not be entitled to any special concession/compensation otherwise available to war disabled.

Authority:- MoD letters No.1(2)/97/D(Pen-C) dated 07 Feb 2001, No.16(01)/2012-D(Pen-Pol) dated 23 Mar 2016, 17(02)/2016-D(Pen/Pol) dated 04 Sep 17 (for above serials 7.7 to 7.16)

8.17. **Constant Attendance Allowance**. Constant Attendance Allowance shall continue to be admissible under the conditions as hitherto-fore. However, it shall be admissible at a uniform rate of ₹ 6750/- per month, irrespective of the rank. Further the rate of the allowance shall be increased by 25% every time the dearness allowance payable goes up by 50%.

Authority:- MoD letter No 17(02)/2016-D (Pen/Pol) dated 04 Sep 2017.

8.18. **Age Related Additional Pension**. Additional Old age pension/ family pension available to pensioners of 80 years of age and above shall be applicable in the case of Disability/ War Injury Element/ Liberalised Disability Element of Disability/ Liberalised Disability/ War Injury Pension also. *MoD letter No.17(01)/2017/(02)/D(Pension/Policy) dated 05 Sep 2017 is relevant.*

Ex-Gratia Lump sum Compensation on Invalidment

8.19. The service personnel who are disabled, incapacitated in the performance of their **bonafide official duties** under various circumstances and are boarded out from service on account of disability/ War Injury attributable to or aggravated by Naval Service, shall be paid Ex-Gratia Lump Sum Compensation amounting to ₹ 20 lakh (Rupees Twenty Lakhs only) for 100% disability. For disability/ War Injury less than 100% but not less than 20%, the amount of Ex-Gratia Lump sum Compensation shall be proportionately reduced.

8.20. The proportionate compensation would be based on actual percentage of disability as certified by the Invaliding Medical Board, without applying broad-banding provisions. The amount is not payable if disability/ War Injury is less than 20%.

Authority:- MoD letter No. 2(2)/2011/D(Pen/Pol) dated 26 Dec 2011 as amended vide No 17(02)2016-D (Pen/Pol) dated 04 Sep 2017.

Chapter IX – Miscellaneous Pensionary Issues

9.1. **Family Pension to Differently-Abled Child/Children.** The differently able children of Armed Forces personnel, irrespective whether the physically or mentally handicap are entitled for Family Pension for life subject to fulfillment of conditions. Before allowing the family pension for life to any such children, the Record Office has to satisfy itself that the handicap is of such a nature as to prevent the child from earning him or her livelihood, and this has to be evidenced by a certificate issued by a Medical Board comprising of a Medical Superintendent or a Principal for a Director, or Head of the Institution or his nominee as Chairman and two other members out of which at least one shall be a Specialist in the particular area of mental or physical disability including mental retardation. The certification is required once, if the disability is permanent and if the disability is temporary, once in **every five years**. Certification should be issued as per Form AFMSF-HD (1) clearly indicating that child is/ will not be able to earn livelihood for life or for a specific period. Armed Forces personnel are to ensure that name of the child is endorsed in the PPO. Therefore, requisite documents be submitted along with Pension papers for endorsing the name in PPO.

Authority:- MoD letters No.MF-Air HQ/283/FPHC/PP&R-3(i)/582/A/D(Pen/Sers) and No. 906/A/D(Pen/Sers)/05 dated 29 Nov 2005 and 13 Aug 2008 respectively.

Pensionary Entitlements for Missing Personnel

9.2. The families of missing defence personnel/ pensioners are entitled to the benefits of family pension and other pensionary benefits as are admissible to families of deceased personnel. The claimants in such cases also have to furnish indemnity bonds to the effect that payments received may be recovered in case the person reappears.

9.3. It would not be prudent to declare such 'missing personnel' as 'deserters' as a matter of routine. First, it should be ascertained whether the person has gone missing with an intention of not reverting back to his or her ship/establishment/unit or under other unknown circumstances or conditions beyond his or her control. When there is no evident of a person's willful disappearance or absence, care should be taken and such persons should be declared as 'missing' instead of hurriedly declaring him/her a 'deserter' as a matter of routine.

