

PENSION RULES

- **PENSION:**

A periodical payment made by Government in consideration of past service rendered by a Government servant

CLASSIFICATION OF PENSION:

Compensation Pension.

- If a Government servant is selected for discharge owing to the abolition of a permanent post he has the option.
 - i) of taking any compensation pension or gratuity to which he may be entitled for the service he has already rendered, or
 - ii) of accepting another appointment or transfer to another establishment even on a lower pay, if offered, and continuing to count his previous service for pension.

Continued

- A Government servant not employed in a substantive permanent capacity is granted Compensation Gratuity / Pension if he is discharged after completing qualifying service of 10/25 years or more owing to the abolition of his post or is replaced by a “qualified” candidate.

2. Invalid Pension.

- An invalid pension is awarded to a Government Servant on his retirement from the public service, who by bodily or mental infirmity is permanently incapacitated for the public service.
- The infirmity has, however, to be certified by a duly constituted Medical Boards.

Retiring Pension.

- A retiring pension is granted to a Government servant who is permitted to retire after completing qualifying service of 25 years.
- Civil servant may opt for premature retirement by giving a written intimation at least 3 months before the date on which he intends to retire.
- Such intimation(Option) will be final and shall not be allowed to modify or withdraw. However, he can withdraw his application before former accepting of the request by the competent authority.

Superannuating Pension

- A superannuating pension is granted to a Government servant who is entitled or compelled, by rule, to retire at a particular age i.e 60 years.

Family Pension.

- Family pension is granted to the family of a Govt. servant who dies before retirement.
- In case of death of a Government Servant while in service gratuity in lieu of one fourth of the gross pension will be allowed.
- In addition to above family pension @ 50% of the gross pension will be admissible to the widow for her life period or till her marriage.
- In case of death of widow, the family pension will be admissible to the sons until the age of 21 years or the eldest unmarried daughter till her marriage.

Assistance Package of the PM in case of in service death

Item	In Service Death		Security Related Deaths	
	BS	Amount	BS	Amount
Lump Sum Grant	1-4	200,000	1-15	500,000
	5-10	300,000	16-19	1,000,000
	11-15	400,000	20 & above	1,500,000
	16-17	500,000		
	18-19	800,000		
	20 & above	1,000,000		

- ❖ 75% pension to the spouse or eldest son till the youngest child attains the age of 18 year
- ❖ Normal pension to the spouse after that for life
- ❖ Retention of Govt House or payment of rent for hired house for 05 years or till the age of superannuation which ever is earlier but for a minimum period of 03 year
- ❖ Employment for post in BPS 1-15 on two years contract without advertisement.

- ❖ Free health facility to the widow for life and for children up to age of 18 years in Government Hospitals.
- ❖ Allotment of a plot as per FGEHF policy against 2 % quota fixed for deceased employees
- ❖ Waiver of Unpaid balance of HBA sanctioned by the AGPR/Provincial AG

- ❖ Free education to one child up to the age of 18 years.
- In case of security related death, the package provides for free education to all the children of the deceased up to age of 18 years. The payment will be made to the students of the public schools at the following rates:

- **For Public Education System**

- Class 1-8 Rs.6,000 per annum
- Class 9-10 Rs.24,000 per annum
- Class HSSC level Rs. 24,000 per annum

- **For Private Education System**

- Class 1-5 Rs.18,000 per annum
- Class 6-8 Rs.24,000 per annum
- Class 9-10 Rs.36,000 per annum
- Class HSSC level Rs. 48,000 per annum

- Authority:-Ministry of Education OM.No F.15-10/2005-OS(Sch)
dated 1st Aug.2007

Transportation of dead body of the Govt. servant.

- Actual cost of transportation @ Rs.20 per KM from place of his posting to his home town will be paid w.e.f.1.12.2006

Authorities empowered to grant pension

Category of officers	Authority competent to accept request for retirement
BPS 21 and above	PM
BPS 17 to 20	PAO
BPS 16	HOD
BPS 1 to 15	HOD/HOO

CONDITIONS OF QUALIFYING SERVICE

- The service of an officer begins to qualify for pension from the date he takes charge of the office to which he is first appointed.
- The service must be under Government.
- The employment must be substantive and permanent.
- A Government servant not employed in a substantive permanent capacity who has rendered more than 5 years continuous temporary service counts such service for the purpose of pension or gratuity.

