

# Pension Revision Post 1.1.1996

## Implementation of recommendation of the Fourth Punjab Pay Commission regarding pension and other retirement benefits.

(Copy of F.D. Pb. No. 1/7/98-1FP3/8709 dt. 16/7/98 as amended vide No. 1/7/98-1FP11/7144 dt. 24.12.1999 and No. 1/10/99-1FP11/4636 dt. 6.4.2005/5.5.2000)

I am directed to address you on the subject cited above and to say that after careful consideration of the recommendations of the Fourth Punjab Pay Commission, the Governor of Punjab is pleased to revise/ modify/ grant various benefits to the pensioners of the State as indicated in the succeeding paragraphs.

### RATE OF EFFECT:

1. The revised provision as per these orders shall take effect from 1.1.1996.

### EMOLUMENTS AND AVERAGE EMOLUMENTS:

2.1 The term 'Emoluments' for the purpose of calculating, various retirement and death-cum-retirement benefits shall mean Basic Pay., Personal Pay, if any, and Non-Practicing Allowances, in the revised scales promulgated under the Punjab Civil Services (Revised Pay) Rules, 1998, as amended from time to time.

2.2 The average emoluments shall be determined on the basis of the emoluments (as defined in para 2.1 above) drawn during the last ten months of service.

2.3 The average emoluments of those employees who retire within ten months from the date of coming over to the revised scales of pay shall be calculated as follows:-

- |      |   |  |
|------|---|--|
| (i)  | For the period during which pay is drawn in pre-revised scales. | Basic pay *special pay, personal pay if any, NPA, DA actually admissible upto CPI 1510 in the un-revised scales, 1 <sup>st</sup> and 2 <sup>nd</sup> installments of interim relief; and |
| (ii) | For the period during which pay is drawn on the revised scales. | Basic pay, personal pay, if any and NPA in the revised scales according to the Punjab Civil Services Rules (Revised Pay) Rules, 1998.  |

*\* Words Special pay added vide F.D. Pb. No. 1/7/98-1FP11/17144 dated 24.12.1999*

*Also see letter dated 6.4.2000/5.5.2000 further amending sub para 2.3.*

*Para further amended as under vide F.D. Pb. No. 1/10/99-1FP11/4636 dt. 6.4/5.5.2000 as under;*

- 2.4 (i) For the period falling within 10 months preceding the date of retirement during which pay was drawn in the pre-revised scales, the emoluments for the months for which pay was drawn in the pre-revised pay scales, shall be calculated after taking into account the following:-
  - a) Basic pay (including increments, if any, drawn during the intervening period.)
  - b) Dearness Allowance upto CPO 1510, i.e. 148%, 111% and 96% of the basic pay as the case may be.

- c) The first and second installments of Interim Relied appropriate to the basic pay drawn during the relevant period.
- d) Notional increase on the basic pay by applying the fitment benefit of 40% on the basic pay in the pre-revised pay scale.
- (ii) For the period during which pay was drawn in the revised pay scales; the aggregate of the basic pay for the number of months for which pay was drawn in the revised pay scales.

The average emoluments of the preceding 10 months will thereafter be calculated by adding (i) & (ii) and dividing the result by 10. Pension admissible will consequently be 50% of the average emoluments so calculated.

3. In view of the above decision, the provision regarding option is withdrawn. The employees retiring on and after 1.1.96 who had opted for 31.12.95 as he deemed date of retirement will be entitled to gratuity and commutation of pension according to rules as applicable on the actual date of retirement.

Such employees are given an option to have their pension computed on the basis of their pre-revised reckonable emoluments in the manner as if they retired on 31<sup>st</sup> Dec., 1995 (ignoring the revised emoluments drawn by them after 1<sup>st</sup> January, 1996), and have such pension consolidated and up-dated to the 1<sup>st</sup> January, 1996 level in accordance with the general formula notified in that behalf. They shall be allowed such up-dated pension if it is more beneficial with effect from the date of their actual retirement. Such option shall be exercised within three months of the issue of these orders. Such an option may be given by the eligible legal heir, in the case of deceased employee.

#### **RATE OF PENSION**

3.1 The minimum rate of pension/ family pension shall be Rs. 1310/- p.m.

3.2 Full pension shall be calculated at the rate of 50% of the average emoluments and would be available on a qualifying service of 33 years. In case the qualifying service for pension is less than 33 years, the pension shall first be computed at the rate of 50% of the average emoluments and then it will be proportionately reduced. If the Pension so computed falls short of Rs.1310/-, the same will be raised to Rs.1310/- per month w.e.f. the 1<sup>st</sup> January, 1996.

#### **RATES OF FAMILY PENSION**

4.1 The rate of family pension in respect of employee who die in harness during the first seven years or till the Government employee would have attained the age of superannuation had he survived, which ever period is less shall be as follows:-

<b>Pay in the revised Pay Scales</b>	<b>Rate of Enhanced Family Pension per mensem</b>
Pay up to Rs. 4500	60% of pay
Pay up to Rs. 4500	50% of pay subject to a minimum of Rs.2700/-

4.2 The rates of family pension admissible to the families of deceased pensioners shall be as under. These rates will also be applicable in respect of pension payable to the families of employees, who die in harness after first seven years of his death or the date of superannuation of the employee, had he survived, which ever period is less.

