

No.4/61/99-P&PW (D)  
Government of India  
Ministry of Personnel, Public Grievances & Pensions  
(Department of Pension & Pensioners' Welfare)

New Delhi, dated the 20<sup>th</sup> December, 2002

**OFFICE MEMORANDUM**

Subject:-Terms and conditions of payment of pensionary benefits in respect of Central Government employees transferred to autonomous bodies/public sector undertakings consequent upon conversion of Govt. Dept./Office into autonomous body/public sector undertaking.

Sub-rule (9) of Rule: 7 A of CCS(Pension) Rules provides that the pension of an employee under sub-rule (8) shall be calculated on the basis of his last 10 months average pay. References have been received by this Dept. seeking clarification as to whether the pay of an employee in PSU in the IDA scale should be taken into consideration for calculating average emoluments under sub-rule (9). It is hereby clarified that for the calculation of pensionary benefits under sub-rule (9) of rule 37 A, average emoluments will be calculated on the basis of pay drawn by the absorbed employee during the last 10 months in the PSU prior to retirement and wherever the absorbed employee is drawing pay in IDA scale during this period, his pay in IDA scale will be taken into account for calculation of average emoluments. In addition to the pension or family pension, as the case may be, such absorbed employee shall also be eligible to receive dearness relief as per Industrial DA pattern as per the provisions of sub-rule (10) of Rule 37 A.

Sd/-  
(Sujit Datta)  
Director (PW)

To

1. All Ministries/Depts. Of the Government of India
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