

FOREWORD

The last edition of “A Manual of Pension Procedures” was published in 1999. The manual proved very useful and served as an authentic reference book for settlement of pension cases. The government has introduced a number of measures to ensure expeditious disposal of pension cases of retired government servants. Instructions/Orders were issued from time to time to facilitate retired government servants and their families in case of death of government servants. The Pakistan Public Administration Research Centre of Establishment Division being the sole agency to prepare, review, update and publish Administrative/ Establishment Codes and Manuals, have now reviewed and updated the Manual in consultation with the Finance Division and Office of the Accountant General of Pakistan Revenue and brought out this comprehensive revised edition-2006 which incorporates all such policy guidelines and procedures for initiation and finalization of pension cases without any delay.

2. It is hoped that the Manual will serve as a guide for the functionaries dealing with pension cases and will assist Ministries/ Divisions/Departments in timely completion and submission of such cases.

3. Though every effort has been made to ensure accuracy and comprehensiveness, however, any error, omission or suggestion for improvement may kindly be brought to the notice of Director General, Pakistan Public Administration Research Centre, M. S. Wing, Establishment Division Islamabad.

(Sheikh Naseer-ul-Haq)
Additional Secretary

Islamabad
November, 2006

PREFACE

One of the functions of the Pakistan Public Administration Research Centre (PPARC) of Establishment Division is preparation, review, updating and publication of the administrative/establishment codes and manuals to facilitate the disposal of official business in federal government. The Centre has compiled and published twenty five codes/manuals and their updated editions.

2. The previous edition of “A Manual of Pension Procedures” was published in 1999. Since then a number of further instructions and orders were issued by the government on the subject which necessitated bringing out a revised edition of the manual to facilitate retiring government servants and their families who expired in service or after retirement in settlement of pension cases.

3. The PPARC undertook review of the last edition (1999) of ‘Manual of Pension Procedures’ and updated it by incorporating the new instructions/orders issued till July, 2006 as well as relevant portions of Pension Act, 1871, Articles of CSR, orders relating to pension increases from 1-7-1980 onwards etc. The manual has been finalized in consultation with the Finance Division and the Office of the Accountant General of Pakistan Revenue (AGPR). I hope this comprehensive edition will prove to be of immense utility for timely preparation and completion of pension papers.

4. I am thankful to Mr. Muhammad Raziq, Sr. Joint Secretary, Mr. Khadim Husain, Section Officer of Finance Division and Mr. Muhammad Parvez, Deputy Accountant General, Office of the AGPR for their cooperation extended in vetting the manuscript prepared by PPARC. I am also grateful to Sheikh Naseer-ul-Haq Additional Secretary, Establishment Division for his guidance, encouragement and support to bring out this revised edition.

5. I also appreciate the efforts of Mr. Zahoor Gul, Printing Officer and Mr. Ghulam Haider, Proof Reader of PPARC for proof reading/checking and publication of the manual.

6. Any suggestion for improvement of the manual will be welcome and may be forwarded to Director General, Pakistan Public Administration Research Centre, Management Services Wing, Establishment Division, Islamabad.

(Saeed-un-Nisa Abbasi)
Director General

Islamabad
November, 2006

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SECTION 1

THE PENSIONS ACT, 1871

Sl. No. 1

An Act to consolidate and amend the law relating to Pensions and Grants by Government of money or land revenue.

WHEREAS it is expedient to consolidate and amend the law relating to pensions and grants by Government of money or land revenue; it is here by enacted as follows:

I. PRELIMINARY

*This Act may be called the Pension Act, 1871.

2. Originally there were the following words:—or (b) direct that the whole or any part of the surplus accruing in any district under 18 of this Act shall be placed to the credit of such local fund or funds as may be formed for any local area or local areas comprised in that district, (and may from time to time, by notification in the Official Gazette, cancel or vary any notification under this section)”. The bracketed words were rep. by the Repealing and Amending Act, 1914 (10 of 1914) and the rest by A.O. 1937.

3. A new 32 has been ins. in Bengal by Ben, Act 5 of 1934.

4. For Statement of Objects and Reasons see Gazette of India, 1871 Pt. V. p. 141 : or Proceedings in Council, *see ibid.*, 1871, Supplement pp. 314, 401, 683, 1056, and 1147.

This Act has been declared in force in Baluchistan by the British Baluchistan Laws Regulation, 1913 (2 of 1913), s. 3.

It has been applied to Phulera in the Excluded Area of Upper Tanawal to the extent the Act is applicable in the N.W.F.P., subject to certain modifications; and extended to the Excluded Area of upper Tanawal (N.W.F.P.) other than Phulera with effect from such date and subject to such modifications as may be notified; *see* N.W.F.P. (Upper Tanawal) (Excluded Area) Laws Regulation, 1950.

It has been extended to the Leased Areas of Baluchistan, *see* the Leased Areas (Laws Order, 1950 (G.O. 3 of 1950): and applied in the Federated Areas of Baluchistan, *see* Gazette of India, 1937 Pt. 1, p. 1499.

* Subs. by A.O., 1937, for “L.G”.

This Act has been extended to the Baluchistan States Union, see the Baluchistan States Union (Federal Laws) (Extension) Order 1953 (G.G.O. 4 of 1953), as amended by the Baluchistan States Union (Federal Laws) (Extension) (Section Amendment) Order, 1953 (G.G.O. 19 of 1953).

It has also been extended to the Khairpur State, see H.G.O. 5 of 1953, as amended by G.G.O. 24 of 1963.

This Act has been extended to the State of Bhawalpur *see* the Bhawalpur (extension of Federal Law) Order, 1953 (G.G.O. II of 1953).

This Act and all rules, notifications, declarations, resolutions and orders made under it, have been extended to the State of Bahawalpur *see* the Bahawalpur (Extension of Federal Laws) Order, 1951 (G.G.O. II OF 1953).

¹[It extends to the whole of Pakistan];

2*	*	*	*	*	*	*
3*	*	*	*	*	*	*

2. *[Enactments repealed. Saving of Rules]. Nep. by the Repealing Act, 1938 (I of 1938).*

3. In this Act the expression “grant of money or land revenue” includes anything payable on the part of Government in respect of any right, privilege, perquisite or office.

[1A. The expression “the appropriate Government: means, in relation to ³[Federal pensions, the Federal] Government, and in relation to other pensions, the Provincial Government.]

II.—RIGHTS TO PENSIONS

4. Except as hereinafter provided, no Civil Court shall entertain any suit relating to any pension or grant of money or land-revenue conferred or made by the ⁶[Federal Government or any Provincial Government] or any former Government, whatever may have been the consideration for any such pension or grant and whatever may have been the nature of the payment claim or right for which such pension or grant may have been substituted.