<b>Pay in the revised Pay Scales</b>	<b>Rate of Enhanced Family Pension per mensem</b>
Pay up to Rs. 4500	40% of pay
Pay up to Rs. 4500	30% of pay subject to a minimum of Rs.1800/-

Pay for this purpose would include the same elements as mentioned in para 2.1 above.

4.3 For the purpose of Rule 6.17(3) of Punjab Civil Services Rules Volume II, the definition of family shall also include the following relatives of the deceased Government employee.

(i) Son/daughter including widowed/divorced daughter till he/she attains the age of 25 years or up to the date of his/her marriage/remarriage or till he/she starts earning his/her livelihood, whichever is earlier; son/daughter including widowed/divorced daughter shall be deemed to be earning his/her livelihood if his/her income is Rs. 2620/- per mensem or more.

(ii) Parents who were wholly dependent on the Government employee when, he/she was alive provided the deceased employee had left behind neither a widow nor a child. The parents whose total income from all sources was Rs. 2620/- per mensem or more at the time of death of employee shall not be considered to be dependent.

#### **RATES OF RETIREMENT-CUM-DEATH GRATUITY**

5.1 The maximum limit of Retirement-cum-Death Gratuity is raised from the present Rs. 2.50 lacs to Rs. 3.50 lacs.

5.2 In the case of death of an employee in harness, the gratuity shall be admissible at the following rates:-

<b>Qualifying Service</b>	<b>Amount of Death Gratuity</b>
i) Less than one year	2 times the emoluments
ii) One year or more but Less than 5 years	6 times the emoluments
iii) 5 years and more but up to 12 years	12 times the emoluments
iv) Above 12 years	Half of the emoluments for each completed six monthly period of qualifying service subject to a maximum of 33 times the emoluments and a ceiling of Rs. 3.50 lacs.

5.3 For the purpose of calculating the Retirement-cum-Death Gratuity, Dearness Allowance admissible to a Government employee on the date of his retirement or on the date of his death shall also be treated as emoluments, along with the emoluments as defined in paragraph 2.1 above.

5.4 Other existing provisions relating to payment of gratuity shall remain unchanged.

#### **EX-GRATIA GRANT**

6. Ex-gratia grant admissible vide Rule 2.7 of Punjab Civil Services Rules Vol. II to members of family of an employee who dies in harness shall be paid at the rate of Rs. 50,000/- on a uniform basis. It has also been decided that the employees who, while in service are permanently disabled and rendered unfit for further service shall also be given ex-gratia grant at the rate of Rs. 50,000/- on a uniform basis.

#### **LEAVE TRAVEL CONCESSION AND OLD AGE ALLOWANCE**

7. The existing provisions relating to Leave Travel Concession and grant of Old age allowance shall remain unchanged.

#### **GENERAL**

8.1 Orders regarding rate of communication of pension and matters ancillary thereto are being issued separately.

8.2 Where pension/family pension/retirement-cum-death gratuity has already been sanctioned on or after 1.1.96, the same shall be revised in terms of these Orders.

8.3 In respect of matters not provided in the above orders, the existing rules/instructions on the subject shall continue to be in force. The Punjab Civil Services (Revision of Pay) Rules, 1998 shall also apply, wherever required in the context of above orders. The relevant provisions of the Punjab Civil Services Rules Volume II shall be deemed to have been amended to the extent of the contents of this letter and a notification for the same will be issued in the course.

**Eligibility of disabled divorced/widowed daughters for grant of family pension.**

*(Copy of F.D. Pb. No. 1/10/99-3FPPC/302 dt. 10.1.2002)*

1. I am directed to state that as per provision contained in para No. 4.3 (i) of Punjab Govt. letter No. 1/7/98-1FP/III/8709 dated 16.7.98, divorced/widowed daughter is eligible for the grant of family pension subject to the conditions specified there in. Further as per provisions of Punjab CSR Vol-II in Rule 6.17(4)©, the disabled daughter is already eligible for family pension for life, on the fulfillment of specified conditions.

2. Keeping in view the decision of Govt. of India contained in their O.M. No. 45/51/97-P&PW/€ Vol. II dated 25.7.2001, the matter has been considered and it has been decided that if the marriage of the disabled daughter is legally annulled, she would be eligible for family pension for life from the date her marriage stands annulled, subject to the following conditions:-

- i) Divorce is valid in law.
- ii) Divorced daughter comes back to her parental home.
- iii) Disability is certified by an appropriate authority as required under the rules.
- iv) The requirement regarding submission of the requisite certificates as laid down under rule 6.17 (4) of the Punjab Civil Services Rules Vol. II for becoming eligible a family pension for life, shall continue to remain operative.

3. Similarly, the widowed disable daughter would also be eligible for family pension for life from the date of death of her husband, subject to fulfillment of above mentioned conditions, as applicable in her case.

4. The relevant provisions of the Punjab CSR Vol. II may be deemed to have been amended to the extent of the contents of this letter and a notification for the same will be issued in due course.