9.4. When a member of the "Indian Armed Forces" is declared missing while in service, the family will be paid the following benefits subject to adjustment of outstanding dues in respect of the missing personnel if any:-

(a) **Immediately after the date of declaration of disappearance.** The amount of salary due, leave encashment due and DSOP/AFPP Fund amount subject to nomination made by the missing personnel.

(b) **After the lapse of Six Months from the date of Registration of an FIR of declaration of disappearance/ presumption of death through.** The Family pension/DCRG etc. as admissible in normal condition is to paid to eligible family members.

9.5. The above benefits may be sanctioned after observing following formalities:-

(a) The family must lodge a report with the concerned Police Station and obtain a report that the employee has not been traced after all efforts had been made by the police.

(b) The claimant will be required to furnish an indemnity bond with two solvent sureties to the effect that all payments thus made will be recovered from the amount due to the person if he/she reappears and makes any claims.

9.6. To mitigate the hardship of the family, caused by the deprivation of its rightful family pension as a consequence of disappearance or missing, the provision is also applicable for family pensioners. In other words, in case the **family pensioner** is also declared **missing**, the **next eligible member of the family** of the family pensioner will also be eligible for family pension. The Sections 107 and 108 of Indian Evidence Act, 187 has accordingly been amended.

Authority:- MoD letter No.1(1)/2010/D(Pen/Pol) dated 15 Feb 2011 and No.1(1)/2012-D(Pension/Policy) dated 05 Jun 2013.

9.7. **Fixed Medical Allowance (FMA).** Ex-Servicemen who retired prior to **01 Apr 2003** and has not opted for ECHS facilities are entitled to Fixed Medical Allowance @ ₹ 1000/- (Rupees One thousand only) to meet the expenditure on day to day medical expenses. FMA is not admissible to personnel who are member of ECHS.

Ex-Gratia Awards to Cadets (Direct)

9.8. Govt. has approved grant of ex-gratia awards to Cadets in the event of their death/ disability due to causes attributable to or aggravated by the conditions of military training. The entitlements are as follows:-

(a) **On Invalidment.** The following Ex-Gratia award shall be payable subject to the conditions as hitherto in force in the event of Invalidment of a Cadet on medical ground due to causes attributable to or aggravated by military training:-

- (i) Payment of Monthly Ex-Gratia amount of ₹ 9000.00 per month.
- (ii) Payment of Ex-Gratia Disability Award @ ₹ 16200.00 per month for 100% disability during the period of disablement, in addition to Ex-Gratia. The amount will be reduced proportionately from the Ex-Gratia disability award in case the degree of disablement is less than 100%.
- (iii) Constant Attendance Allowance (CAA) of ₹ 6750.00 per month for 100% disability on the recommendation of Invaliding Medical Board.

(b) **On Death.** The following Ex-Gratia award shall be payable subject to the same conditions as hitherto in force in the event of death of a Cadet due to causes attributable to or aggravated by military training:-

- (i) Ex-gratia amount of ₹12.5 lakhs.
- (ii) Payment of monthly Ex-Gratia amount of ₹ 9000.00 per month to the NoK in addition to Ex-Gratia amount of ₹ 12.5 lakhs.

9.9. These awards are sanctioned purely on Ex-Gratia basis and the same shall not be treated as **pension** for any purpose. However, Dearness Relief at applicable rates will be granted on monthly Ex-Gratia as well as on Ex-Gratia Disability Awards at the rates sanctioned from time to time. The other rules and procedure regarding assessment/re-assessment of disablement and acceptance of death/disability as attributable to or aggravated by conditions of military service shall be the same as for regular Commissioned officers of the Armed Forces. The procedure for sanction and conditions for grant of ex-gratia award to the Next of Kin in case of deceased cadets shall also be the same as applicable to regular commissioned officers.