5. Any person having a claim relating to any such pension or grant may prefer such claim to the Collector of the District or Deputy Commissioner or other officer authorized in this behalf by the ⁷[appropriate Government]; and such Collector, Deputy Commissioners or other officer shall dispose of such claim in accordance with such rules as the Chief Revenue authority may subject to the general control of the ⁷[appropriate Government.]

¹Subs. by the Central Laws (Statute Reform) Ordinance, 1960 (21 of 1960), section 3 and 2nd Sch., for “It extends to [all the Provinces and the Capital of the Federation]”. The words in crotchets were subs., for “the whole of British India” by A.O., 1949, Arts. 3 (2) and 4.

²The words “And it shall come into force on the date of the passing of the of” rep. by the Repealing and Amending Act, 1914 (10 of 1914).

³The words “but not so as to affect any suit in respect of a pension or grant of money or land revenue which may have been instituted before such date” rep. by the Amending Act, 1891 (12 of 1891).

⁴Section 3A ins. by A.O., 1977.

⁵Subs. by FALO. 1975. CL 2(3) for Central.

⁶Subs by the Federal Laws (Revision and Declaration) Act, 1951 (26 of 1951), S. 4 and III Sch., for “British”.

⁷Subs by A.O., 1937, for “L.G”.

6. A Civil Court otherwise competent to try the same shall take cognizance of any such claim upon receiving a certificate from such Collector Deputy Commissioner or other officer authorized in that behalf that the case may be so tried, not make any order or decree in any suit whatever by which the liability of Government to pay any such pension or grant as aforesaid is affected directly or indirectly.

7. Nothing in sections 4 and 6 applies to—

1* * * * * * *

2* Pensions heretofore granted by Government in ³[the territories subject to the Lieutenant-Governor of Bengal] either wholly or in part as an indemnity for loss sustained by the resumption by a Native Government of lands held under sanads purporting to confer a right in perpetuity. Such pensions shall not be liable to resumption on the death of the recipient but every such pension shall be capable of alienation and descent and may be sued for and recovered in the same manner as any other property.

III.—MODE OF PAYMENT

8. All pensions or grants by Government of money or land-revenue shall be paid by the Collector to the Deputy Commissioner or other authorized officer, subject to such rules as may from time to time be prescribed by the Chief Controlling Revenue-authority.

9. Nothing in sections 4 and 8 shall affect the right of a granted of land revenue whose claim to such grant is admitted by Government to cover such revenue from the persons liable to pay the same under any law for the time being in force for the recovery of the rent of land.

10. The ⁴[appropriate Government] may with the consent of the holder order the whole or any part of his pension or grant of money or land-revenue to be commuted for a lump-sum on such terms as may seem fit.

IV.—MISCELLANEOUS

11. No pension granted or continued by Government on political considerations or on account of past services or present infirmities or as compassionate allowance and no money due or to become due on account of any such pension or allowance shall be liable to seizure attachment or sequestration by process of any Court in ⁶[Pakistan], at the instance of a creditor, for any demand against the pensioner, or in satisfaction of a decree or order of any such Court.

¹Clause (1) omitted by A.O., 1949, Sch.

²The number and brackets “(2).” omitted, *ibid.*

³Subs. by the Federal Laws (Revision and Declaration Act, 1951 (26 of 1951), s. 4 and III sch., for “the territories respectively subject to the Lieutment-Governors of Bengal and the North Western Provinces”.

⁴Subs. by A.O., 1937, for “L.G.”

⁵see also s. 60, clause (g) of the Code of Civil Procedure, 1980 (Act 5 of 1980).

⁶Subs. by the Central Laws Statute Reform) Ordinance, 1960 (21 of 1960), section 3 and 2nd Sch. (with effect from the 14th October, 1955), for “the Provinces and the Capital of the Federation” which was subs., for “British India” by A.O., 1949, Arts. 3(2) and 4.

¹[This section applies in ²[Pakistan] also to pensions stated or continued, ³[after the separation of Burma] and, by the Government of Burma.]

12. All assignments, agreements, orders, sales and securities of every kind by the person entitled to any pension pay, or allowance mentioned in section 11, in respect of any money not payable at or before the making thereof, on account of any such pension, pay or allowance, or for giving or assigning any future interest therein, are null and void.

13. However, if it is proved to the satisfaction of the ⁴[appropriate Government] that any pension is fraudulently or unduly received by the person enjoying the benefit thereof shall be entitled to a reward equivalent to the amount of such pension for the period of six months.

14. ⁴[In each Province] the Chief Controlling Revenue authority may, with the consent of the ⁴[appropriate Government] from time to time make rules consistent with this Act to regulate, all or any of the following matters:—

- (1) the place and times at which, and the person to whom, any pension shall be paid,
- (2) injuries into the identity of claimants;
- (3) records to be kept on the subject of pensions;
- (4) transmission of such records;
- (5) correction of such records;
- (6) delivery of certificates to pensioners;
- (7) registers of such certificates;
- (8) reference to the Civil Court, under section 6, of persons claiming a right of succession to or participation in, pensions or grants of money or land-revenue payable by Government; and generally for the guidance of officers under this Act.

All such rules shall be published in the ⁵[Official Gazette], and shall thereupon have the force of law.

SCHEDULE.—[Rep. by the Repealing Act, 1938 (I of 1938).]

[Act. No. XXIII of 1871 dated 8-8-1971]

¹Ins. by A.O., 1937.

²Subs., by the Central Laws (Statute Reform) Ordinance, 1960 (21 of 1960), s. 3 and 2nd Sch., (with effect from the 14th October, 1955), for "the Provinces and the Capital of the Federation, which was subs., for "British India" by the A.O., 1949, Arts. 3(2) and 4.

³I.e. on or after the 1st April, 1937.

⁴Subs. by A.O., 1937, for "L.G."

⁵Subs. by A.O., 1937 for "local official Gazettee".