Continued

- Only the service paid from the General Revenues qualifies for pension.
- Foreign service also counts for pension provided the pension contribution was paid as required under the rules.
- All periods of leave, other than extraordinary leave, count as service qualifying for pension.
- The period of suspension followed by reinstatement or superannuating counts towards qualifying service for pension.

Continued

- In case where a Government servant is compulsorily retired following a period of suspension ordered under Government Servants (Efficiency and Discipline) Rules, 1973 pension or gratuity is admissible only for the period of service rendered excluding the period of suspension.
- Resignation of the public service, dismissal or removal on account of misconduct, insolvency or inefficiency or failure to pass an examination entails forfeiture of past service.

continued

- Any interruption in the service of an officer entails forfeiture of his past service (Art.420 of CSR.)
- The authorized leave of absence, suspension immediately followed by reinstatement and time occupied in transit from one appointment to another are not treated as interruption for the purpose of qualifying service.
- The authority who sanctions the pension may commute retrospectively of absence without leave into extraordinary leave.

Condonation of interruption and deficiencies

- The authority competent to fill the appointment held by a Government Servant at the time the condonation is applied, may condone all interruptions in his service, provided such interruption is not due to any fault or willful act of the Government servant, like unauthorized absence, resignation or removal from service.

- A deficiency of a period not exceeding six months in the qualifying service of a Government Servant shall be deemed to have been condoned automatically. The authority competent to sanction pension may condone a deficiency of more than six months but less than a year, subject to the following conditions:-

- the Government servant has died while in service or has retired under circumstances beyond his control, such as on invalidation or abolition of his post, and would have completed another year of qualifying service; if he had not died or retired.
- The service rendered by him had been meritorious.

- These provisions will not apply to Government Servants who have rendered less than five years continuous service.

Emoluments reckoned for pension:

The term 'Emoluments' means the emoluments which a Government Servant was receiving immediately before his retirement and includes:-

- Pay as defined in FR 9(21) (a)(i).
- Personal pay.
- Technical pay.
- Special pay of all types and nature.

- Dearness Allowance.
- Increments accrued during LPR
- Senior Post Allowance in case of officers of BPS-20 and above.

Gratuity

- If a Government servant employed in a substantive and permanent capacity in pensionable service retires or is selected for discharge owing to abolition of his permanent post after completing qualifying service of 5 years but less than 10 years, he may be granted a gratuity not exceeding one month emoluments for each completed year of qualifying service. If such a Government servant has completed qualifying service of 10 years or more at the time of his retirement or discharge, as the case may be, he may be granted the ordinary pension.

Rates and scale of pension:

- Pension is calculated at the rate of 70% of average emoluments on completion of 30 years qualifying service. Where qualifying service is less than 30 years but not less than 10 years proportionate reduction in percentage is made.
- The pension table regulating all the four pensions namely Compensation Pension, Superannuation Pension, Invalid Pension and Retiring Pension is as under:-

Completed year of qualifying service	Scale of pension expressed as fraction of a average emolument/emoluments
10	70/300
11	77/300
12	84/300
13	91/300
14	98/300
15	105/300
16	112/300

17	119/300
18	126/300
19	133/300
20	140/300
21	147/300
22	154/300
23	161/300
24	168/300

25	175/300
26	182/300
27	189/300
28	196/300
29	203/300
30 & above	210/300

Pension Formula

LAST PAY DRAWN X 7 X LENGTH OF QUALIFYING SERVICE

300

Pension-cum-Gratuity Scheme 1954:

- In accordance with the provisions of pension-cum-Gratuity Scheme, the payment of pension/gratuity or both is regulated as under:-
- A Government servant who has rendered five years qualifying service or more but less than ten years qualifying service may be granted a gratuity not exceeding one month emoluments for each completed year of qualifying service.
- In case of invalidation or death the rate will be 1-1/2 months pay for each completed year of service.

- In case a Government servant dies before his retirement, his pension is calculated, as if he retired on invalid pension on the date following the day of his death, and his family will be paid the gratuity calculated on the basis of the formula i.e. 25% of gross pension. In addition, the family will also be entitled to a monthly Family Pension of 50% of the full amount of pension.

