

**No.3/23/09-3FPPC/879**  
**GOVERNMENT OF PUNJAB**  
**DEPARTMENT OF FINANCE**  
**(FINANCE PENSION POLICY AND COORDINATION BRANCH)**

Dated Chandigarh, the 17<sup>th</sup> August, 2009

To

All Heads of Departments  
Commissioners of Divisions  
Registrar, Punjab and Haryana High Court,  
District and Session Judges and  
All Deputy Commissioners in the State

**Subject:- Implementation of recommendations of the Fifth Punjab Pay Commission regarding Pension and other retirement benefits.**

Sir/Madam,

I am directed to address you on the subject cited above and to say that after careful consideration of the recommendations of the Fifth 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:

**DATE OF EFFECT:**

1. The revised provisions as per these orders shall apply to Govt. employees who retire/die in harness on or after 1st January, 2006 (separate orders are being issued in respect of employees who retired/died before 1st January, 2006). Where pension/family pension/ gratuity/ commutation of pension etc. has already been sanctioned in cases occurring on or after 1-1-2006, the same shall be revised in terms of these orders. In cases where pension has been finally sanctioned on the pre-revised orders and if it happens to be more beneficial than the pension becoming due under these orders, the pension already sanctioned shall not be revised to the disadvantage of the pensioner in view of proviso to rule 9.15 (1) of Punjab Civil Services Rules, Volume-II.

**2. EMOLUMENTS AND AVERAGE EMOLUMENTS**

- 2.1 The term 'Emoluments' for the purposes of calculating various Pensionary benefits other than death-cum-retirement gratuity shall mean pay as defined in rule 6.19 C of Punjab Civil Services Rules Volume II as amended from time to time and as applicable to pensioners/family pensioners under the rules.

- 2.2 Basic Pay in the revised pay structure means the pay drawn in the prescribed pay band plus the applicable grade pay but does not include any other type of pay like special pay etc.
- 2.3 In the case of all kinds of gratuity, dearness allowance admissible on the date of retirement/ death shall continue to be treated as emoluments along with the emoluments as defined in paragraph 2.1 above.
- 2.4 The average emoluments of those employees who retire within ten months from the date of coming over to the revised pay structure shall be calculated as follows:-
- (i) For the period during which pay is drawn in pre-revised scales, Basic Pay, Personal pay if any, and NM, DA actually admissible as on 31-12-2005 in the un-revised scale.
  - (ii) For the period during which pay is drawn in the revised pay structure Basic pay plus grade pay and NPA. In the revised pay structure scales according to the Punjab Civil Services Rules (Revised pay) Rules, 2009.

Such employees are to give 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> December, 2005 (ignoring the revised emoluments drawn by them after 1<sup>st</sup> January, 2006) and have such pension consolidated and up-dated to 1<sup>st</sup> January, 2006 level. They shall be allowed such updated 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 eligible legal heir in the case of a deceased employee.

### **3. PENSION**

- 3.1 Pension shall continue to be 50% of basic pay (plus NPA). It shall also continue to be calculated on the basis of last pay drawn or 10 months average whichever is beneficial to the employees subject to a minimum of Rs. 3500/- per month,
- 3.2 A Government employee retiring in accordance with Punjab Civil Services Rules Volume-II as amended from time to time and applicable to the pensioners/family pensioners, before completing qualifying service of ten years shall not be entitled to pension but he shall continue to be entitled to service gratuity in terms of rule 6.16 of Punjab Civil Services Rules Volume-II.
- 3.3 The amount of pension shall be Subject to a minimum of Rs. 3500 with effect from 1<sup>st</sup> January 2006.

### Additional pension/family pension

3.4 In addition to above provisions, the quantum of pension available to the old pensioners/ family pensioners, shall be increased as follows:-

Age of pensioner/family pensioner	Additional quantum of pension/family pension
From 65 years to less than 75 years	5 percent of revised basic pension/family pension
From 75 years to less than 80 years	10 percent of revised basic pension/ family pension
From 80 years to less than 85 years	20 percent of revised basic pension/ family pension
From 85 years to less than 90 years	30 percent of revised basic pension/ family pension
From 90 years to less than 95 years	40 percent of revised basic pension/ family pension
From 95 years to less than 100 years	50 percent of revised basic pension/ family pension
100 years or more	100 percent of revised basic pension/family pension