Authority:-MoD letter No. 6(1)/2009-E (Pension/Policy) dated 01 Jun 2010, No.17(01)/2017(01)/D(Pension/Policy) and 17 (02)/2016-D(Pen/Pol) both dated 04 Sep 2017

9.10. **Leave Encashment.** The accumulation and encashment of leave is limited to the number of days of Annual Leave at the credit of the defence personnel on the day of their proceeding on superannuation/release/discharged on own request/ invalidated out of service/die while in service, irrespective of the number of years of service rendered subject to a limit of 300 days. The maximum leave that can be accumulated will be 30 days in a calendar year and same will be without any linkage with the 10 days leave encashment admissible in conjunction with LTC. The benefit of Leave Accumulation and Encashment will be subject to the following conditions:-

(a) Not more than 30 days will be allowed to be accumulated in a calendar year.

Annual leave of the year of retirement will be encashed as follows:-

(i)	Those retiring on 31 January	15 days
(ii)	Those retiring in February and thereafter	30 days

(b) **In Case of Invalidation Out of Service.** In case of officers the portion of annual leave of the year of invalidation which is not required to be adjusted against hospitalization or sick leave will be allowed to be encashed subject to limit of maximum of 30 days for that year. In case of sailors, the provision of Leave Rules will remain operative. The period of sick leave will continue to be initially debited against Annual Leave of the year of hospitalization in accordance with this rule.

(c) **In Case of Death While in Service.** Where death takes place in the months of Jan/Feb of a calendar year, encashment of leave only up to 50% of the annual leave due and admissible on the day preceding the day on which the death takes place will be allowed to be encashed. Payments of leave encashment who die in service or after retirement but before actual receipt of leave encashment amount be made as per MoD letter No. B/33931/AG/PS-2(b)/1908/D(AG) dated 12 Apr 10.

(d) **Short Service Commissioned Officers.** The SSC officers will also be entitled to accumulate i.e. 300 days without linkage to service period. The benefit of terminal leave will remain unaffected and SSC officer on release will continue to be granted in kind the terminal leave as follows:-

(i)	Full or balance annual leave of the year.
(ii)	28 days terminal leave.

Note 1:- Benefit of encashment of leave to SSC Officers will be admissible either at the end of tenure of SSC as also after the second tenure, where this occurs after a break, such that the overall limit of 300 days during the entire service is not exceeded.

Authority:- MoD letter No. B/33931/AG/PS-2(b)/1908/D(AG) dated 12 Apr 10.

Deposit Linked Insurance Scheme

9.11. The scheme is meant for the welfare of family members of the deceased service personnel. According to this scheme, when a DSOP/AFPP Fund subscriber dies after having put in 5 years' of service, the nominee of the subscriber is paid an additional amount equal to the average balance in the account during the 03 years immediately preceding the death of such subscriber subject to the condition that:-

- (a) The balance at the credit of such subscriber shall not at any time during the three years preceding the month of death has fallen below the limits of:-
 - (i) ₹ 25000.00 in case of a subscriber holding a post in **Level 7 of Pay Matrix** and above including apex scales.
 - (ii) ₹ 15000.00 in case of a subscriber holding a post in **Level 5A to 6 of Pay Matrix**.
 - (iii) ₹ 10000.00 in case of subscriber holding a post in **Level below 5A to 3 of Pay Matrix**.
 - (iv) ₹ 6000.00 in case of subscriber holding a post in **Level below 3 of Pay Matrix**.

9.12. The additional amount payable under this rule shall not exceed **Rupees Sixty thousand**.

9.13. The average balance shall be worked out on the basis of the balance at the credit of the subscriber at the end of each of 36 months, preceding the month in which the death occurs. The balance at the end of March, shall include the annual interest credit in terms of the orders in force for payment of interest to DSOP/AFPP Funds. If the last of the aforesaid 36 months is not March, the balance at the end of said last month shall include interest in respect of the period from the beginning of the financial year in which death occurs to the end of the said last month.

Note 1:- The Govt. letter with revised Pay Matrix is yet to be issued. The above rates are as per old Pay scales.

Authority:- MoD letter No. A/55018/AG/PS-3(c)/962/D(Pay/Services) dated 08 Jul 10.