- The widow will be entitled to the family pension for life or till her remarriage.
- In the case of death of widow, the family pension will be admissible to the sons, if any, until they attain the age of 21 years and The eldest surviving unmarried daughter till her marriage; if the eldest daughter marries or dies the next eldest daughter till her marriage.

- Where a pensioner dies after his retirement family pension at the rate of 50% of the pension (net or gross), as the case may be will be paid to the widow or sons or daughters.

FAMILY

- The family for the purpose of payment of death-cum-retirement gratuity/pension includes the following relation of the Government servant:-
- Wife or wives in the case of male Government Servant (Unless there is a judicial separation wife continues to be a member of the Government servant's family irrespective of the fact whether she is living with him or not).

- Husband in the case of a female Government servant. (A female Government servant can exclude her husband from being a member of her family). He will be entitled to the Family Pension for life or till re marriage.
- Legitimate children of the Government Servant.
- Widow or widows and children or deceased son of Government servant.

Shares of family pension.

In the following order the pension will be paid to the family members or depended relatives of the deceased Government servant.

a) Widow/ widows of the deceased or husband of the deceased.

Pension is equally divided amongst the wives and children not exceeding four (excluding sons and daughters above the age of 21 years and the married daughters). Where the number of surviving widows and children is more than four, the pension will be divided in such a way the each surviving widow will get $1/4^{\text{th}}$ of the pension and the balance if any, will be divided equally amongst the surviving children

- b) Eldest surviving son up to age of 21 year.
- c) Eldest surviving un married daughter till her marriage. If she marries or dies the next eldest daughter
- d) Eldest widowed daughter
- e) Eldest widow of the deceased son of the Government servant
- f) Eldest surviving son up to the age of 21 years of a deceased son of the Government servant
- g) Eldest surviving un married daughter up to the age of 21 years of a deceased son of the Government servant
- h) Eldest widowed daughter of a deceased son of the Government servant

Pension payable to other than family members

It is payable to the depended relatives of the deceased government servant in the following order.

Father, mother, eldest surviving brother up to the age of 21 years
.eldest surviving un married sister up to the age of 21 years
and eldest surviving widowed sister

Pension will be cease to be payable as soon as a female gets married or remarried or a brother, un married sister attains the age of 21 years.

The pension will be payable to one member at a time. When it is not payable to him/her due to any reason it will be paid to the next claimant in the order of eligibility.

- Where gratuity/pension is payable to minor (s) payment is made to a regularly appointed manager or guardian. Where there is no guardian the sanctioning authority may allow the payment to their mother. In case the mother is not alive or was judicially separated from the government servant , the sanctioning authority may nominate any suitable person to be the guardian for the purpose. For female Government servant the pension can be paid to the father of minor children
- If an employee remains missing for a period of 12 months, family pension may be allowed to his heirs as admissible under the prescribed rules.

PENSION CALCULATION

DATA

- NAME OF GOVERNMENT SERVANT Mr. Muhammad Ilyas Dar, BPS-20
- Department S.T.I.
- Date of appointment 21-03-1977
- Date of Retirement 31-12-2007
- EOL 10-10-1989 to 09-10-1990
- L.F.P 25-03-1988 to 24-05-1988
- Date of Birth 01-01-1948
- Last pay drawn **Rs. 37,095/-** (Maximum of the Pay Scale)

- Qualification pay Rs. 500/-
- Convey Allowance 2005 Rs. 1,240/-
- Deputation Allowance Rs. 6,000/-
- Entertainment Allowance Rs. 600/-
- Orderly Allowance Rs.3,000/-
- Senior post Allowance Rs.1,100/-
- Instruction Allowance 20% Rs.5,000/-
- Spl. Adll. Allowance Rs.1,839/-
- Spl. Relief Allowance (2005) Rs.3,916/-
- Adhoc Relief (2005) Rs.3,916/-
- Dearnes Allowance (2006) Rs.4,837/-

LENGTH OF SERVICE

- Date of Retirement: 31-12-2007
- Date of Appointment 21-03-1977

Length of service 10-09-30

Say: 31 Years.