REVISED PENSION RULES

Terms used in the Pension Rules and their Explanation

Sl. No.2

The various terms used in the pension rules are explained below:—

- (i) *Age*.—When a Government Servant is required to retire, revert, or cease to be on leave, on attaining a specified age, the day on which he attains that age is reckoned as a *non-working day*, and the Government servant must retire, revert, or cease to be on leave (as the case may be) with effect from and including that day (Art. 14 CSRs).
- (ii) *Family*.—The ‘family’ for the purpose of entitlement of gratuity/ pension benefits under the Pension-*cum*-Gratuity Scheme includes the following relatives of the Government Servant:—
 - (a) wife or wives, in the case of a 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 has been living with him or not).
 - (b) husband, in the case of female Government servant (a female Government servant can exclude her husband from being a member of her family).
 - (c) children of the Government servant.
 - (d) widow or widows and children of a deceased son of the Government servant (Pension-*cum*-Gratuity Scheme 1954).
- (iii) *Foreign Service*.—Means service in which a Government servant receives his substantive pay with the sanction of Government from any source other than the revenue of the Government of Pakistan or of a Province or the Railway Fund (Art. 27 C.S.Rs).
- (iv) *General Revenue*.—For the purposes of pension include Provincial Revenues. (Art. 28 C.S.Rs.)
- (v) *Local Fund*.—The expression ‘Local Fund’ denotes:
 - (a) Revenue administered by bodies which by law come under the control of the Government whether in regard to the proceedings

generally or to specific matters such as the sanctioning of their budgets, sanction to the creation or filling-up of particular appointments, the enactment of leave, pension or similar rules;

- (b) the revenues of any body which may be specially notified by the Government as such (Art. 33 C.S.Rs).
- (vi) *No Demand Certificate*.—Means a certificate by the Department concerned that all the dues against the retiring Government servant up to the date of retirement have been realized and nothing is now outstanding against him. Such a certificate is also required to be obtained from the Estate Office concerned.
- (vii) *Pension*.—A periodical payment made by Government in consideration of past services rendered by a Government servant. Except when the term “Pension” is used in contradistinction to Gratuity “Pension” includes Gratuity. (Art. 41 C.S. Rs.).
- (viii) *Rule of Proportions*.—Pension is chargeable according to the “Rule of Proportions” when the charge is debitable to several accounts in the proportions in which, the aggregate pay drawn by the Government servant during the whole of his qualifying service has been paid from them. (Art. 45 C.S.Rs).

***Provisions of Civil Servant Act, 1973**

Sl. No. 3

Retirement from service.—(1) A civil servant shall retire from service—

- (i) on such date after he has completed ****[twenty]** years of service qualifying for pension or other retirement benefits as the competent authority may, in public interest, direct; or
- (ii) where no direction is given under clause (i), on the completion of the sixtieth year of his age.

(2) No direction under clause (i) of sub-section (1) shall be made until the civil servant has been informed in writing of the grounds on which it is proposed to make the direction, and has been given a reasonable opportunity of showing cause against the said direction.

*Section 13 and 19 of Civil Servants Act, 1973.

**Subs *vide* Civil Servants (Amendment) Ordinance No. XXXIV of 2001, promulgated on 4-8-2001.

Explanation: In this Section, “competent authority” means the appointing authority prescribed in rule 6 of the Civil Servants (Appointment, Promotion and Transfer) Rules, 1973.

Pension and gratuity.—(1) On retirement from service, a civil servant shall be entitled to receive such pension or gratuity as may be prescribed.

(2) In the event of death of the civil servant, whether before or after retirement, his family shall be entitled to receive such pension, or gratuity, or both, as may be prescribed.

(3) No pension shall be admissible to a civil servant who is dismissed or removed from service for reasons of discipline, but Government may sanction compassionate allowance to such a civil servant, not exceeding two-thirds of the pension or gratuity which would have been admissible to him had he been invalided from service on the date of such dismissal or removal.

(4) If the determination of the amount of pension or gratuity admissible to a civil servant is delayed beyond one month of the date of his retirement or death, he or his family, as the case may be, shall be paid provisional such anticipatory pension or gratuity as may be determined by the prescribed authority, according the length of service of the civil servant which qualifies for pension or gratuity; and any overpayment consequent on such provisional payment shall be adjusted against the amount of pension or gratuity finally determined as payable to such civil servant or his family.

Classification of Pension

Sl. No. 4

(a) *Compensation Pension.*—If a Government servant is selected for discharge owing to the abolition of a permanent post, he shall, unless he is appointed to another post, the conditions of which are deemed by authority competent to discharge him to be at least equal to those of his own, have 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.

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.

[Finance Division O.M. No. OB-2/12/63-Imp, (I), dated 18-8-1966.]

(b) *Invalid Pension.*—(i) An invalid pension is awarded, on his retirement from the public service, to a Government servant who by bodily or mental infirmity is permanently incapacitated for the public service, or for the particular branch of it to which he belongs. The infirmity has, however, to be certified by a duly constituted Medical Board.

(ii) If a temporary Government Servant is retired for inefficiency due to mental or physical infirmity he shall be allowed pensionary benefits as if he was required to retire in terms of Rule 10-A, of the Fundamental Rules.

(iii) In case an officer dies before his retirement, his pension is calculated, as if he was retired on Invalid Pension on the date following the date of his death. (Pension-cum-Gratuity Scheme, 1954).

(c) *Family Pension.*—Family Pension is granted to the family of a Government servant who dies before retirement.

(d) *Superannuation Pension.*—A superannuation pension is granted to a Government servant who is entitled or compelled, by rule to retire at a particular age. (Art. 458 C.S.Rs).

(e) *Retiring Pension.*—(i) A retiring pension is granted to a Government servant who is permitted to retire after completing qualifying service of 25 years. Such a pension is also granted to Government servant who is required by Government to retire after completing twenty-five years qualifying service or more.

(ii) Subject to provisions of Essential Services (Maintenance) Act, 1952, a Government servant other than a Government servant against whom a departmental proceeding is pending has the right to retire from service after completion of 25 years qualifying service. Such a Government servant shall, at least three months before the date on which he intends to retire, be required to submit a written intimation to the authority competent to fill the appointment by him at the time of submitting that intimation indicating the date on which he intends to retire. Such an intimation, once submitted shall be final and shall not be allowed to be modified or withdrawn. However, before formal acceptance of the request he may, if so, desired, withdraw his application for premature retirement.

(iii) Government has the right to retire any Government servant after he has completed 25 years qualifying service.

[Finance Division O.M. No. OB-2/12/63-imp.(I), dated 18-8-1966.]

The term retirement used in Section 19(1) of the Civil Servants Act, 1973 includes “Compulsory Retirement” under the Government Servants (Efficiency & Discipline) Rules, 1973.

In case of voluntary retirement of Government servants the heads of Departments are responsible for ensuring verification of qualifying service by the Audit within one month from the date of receipt of application for voluntary retirement after 25 years qualifying service. If the qualifying service comes out to be less than 25 years, the Government servant will have to continue in service till he completes that length of service. The fact of the shortfall in the qualifying service should be pointed out by the Head of the Department to the Government servant concerned before the expiry of the three months notice period.

[Finance Division O.M. No. F. 8(5)-Reg. (6)/73, dated 4-1-1975 read with Auditor-General Letter No. 32-A/69-66, dated 6-2-1975.]

The requests for voluntary retirement on completion of 25 years qualifying service should be submitted to the competent authorities mentioned below :—

Category of Officers	Authority competent to accept request for retirement
B-21 and above	Prime Minister. The summary after the approval by the Minister concerned is to be submitted through the Establishment Division.
B-17 to 20	Secretary of the Ministry/Division, which administratively controls the cadre or department to which the post belongs.
B-16	Head of Department.
B-1 to 15	Head of Department or Head of Office.