Payment of Arrears of Pension in Cases where Valid Nomination has not been made for Payment of Arrears of Pension

9.14. In accordance with extent Govt Regulations in force, after the death of Armed Forces Pensioners, all amount payable to the nominee of the pensioners/ family pensioners. In case neither the nominee nor "Will" is made by deceased pensioner, the arrears maximum upto

₹ 10,000/- are payable to legal heir without production of usual legal authority. In case the amount is more than ₹ 10,000/- the arrears are payable to legal heir on execution of Indemnity Bond with sureties. Considering the difficulties in obtaining the legal heir-ship certificate, Govt has decided that in the absence of nominee or "Will" of the deceased pensioner, the arrears of pension will be paid as under:-

- (a) PDA may disburse the arrears of pension not exceeding ₹ 25,000/- to legal heir without production of legal authority, provided PDA is otherwise satisfied about the right of the claimant.
- (b) Amount exceeding ₹ 25,000/- but not exceeding ₹ 2,50,000/- will be disbursed under the orders of PCDA (P) on execution of an Indemnity Bond.
- (c) Amount exceeding ₹ 250000/- shall be made only to the person producing the legal authority.

9.15. In case of any doubt and also in cases where the amount of arrear exceeds ₹ 2,50,000/-, payment shall be made only to the person producing the legal authority. Normally, there should be two sureties both of known financial ability. In case the amount of claim is less than ₹ 75,000/- the authority accepting the Indemnity Bond for and on behalf of President of India should decide on the merits of each case whether to accept only one surety instead of two. The obligor as well as the sureties executing the Indemnity Bond should have attained majority so that the bond has legal effect or force. The Bond is required to be accepted on behalf of the President by an Officer duly authorised under Article 299(i) of Constitution. In the event of death of a family pensioner, the right to receive any arrears of family pension would automatically pass on to the eligible member of the family next in line. The requirement of succession certificate for payment of any arrears occurs only where there is no member in family who is eligible to receive family pension after the death of the family pensioner. These orders are not applicable in cases where valid nominations are available or existing.

Authority:- MoD letter No. 1(10)/2013-D(Pension/Policy) dated 29 Aug 2017.

Mobile App – Defence Pension Information

9.16. Keeping in view the increasing outreach of Smart phones, Defence Accounts Department has launched a Mobile App for all Defence Pensioners to provide pension payment information on their Andriod Smart phones. The App is available at Google Play Store for downloading with the name '**Defence Pension Info**'. The information can be viewed in following manner:-

- (a) **DPDO Pensioners.** Defence Accounts Department disburses pension to about 4.6 lakh Defence Pensioners through 64 Defence Pension Disbursement Offices (DPDOs) all over india. Pensioner drawing Pension from the DPDOs can login into the App by selecting his/ her DPDO and entering unique No.(assigned by the DPDO) and can view following pension details:

Profile: shows basic information like Name, Rank, Group, QS, Date of Birth.

Pension Details: Shows history of Pension Entitlements.

Pension Changes: Shows changes in Pension Entitlements during the past.

Pension Slip: Shows Monthly Pension Slip of any month. The pension slip can also be downloaded in the Mobile.

Arrears: Shows calculation of OROP arrears paid.

Grievances: Takes to the CPGRAMS portal for lodging pension related grievances.

SUVIGYA : Know Your Pension - Takes to the 'Suvigya' application of PCDA (P) to know correct entitlements.

(b) **Bank Pensioners.** For about 20 lakh defence pensioners drawing pension directly from the Banks, pension payment information furnished by the Bank's CPPCs to PCDA (Pension), Allahabad every month, will be available on the Mobile App. Pensioners can login by selecting Bank and entering Bank Account Number. Pensioner can view pension information through Profile, Pension Details and Pension Slip options. The entitlements displayed over the Android Phones are strictly based on information furnished by the Banks.

