



सत्यमेव जयते

रक्षा मंत्री  
भारत  
MINISTER OF DEFENCE  
INDIA

DO No. 263/MP/D(PG)/2010/5755-F/RM/10

18<sup>th</sup> October, 2010

Dear Shri Rajeev Chandrasekhar,

This has reference to your letter dated 25<sup>th</sup> August, 2010 requesting to give a sympathetic and compassionate view on the long pending demand of Armed Forces Veterans for One Rank One Pension .

2. In your letter you have mentioned that the Government has chosen to use bureaucratic committees to evaluate and decide One Rank One Pension issue. It is clarified that the issue of One Rank One Pension has been considered by various Committees/Commissions from time to time which were not necessarily bureaucratic committees but it had not been found acceptable due to various reasons. I am enclosing a brief self explanatory statement which summarises the stand taken by different Committees/Commissions including the recommendations of a Group of Ministers set up in 2005.

3. I would like to mention here that improvement in pension is an ongoing process; substantial increase in the pensions of ex-servicemen has been made as a result of implementation of the Cabinet Secretary Committee's Report recently.

I hope you would appreciate the position.

With regards,

Yours sincerely,

(A.K. Antony)

Encl.: As above

Shri Rajeev Chandrasekhar  
Member of Parliament  
211, North Avenue  
New Delhi

Consideration of 'One Rank One Pension' by various Committees/Commissions:-

3<sup>rd</sup> Central Pay Commission (1973):

After taking into account the various factors effecting determination of pension of Armed Forces Personnel, the Commission recommended that the Government should determine the standard rate of pension rank wise, and for different lengths of colour service. The issue of 'one rank one pension' was not specifically addressed by the 3<sup>rd</sup> CPC.

The 4<sup>th</sup> Central Pay Commission(1986):

The Commission observed that it is difficult to accept the suggestion for equalization of pension

High Level Empowered Committee- 1991 (Sharad Pawar Committee):

The Committee recommended grant of One Time Increase(OTI) in the existing rates of pension for those who retired prior to 31.12.1985 after bringing pre 1.1.1973 retirees at par with those retired on or after 1.1.1973 and narrowing down the gap between the pension of pre 1.1.86 and post 1.1.86 pensioners. In pursuance of the recommendation of that Committee an order was issued effective from 1.1.1992. No specific recommendation on the issue of 'one rank one pension' was, however, made by the Committee.

5<sup>th</sup> Central Pay Commission(1996):

The Commission did not recommend grant of 'One Rank, One Pension'.

Inter-Ministerial Committee(2003):

An Inter-Ministerial Committee set up to consider the demand did not favour grant of 'one rank, one pension', but recommended grant of modified parity based on the maximum of the revised scale of pay introduced with effect from 1.1.1996 for PBOR.

Group of Ministers(2005):

A Group of Ministers was set up to look into this demand. However, they also did not recommend it. W.e.f. 1.1.2006, based on the recommendations of the GOM, the pensionary benefits of Personnel Below Officer Rank (PBOR) of the Armed Forces have been substantially improved:-

- (i) The weightage for the purpose of calculation of pension for past as well as future retirees, Personnel below Officer Rank of Sepoy, Naik and Havildar ranks and equivalent ranks in Navy and Air Force will be 10 years, 8 years and 6 years respectively subject to a maximum qualifying service of 30 years.
- (ii) Pension of pre 1.1.1996 retiree PBOR would be revised with reference to the maximum pay in the revised scales of pay introduced w.e.f 1.1.1996 as against the minimum pay of the revised pay scale. The benefit would be given with prospective effect.

#### 6<sup>th</sup> Central Pay Commission

The Commission did not recommend grant of 'One Rank, One Pension'. After the report of the 6<sup>th</sup> CPC was accepted by the Govt., the matter was taken up with the Ministry of Law. Relying on the judgments of Supreme Court in the case of D.S. Nakara, {1983(2)SCR 165}, K.L.Rathi {SLJ 1997(3)/2007} and All India Ex-Service League {AIR 1991 SC 1182}, Ministry of Law did not recommend it.

#### Cabinet Secretary Committee

The Committee set up under the Chairmanship of the Cabinet Secretary also went into this demand and other related issues, but did not recommend it. However, it made seven recommendations aimed at narrowing the gap between earlier and current pensioners. All the recommendations were accepted by the Govt. and orders implementing the same were issued on 30.10.2009, 19.01.2010, 20.01.2010 and 08.03.2010.

With the implementation of the Committee's recommendations, the following improvements have been brought about by the Government:-

- (i) Pre 10.10.1997 PBOR pensioners have been brought at par with post 10.10.1997 pensioners.
- (ii) The enhanced rate of classification allowance will be reckoned w.e.f. 01.01.2006 on notional basis for the purpose of calculation of pension.
- (iii) Pension of all pre 01.01.2006 PBOR pensioners will be reckoned with reference to notional maximum in the post 01.01.2006 revised pay structure corresponding to the maximum of pre 6<sup>th</sup> Pay Commission pay scales as per fitment table of each rank with enhanced weightages awarded by Group of Ministers.

- (iv) Linkage of full pension with 33 years of qualifying service has been removed w.e.f 1.1.2006 instead of 1.9.2008 in the case of Commissioned Officers.
- (v) Separate pay scale of Rs.67000-79000 has been created to address the issue of disparity in pension of pre and post 1.1.2006 pensioners at the level of Lt Genl and equivalents in other two Services, so as to enable them to get pension at Rs. 36,500/-.
- (vi) Benefit of broad banding of percentage of disability/war injury pension has been provided for pre 1.1.1996 disability/war injury pensioners.
- (vii) Cap on war injury element of pension in the case of disabled pensioners belonging to category 'E' stands removed.