Conditions of Qualifying Service

Sl. No. 5

Unless it be otherwise provided by special rule or contract, 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.

[Article 358 of the C.S.Rs as introduced *vide* Finance Division Note No. D.F. I (15)-Reg. (6)/72, dated 31-1-1973.]

The service must be under Government. A Government servant does not qualify his service for pension unless he is appointed and his duties and pay are regulated by the Government. (Arts. 361, 362 C.S.Rs).

The employment must be substantive and permanent. (Arts. 361,368 C.S.Rs).

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 excluding broken periods of service, if any, rendered previously. *[Continuous temporary and officiating service of less than five years immediately followed by confirmation shall also count for gratuity or pension, as the case may be]. (Art. 371-A C.S.Rs).

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. The effective service rendered by a Government servant in an autonomous or semi-autonomous body, in a post appointment to which is, by law, required to be made, and the salary of which is required to be fixed by the Federal Government or a Provincial Government is treated as effective service rendered in a post in Government service.

[Art. 385, 386 C.S.Rs.—Finance Division O.M. No. OB-2/12/63-Imp. (I), dated 15-11-1969.]

The continuous service rendered by contingency paid staff prior to their being brought on the regular establishment, from 1st October, 1957, will count in full and continuous service before that date to count in half for purpose of pension.

[Finance Division O.M. No. F-3(12) Reg. 6/72, dated 2-4-1975.]

Civil employees who, prior to their civil employment, have rendered whole time satisfactory paid, enlisted or commissioned service including service rendered

*Substituted *vide* Finance Division Notification No. 5(1) R. 6/77-II, dated 22-10-1985.

as a cadet in a Military Training School between the 3rd September, 1939 and the 31st March, 1946 in His Majesty's forces which did not earn a service pension and who have been appointed in a civil pensionable Post on or before the 18th July, 1949 are allowed to count the completed years of such service up to a maximum of five years, for the purpose of civil pension.

[Art. 357-AA C.S.Rs.—Finance Division Notification No. F.24(8) R. (3)/70, dated 10-12-1970.]

All periods of leave, other than extraordinary leave, count as service qualifying for pension. (Art. 407 C.S.Rs).

The period of suspension followed by reinstatement or superannuation count towards qualifying service for pension.

[Finance Division O.M. No. F. 5(1) Reg. (6)/77, dated 24-2-1977 and CSR 417-A notified under Finance Division Notification No. 12(8)-Reg. (6)/79 dated 10-11-1980.]

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 from the public service, dismissal or removal on account of misconduct, insolvency or inefficiency or failure to pass an examination entails forfeiture of past service. Subject to any order of the President made on compassionate grounds a Government servant who is removed or dismissed shall not be entitled to any compensation pension, gratuity or benefit accruing from Government contribution to a contributory provident fund. Resignation of an appointment to take up another appointment in which the service counts for pension is not a resignation of the public service for the purpose of pension. (Art. 418 C.S.Rs).

Any interruption in the service of an officer entails forfeiture of his past service. The authorised 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 (Art. 420 C.S.Rs).

The authority who sanctions the pension may commute retrospectively periods of absence without leave into extraordinary leave. [Art. 421 C.S.Rs and F.Rs 85(b).]

Condonation of interruption and deficiencies in qualifying service for Pension/Gratuity

SI. No. 6

Reference Article 423, Civil Service Regulations (reproduced below) containing orders regarding condonation of deficiency in qualifying service :—

- “423. (1) A deficiency of a period not exceeding six months in the qualifying service of an officer shall be deemed to have been condoned automatically.
- (2) 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, namely :—
- (a) The officer had died while in service, or has retired under circumstances beyond his control, such as on invalidation or the abolition of his post, and would have completed another year of service if he had not died or retired.
- (b) The service rendered by him had been meritorious.”

2. Since under Article 371-A, CSR, in the case of Government servants borne on temporary establishments only more than five years continuous temporary service counts for the purpose of pension or gratuity, excluding broken periods of temporary service, if any, rendered previously, a doubt has been expressed in certain quarters whether the provisions of Article 423, CSR, will also apply in the case of those Government servants who have rendered less than five years qualifying service at the time of retirement. It is clarified for general information and guidance that since under Clause (1) of Article 423, CSR, the deficiency of six months or less will be deemed to have been condoned automatically in the *qualifying service* of a Government servant, the benefit will not be admissible in a case where service rendered by a Government servant *does not by itself qualify* for pension or gratuity under the rules. The provisions of the said Article 423 (1) would not, therefore, be applicable in the case of a temporary/officiating Government servant who has rendered less than five years service at the time of retirement.

3. The above clarification equally applies *mutatis mutandis* in regard to the application of the provisions of Clause (2) of Article 423, CSR.

[Finance Division O.M.No.F. 12(8)-Reg. (6)/81, dated 13-11-1982.]

Sl. No. 7

(i) Upon such conditions as it may think fit in each case to impose, the authority competent to fill the appointment held by a Government servant at the time condonation is applied for, were he to vacate the appointment, may condone all interruptions in his service, provided such interruption is not due to any fault or wilful act of the Government servant, like unauthorised absence, resignation or removal from service. This power, however, cannot be exercised to condone breaks in temporary and officiating service specifically excluded from the category of qualifying service under Article 371-A C.S.Rs. Interruptions due to removal on account of reduction and retrenchment of a post should be deemed to have been condoned. [Art 422 C.S.Rs read with Finance Division O.M. No. F. 5(1) Reg. (6)/77 dated 24-2-1977.]

(ii) 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 :—

(a) 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.

(b) the service rendered by him had been meritorious.

(iii) A deficiency of full one year or more cannot be condoned.

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

[Finance Division O.M. No. OB-2/12/63-lmp. (I) dated 18-8-1966 and F. 1 (7)Reg. (12)/80 dated 2-4-1984.]

Sl. No. 8

With reference to Finance Division's Office Memorandum No. F. 12 (8)-Reg (6)/81, dated the 13th November, 1983 wherein it was clarified that the benefit of condonation of deficiency in qualifying service of a Government servant in terms of clauses (1) and (2) of Article 423-CSR, will not be admissible in a case where service rendered by a Government servant *does not by itself qualify for PENSION OR GRATUITY* under the rules.

2. A doubt has still been expressed in certain quarters whether the said clarification applies also in cases of death while in service or retirement on superannuation or on invalidation on medical grounds for purposes of grant of pension/gratuity. It is hereby clarified that the clarification referred to in para 1 above, equally applies for the purposes of grant of pension/gratuity in cases of death while in service or retirement on superannuation, or on invalidation on medical grounds. In other words, the benefit of condonation of deficiency in qualifying service is not admissible in any case where service rendered by a Government servant does not by itself qualify for pension or gratuity under the prescribed rules.

