

Telefax: 25682392
ASCON: 36834

Central Organisation ECHS
Adjutant General's Branch
Army Headquarters
Maude Lines
Delhi Cantt- 110 010

B/49784/AG/ECHS

20 Dec 10

IHQ MoD (Navy) Dir (ECHS)
Air Headquarters (VB) (D Fin P / DPS)
HQ Western Command (A)
HQ Southern Command (A)
HQ Eastern Command (A)
HQ Central Command (A)
HQ Northern Command (A)
HQ South Western Command (A)
Coast Guard HQ

REVISED RATES OF SUBSCRIPTION OF ECHS

1. Refer our letters of even reference on the subject dated 05 Oct 10 and 04 Nov 10.
2. For ease of understanding, the ESM have been divided into 4 different categories, namely:-
 - (a) **ESM who retired prior to 01 Jan 1996.** These ESM who wish to join the scheme do not have to pay any subscription as per the prevailing Gol orders.
 - (b) **ESM who retired from 01 Jan 1996 to 31 Mar 2004.** Though the scheme was made compulsory w.e.f. 01 Apr 03, the CsDA Pension started deducting the contribution from PPO for all ESM only w.e.f. 01 Apr 04. These ESM who retired between 01 Jan 1996 to 31 Mar 2004 and joined the scheme on or after 01 Jun 2009 will have to pay revised rate of subscription. If they have already applied but not yet collected their cards, they will have to pay the difference of subscription at the time of receipt of card.
 - (c) **ESM who retired from 01 Apr 2004 to 31 May 2009.** Subscription as applicable has been deducted from the PPO of these ESM hence they do not have to pay additional amount even when the application for membership is submitted by the ESM after 31 May 2009.
 - (d) **ESM who retired on or after 01 Jun 2009.** Office of the CGDA was approached to recover the difference of subscription from the pension of ESM who have retired after 31 May 2009. CGDA office has however expressed its inability to recover the difference of subscription from the pension of ESM. **These ESM will therefore have to pay the difference of subscription through MRO.**
3. A number of queries are being received from various formations on the applicability of these rates. The detailed clarifications on these queries are as under:-

SI No.	Query	Clarification
01	In case of ESM who have retired between 01 Jan 96 and 01 Apr 04 and who have not yet collected their cards / who have not yet applied for membership, will they have to pay as per the revised rates?	Such ESM will have to pay the revised rate of subscription before the ECHS card is handed over to them.

SI No.	Query	Clarification
02	Are the ESM permitted to pay the subscription in installments?	The option of paying the subscription in installments has to be exercised at the time of filling the application form.
03	Why revised rates are not applicable to ESM who have retired between 01 Apr 2004 and 31 May 2009?	The revised rates are applicable for ESM who join the scheme on or after 01 Jun 2009.
04	Since the revised rates of subscription for JCOs and Officers who are in receipt of Grade Pay of `4600/-, `4800/-, `5400/- and `6600/- is `39000/-, will all these categories of ESM be entitled to Private wards?	The entitlement to wards is governed by Gol MoD letter No. 24(8)/03/US(WE)/D(Res) dated 19 Dec 2003 as amended vide 22(16)/05/US(WE)/D(Res) dated 19 Jul 2005 which remains unchanged.
05	The revised rates are based on Grade pay. How is the subscription fixed for the ESM retired pre VI Pay Commission?	The rates of contribution in such cases would be with reference to the Grade Pay that the ESM pensioner would have drawn in the rank/post held by him (at the time of retirement/death) had he continued to be in service now but for his retirement/death. e.g. An officer of the rank of Major retired in 2000 but did not join the scheme. If the officer desires to join the scheme at this stage, his contribution will be based on the grade pay now of a Major i.e. `6,600/-.
06	Will the ESM, who retired after 01 Apr 04 and ECHS contribution was deducted through PPO, but did not submit ECHS Application form, have to pay the difference of subscription?	For all practical purposes, once the subscription is paid, the ESM will be deemed to be a member of the scheme. He therefore does not have to pay the revised rate.

4. The instructions on the recovery of difference of subscription from the ESM who are eligible to pay the revised rate but have already collected their cards will follow in due course.

5. This supersedes our letter of even reference dated 04 Nov 2010.

(Ravi Sharma)
Wg Cdr
Jt Dir (Fin)
For MD ECHS

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All Regional Centre ECHS : For necessary compliance.

Internal Copy to:

Dir (Ops & Coord)

Dir (Med)