- Note:-
- (i) The Additional quantum of pension/family pension on attaining the age of 65 years and above would be admissible from the first day of the month in which his date of birth falls. For example, if a pensioner/family pensioner completes the age of 80 years in the month of August, 2008 he will be entitled to additional pension/family pension with effect from 1<sup>st</sup> August, 2008. Those pensioners/family pensioners, whose date of birth is 1<sup>st</sup> August, will also be entitled to additional pension/family pension with effect from 1<sup>st</sup> August, 2008 on attaining the age of 80 years and above.
  - (ii) The Accountant General (A&E) Punjab shall ensure that the date of birth and the age of the pensioners/family pensioners is invariably indicated in the PEN-I and the Pension Payment Order to facilitate payment of additional pension/family pension by the Pension Disbursing Authority as soon as it becomes due. The amount of additional pension/family pension will be shown distinctly in the Pension Payment Order. For example, in ease where a pensioner is more than 65 years of age and his pension is Rs. 10,000 PM, the pension will be shown as (i) Basic Pension = Rs. 10,000 and (ii) Additional Pension = Rs. 500 per month, The pension on this amount will be shown as (i) Basic Pension = Rs. 10,000 and (ii) Additional Pension = Rs. 1000 per month.
  - (iii) The existing provisions relating to grant of Dearness Relief on Old Age Allowances which has been termed as additional pension/family pension shall continue to be in force.

**4. Rates of Retirement-cum-death gratuity / DCRG**

The maximum limit of Retirement-cum-Death Gratuity is raised from the present Rs. 3.50 lacs to 10.00 lacs.

**5. Rates of Family Pension:-**

- 5.1 Family pension shall continue to be calculated at the existing rates subject to a minimum of Rs. 3500/- per month.
- 5.2 The grant of special pension under the extraordinary pension rules is being considered separately.
- 5.3 For the purpose of rule 6.17 of Punjab Civil Service Rules Vol. II the existing provision/ instructions shall remain to be in force.
- 5.4 Parents who were wholly dependent on the Government employ when he/she was alive providing the deceased employee had left behind neither a widow nor a child. The parent, whose total income from all sources was Rs. 3500/- per mensem or more at the time of death of the employee, shall not be considered to be dependent.

**6. Commutation of Pension:-**

- 6.1 A Government employee shall continue to be entitled to commute for a lump-sum payment up to 40% of his pension.
- 6.2 The existing table of commutation value for pension annexed to existing rules shall be substituted by new table as at annexure-1 of this order.
- 6.3 The revised table of commutation value for pension will be used for all commutation of pension, which becomes absolute after the issue of this order. In case of such pensioners in whose case commutation of pension become absolute on or after 1<sup>st</sup> January, 2006 but before the issue of this order the pre-revised table of commutation of value for pension will be used for payment of commutation of pension based on pre-revised pay/ pension. Such pensioner shall have an option to commute the amount of pension that has become additionally commutable on account of retrospective revision of pay/pension. On exercising such an option by pensioner, the revised table of commutation value for pension will be used for the commutation of additional amount of pension.

**7. Constant Attendant Allowance**

A Constant Attendant Allowance @ Rs. 3000 per month shall be given to the Punjab Government Employees who suffer 100% disability as a result of action against extremists or

anti-social elements and who are dependent on some body for day to day functions. This shall be in addition to the extra ordinary disability pension and other benefits.

**8. Ex-gratia payment**

The maximum limit of ex-gratia is increased to Rs. 3.00 lacs in case of death in harness which occurs due to causes attributable to the service and to Rs. 10.00 lacs for death in the case of performance of duty such as dealing with riots, terrorist attack or enemy action.

**9. Travel Concession**

The existing provisions relating to Travel Concession shall continue to be in force.

- 10.** The pension/family pension in term of these orders will qualify for dearness relief beyond average All India Consumer Price index-536 (Basic year 1982=100)). The revised pattern of dearness relief will be notified separately.
- 11.** 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, 2009 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 notification for the same will be issued in due course.
- 12.** All proposed increases in allowances and other benefit (such as old age allowance, medical allowance, constant attendant allowance, ex-gratia payment) shall take effect from the date of issue of these orders by the Government whereas the revised pensionary benefits (such as basic pension, commutation of pension, gratuity) shall be from 1-1-2006. Decision about the payment of arrears of pensions from 1-1-2006 to 31-7-2009 shall be taken in due course of time and with effect from 1-8-2009 enhanced pension in cash shall become payable.
- 13.** Punjabi version of these orders will follow in due course of time.

**Yours faithfully,**

**(Om Parkash Bhatia)  
Under Secretary, Finance (B)**