[Finance Division O.M. No. F. 12(8)-Reg. (6)/81, dated 7-8-1985.]

Sl. No. 9

Finance Division's O.M. No. F. 19(1)-Reg. 7/96-1031 dated 11-11-1996 (not included) regarding condonation of deficiency in qualifying service for pension/gratuity is withdrawn *ab-initio*. The policy instruction/ clarification on the subject issued vide Finance Division's O. M. Nos. F. 12(8)-Reg(6)/81 dated 13-11-1982 (Sl. No .6) and dated 7-8-1985 (Sl. No.8) continue to remain operative.

[Finance Division O.M. No. F. 19(1)-R. 7/96-1326/98, dated 31-12-1998.]

SECTION 2

LIBERALIZED PENSION RULES FOR CIVIL SERVANTS

Liberalized Pension Rules, 1977 and ancillary instructions

Sl. No. 10

The question of liberalizing the existing pensionary benefits has been under the consideration of Government for some time past. It has now been decided that pensions and retirement benefits of those civil servants who have retired or died on or after the 1st March, 1972, shall be determined in accordance with the following provisions.

A. ACCRUAL OF FINANCIAL BENEFITS

2. While pensions of civil servants will be fixed in accordance with these provisions with effect from the date of their retirement financial benefits will be paid with effect from 1st February, 1977.

B. RATE AND SCALE OF PENSION

3. (a) Pension shall be 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 shall be made. Any amount of pension in excess of *[Rs. 2500] shall be reduced by 50%. A revised Pension Table regulating all the four pensions, namely, Compensation Pension, Superannuation Pension, Invalid Pension and Retiring Pension is enclosed as Annexure I.

(b) If, for a pensioner with qualifying service of 30 years or more, the amount of a pension calculated under sub-para (a) above falls short of the amount of pension (inclusive of dearness increases) that would have been admissible under the existing rules, or exceeds it by less than Rs. 45, the amount under the liberalized formula shall be so increased as to make such difference one of Rs. 45. Where qualifying service is less than 30 years but not less than 10 years, shall be made while working out the amount of minimum increase mentioned above.

(c) The term “emoluments”, *i.e.* pensionable pay, shall also include **[indexed pay].

*Substituted *vide* Finance Division O.M. No. F. 12(13)-Reg(6)/82(c), dated 18-8-1983 *w.e.f.* 1-7-1983.

**Substituted *vide* Finance Division Notification No. F. 12(2)Reg. (6)/84 dated 13-10-1985

(d) On the pensions sanctioned under these orders such *dearness increases in pensions shall not be admissible as were sanctioned before 1st February, 1977.

(e) Special Additional Pension shall be abolished.

C. GRATUITY FOR SERVICE OF LESS THAN 10 YEARS BUT NOT
LESS THAN 5 YEARS

4 (a) The existing rate shall continue. If, however, retirement is due to invalidation, or if a civil servant dies in service, the rate shall be 1-1/2 months' of pay for each completed year of service.

(b) The maximum limit of Rs. 12,500 shall be removed.

D. GRATUITY AND COMMUTATION FOR PENSIONERS RETIRING
AFTER 10 YEARS' SERVICE

5. (a) Subject to sub-paras (b) and (c) below, a pensioner shall be allowed to draw full gross pension, *i.e.*, one-fourth of the pension under Pension-*cum*-Gratuity Scheme, 1954, need not compulsorily be paid in the form of gratuity.

(b) But if a pensioner so wishes, he may, at any time before the expiry of one month from the date of his retirement, ask for gratuity up to 25% of his gross pension together with the remaining net amount of pension ; the gratuity shall be paid at the existing rates.

(c) The existing provision for commutation of a further 25% of the gross pension under Civil Pensions (Commutation) Rules shall continue to be in force; the commutation shall be at the existing rates. Commutation shall, however, not be subject to medical certification if it is asked for within one year of the date of retirement.

E. FAMILY PENSION

6. (a) In the case of death of a civil servant while in service, gratuity in lieu of one-fourth of the gross pension will be allowed at existing rates. In addition, family pension shall be admissible for a period of 10 years at 50% of the gross pension.

(b) In the case of death within 10 years of retirement, family pension for the unexpired portion of 10 years at 50% of the pension (net, or gross, as the case may be) shall be admissible.

*Dearness allowance does not come under the term of 'emoluments' in the present context.

**F. PENSIONS/GRATUITIES FOR INJURY OR DEATH IN
COURSE OR CONSEQUENCE OF DUTY**

7. The classification of disabilities and the criteria for determining their attributability to service under the Central Civil Services (Extraordinary Pension) Rules shall be as detailed in Annexure II. The rate and scale of disability/death pension and gratuity shall be as follows:—

***DISABILITY PENSION/GRATUITY**

Class of Injury	Pension	Gratuity	Children's pensions	
			Child without own mother	Child with own mother living
A.	20% of pay subject to a maximum of Rs. 3000/- and a minimum of Rs. 500/- per month <i>(Note: After death it will devolve on the widow).</i>	6 months pay	5% of pay, subject to a maximum of Rs. 500/- and a minimum of Rs. 250/- per month per child.	2.50% of pay, subject to a maximum of Rs. 250/- and a minimum of Rs.125/- per month per child.
B.	15% of pay subject to a maximum of Rs. 2500/- and a minimum of Rs. 375/- per month.	Nil	4% of pay, subject to a maximum of Rs. 400/- and a minimum of Rs. 200/- per month per child.	2% of pay, subject to a maximum of Rs. 200/- and a minimum of Rs.100/- per month per child.
C.	15% of pay subject to a maximum of Rs. 2500/- and a minimum of Rs. 375/- per month	—	Nil	Nil

Death (Special Family) Pension/Gratuity

20% of pay subject to a maximum of Rs. 3000/- and a minimum of Rs. 500/- per month.	6 months pay	5% of pay, subject to a maximum of Rs. 500/- and a minimum of Rs. 250/- per month per child.	2.50% of pay, subject to a maximum of Rs. 250/- and a minimum of Rs. 125/- per month per child.
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[*Note*—As at present, the pensions/gratuities mentioned in this para will be in addition to the pensions and/or gratuities mentioned in paras 3 to 6 above.]