Common Problems Faced by Pensioners

9.17. Some of the common problems faced by pensioners are repetitive in nature and can be reduced / avoided if shared and understood by other pensioners. Some of these common problems are as given below:-

(a) **Not giving Any Nomination in Bank Account.** In many cases the pensioner has a single account and the nominee is not nominated by the individual at the time of opening the pension account. In such cases the wife can't claim life time arrears of the late pensioner. As per the existing rules, Banks can pay the left over money in late individual's account, to the nominee or to the next heir as per succession certificate from a court of law. The wife automatically can't claim **Life Time Arrears** of her late husband if she is not a nominee. A large number of widows are surprised to find themselves in this frustrating situation after their husband's death and seek advice on this matter. It is desirable for family pensioners to have a nominee in their Bank account. The nominee should preferably be one of her children who is looking after her.

(b) **Wife's Name is Different from What is Notified in PPO.** After death of an individual, the family pension by Banks will be released to the legal wife as notified in the Pension Payment Orders (PPO). It is very common for many bereaved wives to discover in the Banks that there is a mismatch in their actual name, from what is notified in PPO. In case there is difference in name, the Banks don't release Family Pension. Technically for them, it could be a case of impersonation. This matter thereafter has to be resolved procedurally with the help of Service HQ/ Record office/PCDA. This whole process takes time and is a frustrating experience for the widow. Experience indicates that the mistakes could be related to spelling i.e. Sumitra and Sumithra, Vijata Khetri and Vijeta Khetri or difference in surname i.e. Premlata Rai and Premlata Roy. Sometimes there are variations due to extra words in one name i.e. Savitri Singh Mankar and Savitri Mankar. There are also instances where the officers/ sailors inadvertently writes the nick names of their wife used at home where as the lady uses her formal name outside i.e. Munni Sharma and Manyata Sharma. Surname can be changed after marriage. However, it should be a mutually agreed change between the

couple. Wherever there is a discrepancy, the same should be rectified at the earliest by taking advice from IHQ,MoD (NAVY)/DPA/NAV PEN.

(c) **Non-Submission of Life Certificate in Time.** A large number of pensioners in general and NRI pensioners in particular suffer due to non submission/ delayed submission of Jeevan Praman (Life Certificate) electronically or manually, to Banks in November every year. If the life certificate is not submitted in time, Banks will stop the payment of pension. This is a precaution which Banks take to detect fraudulent withdrawal from pension accounts of pensioners who are dead. It is easier to submit the yearly life certificate, every year in November than to work hard subsequently towards restarting a stopped pension.

(d) **Not Having Copies of Important Documents like PPO, Post Retirement Insurance etc.** Requests are received from pensioners to send a copy of the PPO in which wife's name has been jointly notified. Many times the Banks misplace it and demand the same for releasing family pension. In one's life time, a special folder should be made containing all PPOs including Corrigendum PPOs, Certificate of Service, Post Retirement Insurance Cover papers of NGIS etc.. This folder can also have information on all your investments, Banks accounts, fixed deposit debit & credit cards with pin code, ownership papers of house, car, other property and finally the **Will**. All this information will be handy for a wife and will help her to manage things in a better manner after her husband's death.

(e) **Writing a Will.** Death is inevitable and the possibility of an unexpected/ premature death due to accident/ disease can't be ruled out. Therefore prudence demands that everyone should write a **Will** immediately after retirement and revise it at regular intervals. While in service our **Will** is taken at the time of joining itself, because it is compulsory. But after retirement we don't want to think of these realities of life despite the fact that **will** is more relevant after retirement. Writing a **Will** is desirable and by writing a **will** one would protect the long term interests of his wife and children. A **will** need not always be on a stamp paper and through a lawyer. It can be written on a plain sheet of paper also in one's own handwriting. Two independent witnesses (preferably much younger) are required to sign the **will**. Basically a **will** can be written primarily on the property which the individual has earned himself. If the property is inherited he can write **will** only on that portion which is due to him after division with other legal heirs. If one is very old and handwriting is not stable/clearly legible then a typed **will** is desirable. For writing a **will** one can initially do self education on internet and then write the **will**. For property of a complicated/disputed nature it is better to take advice from a civil lawyer before writing the **will**.

