No. 17(01)/2017(01)/D(Pension/Policy)
Government of India
Ministry of Defence
Department of Ex-Servicemen Welfare

New Delhi, Dated 4th September, 2017

To

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

Subject—Implementation of Government’s decision on the recommendations of the
7th Central Pay Commission (CPC) - Revision of pension of pre-1.1.2016
Defence Forces pensioners/ family pensioners etc.

Sir,

The undersigned is directed to refer to this Ministry’s letter No. 17(01)/2016
D(Pen/Pol) dated 29th October 2016 for revision of pension of pre-2016 Defence Forces
pensioners/ family pensioners in implementation of the Government decisions on the
recommendations of the 7th CPC. As per para 9 of this Ministry’s said order dated 29th
October 2016 the revision of disability element of disability pension was held in
abeyance pending decision of National Anomaly Committee to whom matter was referred
by MoD to decide methodology for calculation of disability element of disability pension
under 7th CPC. The National Anomaly Committee has recommended that parity with
Civilians for grant of Disability element which was granted to Defence Forces under 6th
CPC, shall be maintained

2. The recommendations of the National Anomaly Committee have been considered
by the Government. In partial modification of Ministry’s order dated 29th October 2016,
the President is now pleased to decide that Disability element of disability pension for
Defence Forces Pensioners shall also be revised by multiplying the existing rate of
disability element as had been drawn on 31.12.2015 by factor of 2.57 to arrive at revised
rate of disability element as on 1.1.2016. The amount of revised disability element so
arrived shall be rounded off to next higher rupee.

3. Para 13 of this Ministry’s above quoted letter dated 29.10.2016 regarding “Ex-
gratia awards to Cadets in cases of disablement” shall be replaced with the following:

13. EX-GRATIA AWARDS TO CADET (DIRECT) The ex-gratia award payable to
Cadet (Direct)/ NoKs in cases of disablement / death shall be payable subject to
the same conditions as hitherto in force in the event of invalidment on medical
ground / death of a Cadet (Direct) due to causes attributable to or aggravated
by military training :-

(i) Monthly Ex-gratia amount of Rs 9,000/- per month

(ii) In cases of disablement, Ex-gratia disability award @ Rs 16,200/- per
    month shall be payable in addition for 100% of disability during period of
disability subject to prorata reduction in case the degree of disability is less than 100%. "No ex-gratia disability award shall be payable in cases where the degree of disability is less than 20%.”

4. The dearness relief sanctioned by the Government from 1.1.2016 and thereafter, shall also be paid on rates of disability element and monthly ex-gratia award to Cadet(Direct), revised in accordance with the provision of this letter.

5. Vide para 10(ii) of MoD order dated 29.10.2016, it was ordered to pay the Constant Attendance Allowance(CAA) at the existing rate since matter regarding grant of Allowances was under examination by the Committee on Allowances (CoA). In this regard, Ministry of Finance vide Resolution dated 6th July 2017 (Appendix II item 37 has accepted the recommendation of 7th CPC to enhance the existing Constant Attendance Allowance @ 4500/ p.m. by 50%. DoP&PW vide O.M No. 1/4/2017-P&PW(F) dated 2.8.2017 has issued orders in this regard for civilian pensioners. Accordingly, for Armed Forces personnel the Constant Attendant Allowance shall continue to be admissible under the condition as hitherto fore at the existing rate from 1.1.2016 to 30.06.2017. However, it shall now be admissible at the enhanced uniform rate of Rs. 6750/- per month, irrespective of the rank with effect from 1.7.2017.

6. With reference to the provisions contained in Para 5.4 of this Ministry’s letter dated 29th October, 2016, it is further clarified that the maximum ceiling shall be applicable only in the case of Service/Retiring Pension, Service element of Disability/ liberalized disability /War Injury Pension and Ordinary family Pension. The said ceiling is not applicable in the cases of Disability/ Liberalised Disability/ War Injury element. Special Family/ Liberalized Family Pension etc. applicable under casualty pensionary awards.

7. The provisions of this Ministry’s letter dated 29th October 2016, which are not affected by the provisions of this letter, shall remain unchanged.

8. The provisions of this letter shall take effect from 1.1.2016.

9. This issues with the concurrence of Finance Division of this Ministry their U.O. No. Part file (1) to (30)(01)/2016/Fin/Pen dated 14th August 2017.

10. Hindi version will follow.

Yours faithfully

[Signature]

(Manoj Sinha)

Under Secretary to the Government of India

Copy to:
As per Standard List.