G. PENSIONERS WHO RETIRED BEFORE 1-3-1972

8. Such pensioners shall be entitled to have their retirement pensions recalculated in accordance with one of the following alternatives whichever is more favourable to them:—

- (i) The amount of their pensions shall be recalculated on the basis

*Subs. vide Finance Division's Notification No. S.R.O. 93(KE)/2004, dated 26-8-2004 w.e.f. 1-7-2004.

mentioned in para 3 (a) above, on their average emoluments, without dearness increases sanctioned before 1st February, 1977; or

- (ii) an increase of 5% (in the case of an employee who retired between 1st July, 1963 and 29th February, 1972) or 12-1/4% (in the case of an employee who retired upto 30th June, 1963) over his existing gross pension, *plus* dearness increases admissible thereon.

[*Note.*— For the purpose of these computations, the average emoluments will remain as calculated at the time of his retirement, Gratuity will not be revised or recalculated. Commutation will be allowed on the basis of the original gross pension.]

9. If the demise of an existing pensioner occurs or occurred on or after 1st March, 1972, within ten years of his retirement, family pension will be admissible for the unexpired portion of ten years.

H. FAMILY PENSION IN EXISTENCE ON 1-3-1972

*[10. If a family pension in existence on 1st March, 1972, related to a civil servant who had died while in service, the total period of the admissibility of family pension will be ten years instead of five years. If a family pension in existence on 1st March, 1972, related to a civil servant who had died within five years of his retirement, the total period of admissibility of the family pension in such a case shall be the unexpired portion of ten years instead of five years. The amounts of family pensions in either case shall remain the same as on 1st March, 1972.]

I. AMENDMENT OF EXISTING RULES

11. The existing rules and general orders on the subject shall be deemed to have been modified to the extent indicated in the preceding paragraphs.

12. Necessary amendments to the rules shall be notified in due course.

[Finance Division O.M.No. F. 6(1)Rev. 1/75, dated 7-1-1977.]

*Subs. *vide* Finance Division's O. M. No. F. 6(1) Rev. 1/75 dated 15-3-1977.

ANNEXURE I

REVISED PENSION TABLE

Completed years of qualifying service	Scale of pension expressed as fractions of average 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 and above	210/300

Note.—Any amount in excess of [*Rs. 2500/- p.m.] calculated in accordance with the scale shown in column (2) of this Table shall be reduced by 50%.

*Substituted *vide* Finance Division O.M. No. 12(13)Reg. (6)/82(c) dated 18-8-1983 (*w.e.f.* 1-7-1983).

ANNEXURE II

PART I

CLASSIFICATION OF DISABILITY

Class 'A'

1. Loss of a hand and a foot or loss of use of two or more limbs.
2. Total loss of eye-sight.
3. Total loss of speech.
4. Total deafness both ears.
5. Paraplegia or hemiplegia.
6. Lunacy.
7. Very severe facial disfigurement.
8. Advanced cases of incurable disease.
9. Wounds, injuries or diseases resulting in a disability due to which a person becomes incapacitated.
10. Emasculation.

Note.— Wounds, injuries or disease of limb resulting in damage of nerves, joints, or muscles making the whole of limb useless would mean loss of that limb. Cases in which a partial function is retained will not be included in this class. However if the partial retention of function does not help in walking in case of leg or does not help in holding an object even with partial efficiency, it should be considered as total loss of function. Those cases will also be included in this class where the earning capacity of the civil servant has been totally impaired due to the invaliding disability.

Class 'B'

1. Loss of a thumb or at least three fingers of hand.
2. Partial loss of one or both feet at or beyond tarsometatarsal point.
3. Loss of vision of one eye.
4. Loss of all toes of one or both feet.

Class 'C'

1. Limited restriction of movement of joint due to injuries.
2. Disease of a limb restricting performance of duties.

General Note.—When the wound, injury or illness causing the disability is not entered in the above schedule, the disability shall be assessed by the medical board at the classification most closely corresponding to those given above.

PART II

PRINCIPLES AND PROCEDURE FOR DETERMINING ATTRIBUTABILITY TO SERVICE OF DISABILITY

(A) Casualties due to wound or injury

(1) It should be established in such cases that the cause of the casualty was the result of duty in service.

(2) Where the injury resulted from the risk inherent in service attributability will be conceded.

(3) An individual is on duty for 24 hours of the day except when on leave other than casual leave.

(4) An individual will be deemed to be in the performance of duty when—

- (i) he is physically present in his headquarters;
- (ii) he is travelling on leave at Government expense;
- (iii) when travelling to or from duty (*e.g.*, from residence to place of duty and back but not whilst he is in his residence) ;
- (iv) whilst travelling on duty *i.e.*, where it is established that but for the duty he would not have been travelling at all.

(5) Disability resulting from purely personal acts such as shaving or similar private pursuits would not normally be treated as attributable to service.

(6) Disability resulting from violence provoked by performance of duty will be viewed as attributable to service unless the circumstances of the case warrant a different conclusion.

(7) If circumstances are such that service played no part in the causation of disability, attributability will not be conceded.

Illustration.—If a person driving a motor cycle *etc.*, on duty, collides with a truck, the injury received may be attributed to service but if he is out for a walk and sustains injury from a passing truck, his case will not qualify for the concession.

(B) Casualties due to disease

(a) The cause of disability resulting from a disease will be regarded as attributable to service only when it is directly due to risks which may be regarded as peculiar to the circumstances of duty in service. In determining attributability in such cases due regard should be paid to the question whether service in a particular region, or of a particular type, involved exposure to exceptional risk of contraction of, or infection by a disease, as well as to the actual circumstances of the case.

(b) Attributability will not be conceded if, though contracted during the period of actual performance of duty, the disease, is, in the opinion of the medical authorities concerned, due to risks which cannot be regarded as peculiar to such duty in service.

(c) Where a disease or its aggravation resulted from the risk of duty attributability/aggravation will be conceded.

(d) All cases of tuberculosis and bronchial asthma will be accepted as attributable to or aggravated by service where the medical opinion is in favour of the acceptance.

(e) Attributability/aggravation in all cases of Cardiac disease will be determined in accordance with the guidelines mentioned at the end of this part.

(f) Where medical or other supporting documents are incomplete, cases will be dealt with on merits with due regard to medical opinion and other evidence.

**GUIDELINES FOR DETERMINING ATTRIBUTABILITY/AGGRAVATION
IN CASES OF CARDIAC DISEASES**

1. There are many pre-disposing factors which may precipitate an attack of coronary occlusion. No single factor can be pin-pointed as being responsible for such an attack. It is, therefore, not easy to lay any hard and fast rule

for awarding attributability/aggravation in such cases. For the guidance of medical and administrative authorities some of the factors which may precipitate the attack of heart disease are enumerated below:—

- (a) *Physical exertion.*—Coronary occlusion is known to have precipitated during or immediately following physical exertion. Physical exertion may not necessarily be of an unusual character *i.e.*, lifting of a heavy bundle, pushing a stalled vehicle or an up hill climbing have in many instances been followed by an attack of Coronary occlusion. The effects of exertion are worse if the individual is unduly fatigued, has lack of sleep or is under emotional stress. Attributability will be conceded if a person under going stress and strain, pressure and counter pressure by virtue of the nature of his duties, develops psychiatric problem.
- (b) *Emotional strain.*—The occurrence of Coronary disease in persons who had been under and unusually severe and protracted emotional strain points to a probable relationship between the two. Separation from families, uncongenial atmosphere, frequent moves, all add to mental strain and psychological trauma.

