

No. 2/9/2017- Estt.(Pay-II)

Government of India

Ministry of Personnel, Public Grievances &amp; Pensions

Department of Personnel &amp; Training

North Block, New Delhi

Dated, 09<sup>th</sup> October, 2020.**OFFICE MEMORANDUM**

Sub: Calculation of monthly contribution towards cost of Pension payable during foreign service – Reg.

The undersigned is directed to invite reference to this Department's OM No. 2/34/2008-Estt (Pay-II) dated 19<sup>th</sup> November, 2009 on the above subject and to say that according to this OM w.e.f. 01.01.2006, the pension contribution payable in respect of a Government employee during the active period of his foreign service shall be based on the existing basic pay (Pay in the Pay Band plus Grade Pay) of the post held by the Government servant at the time of proceeding on foreign service, and in case he receives Proforma promotion/financial up-gradation while on foreign service, on the basic pay (Pay in the Pay Band plus Grade Pay) fixed on such promotion/financial up-gradation.

2. Consequent upon implementation of the recommendations of the 7<sup>th</sup> CPC, the matter of issuing revised instructions on the above subject has been engaging the attention of the Government of India. The President is now pleased to decide that pension contribution payable in respect of a Government servant during the active period of his foreign service shall be based on the basic pay in the level (in Pay Matrix) of the post held by him/her at the time of proceeding on foreign service; and in case of grant of Proforma promotion/financial up-gradation while on foreign service, the same shall be based on basic pay in the Level (in Pay Matrix) fixed on such Proforma promotion/financial up-gradation.

3. In respect of Government employees covered by the NPS, during the active period of foreign service w.e.f. 01.01.2016, it has been decided to fix the monthly Pension contribution @ 24% of basic pay in the level (in Pay Matrix) of the post held by him/her at the time of proceeding on foreign service plus DA admissible on such basic pay (i.e. employee's contribution @ 10%, employer's contribution @ 10% and contribution by employer for gratuity @ 4%). However, consequent to revision of Government's contribution for NPS from 10 % to 14% w.e.f. 01.04.2019 vide Department of Financial Services Notification dated 31.01.2019, the monthly Pension contribution for Government employees covered by the NPS w.e.f. 01.04.2019 will be 28% of basic pay in the level (in Pay Matrix) plus DA of the post held by him/her, which will include employee's contribution @ 10%, employer's contribution @ 14%, and contribution by employer for gratuity @ 4%. In case of grant of Proforma promotion/financial up-gradation while on foreign service, the same shall be based on basic pay in the Level (in Pay Matrix) fixed on such Proforma promotion/financial up-gradation.

*(Signature)*  
09/10/2020

4. In respect of the employees covered under the Old Defined Benefit Pension Scheme, it has been decided to fix their rates of monthly contribution of pension during the active period of foreign service as 14% of basic pay in the level (in Pay Matrix) of the post held by him/her at the time of proceeding on foreign service plus DA admissible on such basic pay during foreign service w.e.f. 01.01.2016. The monthly contribution of pension during the active period of foreign service w.e.f. 01.04.2019 will be 18% of the basic pay in Pay Matrix of the post held by the officer at the time of proceeding on foreign service plus DA admissible on such basic pay. In case of grant of Proforma promotion/financial up-gradation while on foreign service, the same shall be based on basic pay in the Level (in Pay Matrix) fixed on such Proforma promotion/financial up-gradation.

5. It has also been decided that these pension contributions would be in addition to the leave salary contributions for the period of foreign service, in respect of both NPS employees and the employees under Old Defined Benefit Pension Scheme.

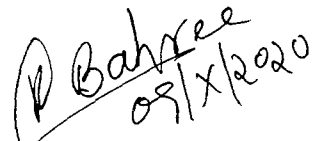
6. In case of employees covered under NPS, during the period of active foreign service, the borrowing organisation shall make its part of contribution mandatorily to the NPS Account of the employee.

7. This OM will be effective from 01.01.2016. In respect of persons who are already on foreign service as on 01.01.2016, the pension contribution will be calculated at the above rates on the revised pay as per 7th CPC from the date which they opt to come over to the revised pay structure after implementation of 7th CPC recommendations, in their parent cadres. For the earlier period, the pension contributions will be as per extant orders i.e. the order in force during period prior to 01.01.2016 from time to time.

8. The modalities/ mechanism of payment of pension contribution during the active period of foreign service in respect of NPS subscribers will be issued separately.

9. In their application to the persons belonging to Indian Audit and Accounts Department, these orders are issued under Article 148(5) of the Constitution and after consultation with the Comptroller & Auditor General of India.

10. Hindi version will follow.

  
(Rajeev Bahree)

Under Secretary to the Government of India

To

All Ministries/ Department (As per standard list)

Copies also forwarded to:

1. The Comptroller & Auditor General of India.
2. Controller General of Accounts, Ministry of Finance.
3. Controller of Accounts, Pay & Accounts Offices of all Ministries/Departments.
4. Secretaries to UPSC/Supreme Court of India/Election Commission/Lok Sabha Secretariat/Cabinet Secretariat/Central Vigilance Commission/President's Secretariat/Vice President's Secretariat/Prime Minister's Office/NITI Ayog.
5. Department of Personnel & Training (AIS Division)/JCA/Admn. Section.
6. Additional Secretary (Pers.), Department of Expenditure, Ministry of Finance.
7. Additional Secretary (Union Territories), Ministry of Home Affairs.
8. All State Governments and Union Territories.
9. Secretary, National Council (Staff Side), 13-C, Feroz Shah Road, New Delhi
10. All Members of the Staff Side of the National Council of JCM/Departmental Council.
11. All Officers/Sections of the Department of Personnel & Training/Department of Administrative Reforms & Public Grievances/Department of Pension & Pensioners' Welfare.

*@Baharee*  
*09/11/2020*