(f) **Problems Faced by NRI Pensioners.** Many pensioners retire at a young age and settle down in a foreign country. Many of them get the citizenship of the new country. Over the years these pensioner start experiencing a lot of problems with their pension. These problems are primarily related to stoppage of their pension. Experience indicates that the problems of these pensioners are primarily caused due to non-submission/ transit loss of yearly life certificate. Such pensioners are advised to take appropriate advice from their Banks and also take the help of a chartered accountant to meet the procedural requirements of the Banks. The NRI pensioners who do not want regular transfer of money from India can tie up the same with their Banks and withdraw the money during their visits to India. Since monthly pension is taxable, Banks will deduct tax as applicable on pension account. Other problems are like, delay in restoring

commuted value of pension and commencement of additional pension after 80 years of age etc can be taken up directly with Banks and if there is delay in action by Banks then IHQ, MoD(NAVY), DPA/ NAVPEN can be approached for advising the Banks to hasten up.

(g) Not Knowing the Procedure of lodging Complaints Against Banks.

Pensioners have to deal with Banks on all financial issues related to pension i.e. payment of correct pension, calculation of DR and arrears correctly, timely release of family pension etc. Thus there can be occasions for deficiency in Banking service and the consequent complaints. In many cases, when local liaison with Banks fails, the pensioners bring their complaints to the knowledge of Service HQ/ NAVPEN, who in turn issue relevant advice to the concerned Banks. However, pensioners can also utilize the complaint channels of a Bank to lodge a complaint directly against their local Banks. Pensioners should also be aware about the CPPC of their Bank and efforts be made to have good liaison with Bank and CPPCs.

Pension Fixation of Pre-2016 Retirees

9.18. The pension for Pre-2016 retirees are as under:-

(a) **1st Formulation.** Pension will be fixed by notional pay fixation in each successive pay commissions based on formula/fitment factor promulgated by Govt orders and instructions issued from time to time to arrive at the present pay. The pay so fixed is the notional pay in the Defence Pay Matrix for the purpose of calculation of pension.

OR

(b) **2nd Formulation.** Pension as on 31.12.2015 be multiplied by a factor of 2.57 to arrive at revised pension under 7 CPC.

Note:- The higher of the above two formulations will be the revised pension with effect from 01.01.2016. Presently the pensioners/ family pensioners are paid pension/ family pension as per 2nd Formulation, as modalities for issue of Corrigendum PPOs as per 1st formulation is yet to be issued by the Govt.

Authority:- MoD letter No 17(01)/2017(02)/ D(Pension/ Policy) dated 05 Sep 2017.

9.19. **Forms.** Various Pension Forms required to be filled up by retiring officers are attached herewith. Pension Forms in respect of sailors are forwarded.

Appendix I
(Refer para 2.5)

COMMUTATION VALUE FOR PENSION OF Re 1 PER ANNUM

<u>Age next birthday</u>	<u>Commutation value expressed as number of year's purchase</u>	<u>Age next birthday</u>	<u>Commutation value expressed as number of year's purchase</u>	<u>Age next birthday</u>	<u>Commutation value expressed as number of year's purchase</u>
20	9.188	41	9.075	62	8.093
21	9.187	42	9.059	63	7.982
22	9.186	43	9.040	64	7.862
23	9.185	44	9.019	65	7.731
24	9.184	45	8.996	66	7.591
25	9.183	46	8.971	67	7.431
26	9.182	47	8.943	68	7.262
27	9.180	48	8.913	69	7.083
28	9.178	49	8.881	70	6.897
29	9.176	50	8.846	71	6.703
30	9.173	51	8.808	72	6.502
31	9.169	52	8.768	73	6.296
32	9.164	53	8.724	74	6.085
33	9.159	54	8.678	75	8.872
34	9.152	55	8.627	76	5.657
35	9.145	56	8.572	77	5.443
36	9.136	57	8.512	78	5.229
37	9.126	58	8.446	79	5.018
38	9.116	59	8.371	80	4.812
39	9.103	60	8.287	81	4.611
40	9.090	61	8.194		

Basis : LIC (94-96) Ultimate Tables and 8.00 % interest.