2. The question of attributability/aggravation of heart disease on occurrence in otherwise a normal individual who is subjected to the above mentioned factors will, therefore, have to be considered and decided in the light of known history and merits of each case.

3. While dealing with such cases due precaution will be exercised by all concerned to carefully bring out detailed merits of the case as award of attributability/aggravation depends on their candid opinion.

Clarification of Procedure for Calculation of Pensions/Gratuity

Sl. No. 11

Reference.—Finance Division Office Memorandum No. F. 6(1)-Rev. 1/75, dated 7-1-1977 (Sl. No. 10).

Clarifications have been sought by certain quarters of some of the provisions contained therein. The points raised are clarified in the succeeding paragraphs.

2. *Procedure for starting revision of calculation of pensions.*—The Accounts Officers concerned should on the basis of the orders contained in the Office Memorandum of 7th January, 1977, start making revised calculations without waiting for applications.

3. *Gratuity*.—Is the difference between the gratuity (*i.e.*, the amount payable in lieu of one-fourth of gross pension to persons having service of ten years or more) admissible on the basis of pension as calculated in accordance with the new formula and the gratuity calculated in accordance with the old formula payable to persons who retired or died on or after 1st March, 1972?

4. According to the provisions contained in paras 1 and 2 of Finance Division Office Memorandum of 7th January, 1977, pensions of civil servants who retired/retire or died/die on/or after 1st March, 1972 will be calculated from the date of their retirement, or death, as the case may be, but the financial benefits will be paid with effect from 1st February, 1977 only. This means that no arrears of pension for any period before 1st February, 1977 are payable. Otherwise the new rules remain effective from 1st March, 1972 in all respects; hence, any difference in gratuity that may accrue as a result of revision of the gross pension is payable.

5. *Commutation of Pensions*.—Is the difference in commuted value resulting from an increase in the amount of gross pension as calculated under the new rules payable?

6. To a civil servant who retired/retires on or after 1st March, 1972, and has already had a certain percentage (not exceeding 25) of his gross pension commuted, the difference in commuted value is payable without medical certification, on the same percentage, and at the rate applicable in the case of the original commutation(s). Commutation(s) higher than that percentage (but not exceeding 25) will require medical certification and will be calculated on the basis of age next birthday.

7. *Gratuity for service of less than 10 years but not less than 5 years*.—Should it be revised on the basis of the provisions contained in para 4 of Finance Division Office Memorandum of 7th January, 1977, where payment have already been made and difference paid?

8. In the case of those who have retired or died on or after 1st March, 1972, the gratuity is to be calculated at the new scale, and difference (if any) paid.

9. *Family pensions in existence on 1st March, 1972*.—Are the arrears payable to cover the period beyond 5 years?

10. As the life of the family pension has been extended from 5 to 10 years, it is evident that, in all cases where the period of 5 years terminated on or after 1st March, 1972, the arrears will be payable to cover the remaining period beyond five years. The amount of pension would, of course, remain unchanged.

Sl. No. 12

Reference.—Para 3(c) of Finance Division Office Memorandum No. F6(1)-Rev. 1/75, dated the 7th January, 1977.

A question has been raised as to how the average emoluments should be calculated in respect of those Civil Servants who were posted abroad during the period of three years (or a portion thereof) preceding their retirement. The matter has been carefully considered and it has now been decided that the dearness allowances which a Civil servant would have drawn in Pakistan but for the posting abroad may be taken into account and included in the term 'emoluments' on notional basis.

[Finance Division O.M. No. F. 6(1)-Rev. 1/75. dated 11-3-1977.]

Sl. No. 13

Reference.—Finance Division Office Memorandum No. F. 6(1)-Rev. 1/75, dated 7-1-1977 (Sl. No. 10).

It has been brought to the notice of the Finance Division that in some cases the "take-home" pension under the liberalized rules (*viz.*, gross pension as calculated under para 3 thereof, *minus* one-fourth surrendered for the purpose of gratuity) is less than the "take-home" pension under the former rules (*viz.*, gross pension as calculated under those rules *minus* one-fourth surrendered for the purpose of gratuity, *plus* the *ad-hoc* increase and the dearness increases). The matter has been considered, and it has been decided that, if a pensioner wishes not to avail of the benefit of receiving a lump-sum by way of difference in gratuity and wishes instead that his "take-home" pension be not reduced, he will not be compulsorily paid that lump-sum.

2. Pensioners who do not indicate, by 30th June, 1977, their desire to forego such lump-sum payment will be presumed to have opted for the lump-sum payment.

3. The same provisions as above will apply in the case of commuted portions of gross pensions.

[Finance Division O.M. No. F. 6(1)-Rev. 1/75. dated 12-3-1977.]

Sl. No. 14

In para 6 of the Finance Division Office Memorandum No. F. 6(1)Rev. 1/75, dated the 7th January, 1977, it has been provided *inter alia* that, in the case of

death of a civil servant while in service, family pension shall be admissible for a period of *ten years; in the case of his death within ten years of retirement, the family pension shall be admissible for the unexpired portion of ten years. The same benefits have been provided in respect of (i) a pensioner who retired before 1st March, 1972, and whose demise occurs or occurred on or after that date and (ii) family pensions in existence on 1st March, 1972, *vide* paras 9 and 10 thereof. In other words, only the life of the family pension has been extended from five to ten years but the other conditions have remained unchanged.

2. However, an impression seems to prevail in some quarters that, under para 10 mentioned below, a family pension in case of death after retirement can perhaps be admissible for full ten years instead of the unexpired portion of ten years. This impression is not correct. Therefore, in order to remove any chances of the provisions being misinterpreted, it has been decided to substitute *ab initio* the existing para 10 of Finance Division Office Memorandum of 7th January, 1977, by the following para—

“10. If a family pension in existence on 1st March, 1972, related to a civil servant who had died while in service, the total period of the admissibility of family pension will be ten years instead of five years. If a family pension in existence on 1st March, 1972, related to a civil servant who had died within five years of his retirement, the total period of admissibility of the family pension in such a case shall be the unexpired portion of ten years instead of five years. The amounts of family pensions in either case shall remain the same as on 1st March, 1972”.

[Finance Division O.M. No. F. 6(1)-Rev. 1/75, dated 15-3-1977.]