LAST PAY

- Pay : 37,095/-
 - Qualification Pay : 500/-
 - Sr. Post Allowance: 1,100/-
- Total : 38,695/-

FORMULA

Last Pay drawn x 7 X Length of Q. Service

300

38695 X 7 X 30 years = 27,086.49

300

Gross Pension: 27,086.49

Net Pension

- Net Pension i.e. 65% of the Gross Pension
17,606.27
 - 10% Increase in 2005 1,706.62
 - 15% Increase in 2006 2,905.02
 - 20% increase in 2008 4,454.38
 - Special Pay/orderly allowance 3,000.00
- 29,672.29**

COMMUTED VALUE OF PENSION

- 35% OF Gross Pension i.e.

$$27,086.49 \times 35\% = 9,480.27/-$$

Next age Birthday = 01-01-2008 = 60 Yrs.

Rate = 12.3719/-

$$\text{Commutation} = 9480.27 \times 12.3719 \times 12 = 1396778.10$$

Commutation Table under pay Scale 2001

Age next Birthday	No. of years purchased	Age next Birthday	No. of years purchased
20	40.5043	29	33.6143
21	39.7341	30	32.8071
22	38.9653	31	32.0974
23	38.1974	32	31.3412
24	37.4307	33	30.5869
25	36.6651	34	29.8343
26	35.9006	35	29.0841
27	35.1372	36	28.3362
28	34.3750	37	27.5908

Continued

Age next Birthday	No. of years purchased	Age next Birthday	No. of years purchased
38	26.8482	47	20.3555
39	26.1009	48	19.6653
40	25.3728	49	18.9841
41	24.6406	50	18.3129
42	23.9126	51	17.6526
43	23.1840	52	17.0050
44	22.4713	53	16.3710
45	21.7592	54	15.7517
46	21.0538	55	15.1478

Continued

Age next Birthday	No. of years purchased	Age next Birthday	No. of years purchased
56	14.5602	65	9.9639
57	13.9888	66	9.5214
58	13.4340	67	9.0914
59	12.8953	68	8.6742
60	12.3719	69	8.2697
61	11.8632	70	7.8778
62	11.3684	71	7.4983
63	10.8872	72	7.1314
64	10.4191	73	6.7766

Continued

Age next Birthday	No. of years purchased
74	6.4342
75	6.1039
76	5.7858
77	5.4797
78	5.1854
79	4.9030
80	4.6321

**Grant of increase in pension to Civil Pensioners/retired Armed
Forces personnel w.e.f. 1-7-2004.**

- Pensioners who retired prior to pay scale of
1994 16 %
- Pensioners who retired/ retire in/ revised pay
scale of 1994 and onward 08 %

**Grant of increase in pension to Civil Pensioners
/retired Armed Forces personnel w.e.f 1.7.2005**

- 10 % increase in pension will be allowed to the civil pensioners as well as to the retired armed Forces personnel and Govt, Servants who would retire after on or after 1.7.2005

Authority ;- Fin .Div O.M No 1(1) Imp/2005
dated 1.7. 2005

**Grant of increase in pension to Civil Pensioners
/retired Armed Forces personnel w.e.f 1.7.2006**

- Pensioners who retired prior to 1.5.1977
20%
- Pensioners who retired on or after 1.5.1977
15 %
- Govt. servants who would retire on or after
30.6.2006 15 %

Authority: - Fin. Div, OM No F.4 (3)-R.6/2006 dated 30.6.2006

Grant of increase in pension to Civil Pensioners
/retired Armed Forces personnel w.e.f 1st July
2008

- 20% increase in pension has been allowed w.e.f 1st July 2008 to civil pensioners of the federal Government including civilian paid from defence estimates as well as retired Armed forces personnel.
- Authority:- Fin. Div. Reg. wing O.M. No.F4(1)-Reg.6/2008-808 dated 30th June 2008.

Commutation to the deceased family

- The family of the deceased Government servant who after having retirement on invalidation by Medical board but could not signed his pension papers due to death will be entitled for the commuted value of pension
- **Authority:** - Fin ,.Div. OM NO F.13(1) R.6/94 , dated 22.5.2001

Grant of commutation to the widow of Government servant compulsory retired from government service but expired before signing the pension/ commutation claims

- The family of the deceased Government servant who after having compulsory retired could not signed his pension papers due to death will be entitled for the commuted value of pension
- **Authority:** - Fin ,.Div. OM NO F.13(1) R.6/94/III dated 4.3.2002

Transportation of dead body of the deceased Govt. servant by road.

- Actual cost basis but not exceeding Rs. 20 per KM w.e.f 1.12.2006
- **Authority:-** Fin .Div. O.M.No F.3 (2)r.10/95-672/06 dated 1.12.2006

Grant of increase in pension to Civil Pensioners /retired

Armed Forces personnel w.e.f 1.7.2006

- Pensioners who retired prior to 1.5.1977
20%
- Pensioners who retired on or after 1.5.1977
15 %
- Govt. servants who would retire on or after
30.6.2006 15 %

Authority: - Fin. Div, OM No F.4 (3)-R.6/2006
dated 30.6.2006

Grant of Commutation to the widow of Government servant retired on invalidation by Medical board but expired before signing the pension/ commutation claims.

- The family of the deceased Government servant who after having retirement on invalidation by Medical board but could not signed his pension papers due to death will be entitled for the commuted value of pension

**Authority: - Fin ,.Div. OM NO F.13(1) R.6/94 ,
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- The family of the deceased Government servant who after having compulsory retired could not signed his pension papers due to death will be entitled for the commuted value of pension

Authority: - Fin ,.Div. OM NO F.13(1) R.6/94/III dated 4.3.2002

REVITALIZATION OF THE CRITICAL SERVICES; INSTITUTIONAL
RESPONSE TO SECTARIAN VIOLENCE AGAINST GOVERNMENT
OFFICIALS

- Following package is provided to the families of the Government servants whose death takes place due to sectarian violence against Govt, servants.

- **ACCOMMODATION:-** the family of the deceased Govt, servant will continue living in the Govt accommodation till the deceased would have reached the age of superannuation had he not died. If family is not living in Govt. allotted house, the family will be allotted govt. owned/hired house or paid a monthly allowance at the prescribed rate for hiring a house at the option of the deceased family .
- **PENSION:-** Full pension shall be allowed to the bereaved family till the children of the deceased attain the age of majority i.e.18 year.
- **LUM SUM GRANT.** Rs. 0.5 million to the family of the deceased government servant with in 30 days of his death.

- **EMPLOYMENT:-** Either the spouse or one child of the deceased Government servant shall be given employment provided she/he is qualified for the post .
- **EDUCATION :-** Free education to the children of the deceased up to the age of 25 years.
- **HEALTH :-** Free health facility to the family of the deceased Government servant upto the age of 20 years.

**Authority :- Finance Division OM No . 29 (1)
R.9/97-422/2001 dated 4.5.2001**

Grant of increase in pension to Civil Pensioners /retired
Armed Forces Personnel w.e.f 1.7.2007

- Pensioners who retired prior to 1.7.1997
20%
- Pensioners who retired between 1.7.1997
15%

- For the purpose of admissibility of increase in pension sanctioned the term 'pension' means 'pension' being drawn.
- The increase will also be admissible on family pension as well as on Compassionate allowance under CSR 353.
- The increase in pension will not be admissible on special additional pension allowed in lieu of Pre retirement Orderly Allowance.
- In case of re-employed pensioners, the increase in pension shall not be admissible to them during the period of their re-employment.
- Authority FD O.M. No. F.4(2)-Reg-6/2007 dated 13.7.2007.

BENEFIT OF ANNUAL INCREMENT ON NOTIONAL BASIS

- All those Government servants who exhausted/ may exhaust the relevant pay scales may be allowed the benefit of annual increment beyond the existing scope of the pay scales w.e.f. 1-12-2005. There will be no presumptive benefit on account of the aforesaid increment prior to 1-12-2005, therefore, no arrears shall be allowed prior to this date. The increment may be treated as personal pay subject to the condition that the employee concerned has put in 6 months or more service as counts for an annual increment unless withheld under the rules.

- The amount of the personal pay may not be reduced but treated as part of the pay scale of the concerned government servant for the purpose of fixation of pay, pension and recovery of house rent etc

Authority:- Fin .Div. O.M.No F.1 (6)/Imp/2005
dated 13.10.2006

10% and 15% increase in pension who would retire on or after 1.7.2007

- 10% increase in pension allowed vide para 13 of Finance Division's O.M. No.1(1)-Imp/2005 dated 01-07-2005 and 15% increase in pension allowed vide Finance Division's O.M. No. 4(3)-Reg.6/2006 dated 30-06-2006 are also admissible to those Government Servants who would retire on or after 01-07-2007.

Authority:- Fin .Div. O.M.No F.4(2)-Reg.6/2007 dated 11.08.2007

Thank You