Sl. No. 15

Reference para 9 of the Finance Division Office Memorandum No. F. 5(I)-Rev. 1/75, dated the 7th January, 1977, wherein it has been decided that the families of those pensioners who retired within 10 years preceding to 1st March, 1972 will also be entitled to family pension for the un-expired portion of 10 years after the death of the pensioner.

[Finance Division O.M. No. F. 6(1)-Rev. 1/75. dated 3-2-1979.]

Calculation of average emoluments for the purpose of pension.—It has been decided that the “average emoluments” shall be calculated for the purpose of pensionary benefits on the basis of the last twelve months of service.

*Please also *see* the revised orders at Sl. No. 43 of this Manual.

2. These orders shall be applicable to all Civil servants retiring on or after the 1st February, 1979.

[Finance Division O.M. No. F. 6(9)-Reg. (6)/78. dated 15-2-1979.]

Sl. No. 16

Reference Finance Division O.M. No. F 6(9)-Reg. (6)/78, dated the 15th February, 1979. The decision contained therein was intended to be applicable in cases where the average calculated on that basis was more favourable than under the rules previously in force. It has accordingly been decided that in cases where the pay of a Government servant has been reduced, otherwise than as a penalty, under the Government Servants (Efficiency and Discipline) Rules, the average for the purpose of pension may, at the option of the pensioner, be calculated on the basis of the emoluments drawn or which would have been drawn, during the last three years of service.

[Finance Division O.M. No. F. 6(9)-Reg. (6)/78. dated 16-6-1979.]

Sl. No. 17

According to the existing orders pension is calculated at the rate of 70 per cent of average emoluments on completion of 30 years qualifying service. Where qualifying service is less than 30 years but not less than 10 years, the pension is calculated at the percentage applicable according to length of service. Any amount of pension in excess of Rs. 2500 is reduced by 50 per cent. The President has been pleased to decide that with effect from the 1st July, 1985, the reduction by 50 per cent of the pension in excess of Rs. 2500 shall not be applied in the case of those government servants who will retire on or after 1st July, 1985. In all such cases the pension shall be calculated at the rate of 70 per cent of average emoluments or other percentage rate applicable according to length of qualifying service without applying any reduction.

2. The President has also been pleased to decide that the pension/family pension of those who retired/died between the period 1st July, 1966 to 30th June, 1985 and in whose case the reduction of pension in excess of the cut off points of Rs. 600, 1000, 2000 and 2500 existing at the time of their retirement/death was applied, shall also be that as calculated previously without applying any reduction subject to the condition that the amount of recalculated pension governed by the Pension Rules, 1966 shall not exceed the maximum limit of pension referred to in the pension table annexed to Finance Division Office Memorandum No. OB-2/12/63-Imp(I) dated 18th August, 1966 (Sl. No. 4). In such cases gratuity or commutation will not be revised or recalculated. The pensioner concerned or his family will only be allowed the benefit of enhanced pension with effect from 1st July, 1985 without any arrears.

3. The benefit of gratuity or commutation will also not be admissible on the revised enhanced pension in cases wherein the pensioners concerned did not exercise their option to draw any gratuity or commutation at the time of their retirement. In such cases the benefit of gratuity or commutation will continue to be admissible on the original amount of gross pension in accordance with the prescribed rules.

[Finance Division O.M. No. F. 10(7)-Reg. (6)/85, dated 25-6-1985]

Calculation of Pension without applying any reduction due to cut off points

Sl. No. 18

Reference Auditor General's U.O. No. 863-A/14-81(II), dated the 18th August, 1985 on the subject noted above.

2. It is clarified that the dearness increases sanctioned from time to time prior to 1st July, 1985 shall not be recalculated with reference to the enhanced pension on elimination of cut off points *vide* Finance Division's O.M. No. F. 10(7)/Reg. (6)/85, dated 25th June, 1985, (Sl. No. 17) so as to work out the gross pension admissible with effect from the 1st July, 1985.

3. For the sake of observing uniformity, all the Audit and Accounts offices may please be informed on the lines of para 2 above.

[Finance Division U.O. No. 10(7)-Reg. (6)/85, 1681 dated 8-9-1985, addressed to the Auditor General of Pakistan.]

Calculation of pension on last pay/emoluments drawn

Sl. No. 19

Under the existing rules, pension is calculated on the average emoluments drawn during the last 36/12 months of service. The President has been pleased to decide that *w.e.f.* 01-7-1986 the pension of a civil servant who shall retire on or after this date shall be calculated at the existing rate on last pay/emoluments drawn provided the post has been held by him on a regular basis. Otherwise pension shall be calculated on average emoluments as admissible prior to the issue of this Office Memorandum.

2. The existing employees shall have the option to have their pension calculated either on the basis of last pay/emoluments drawn or on 12 months

average emoluments whichever is more beneficial to them. No option will, however, be available to persons entering service on or after 01-7-1986 and in their case pension shall be calculated at the prescribed rate on last pay/ emoluments drawn.

[Finance Division O.M. No. F. 10(4)-Reg. (6)/86, dated 1-7-1986.]

Sl. No. 20

With reference to Finance Division's O.M. of even number dated the 1st July, 1986, on the subject noted above, it is stated that a question has been raised whether the 'special pay' sanctioned to a person for holding current charge of the higher post/additional charge of the equivalent post will be included in the pay last drawn for calculation of pension. It is clarified that in such cases only the pay of the post held on regular basis will be the pay last drawn. Such special pays drawn will be divided by 12 months for ascertaining the average in terms of Article 486 CSR. This average will be included in the pay last drawn for calculation of pension.

[Finance Division O.M. No. F. 10(4)-Reg. (6)/86, dated 17-7-1986.]

**Benefit for extra years of service
after completion of 30 years**

Sl. No. 21

Discontinued *vide* Finance Division O.M. No. F. 1(5)Imp/2001 dated 4-9-2001

Sl. No. 22

The benefit of annual increments accrued during LPR is already admissible under Article 486 of CSR. However, in case of the employees who were on LPR on 1st July, 1986 and retired after this date, the 'indexed pay' will reckon as emoluments for the purpose of calculation of pension on notional basis.

[Finance Division U.O. No. 1206-Reg(6)/86, dated 17-7-1986 addressed to A.G.P.R. Islamabad.]

SECTION 3

PENSION-CUM-GRATUITY SCHEME

Pension-cum-Gratuity Scheme, 1954

Sl. No. 23

In accordance with the provisions of Pension-cum-Gratuity Scheme, the payment of pension/gratuity or both is regulated as under:—

- (i) 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 months' emoluments for each completed year of qualifying service. In case of invalidation and death the rate will be 1-1/2 months pay for each completed year of service. This amount will be paid to him at the time of his retirement or to his family in the event of his death while in service. In this case no pension is admissible.

- *(ii) 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 at para 6(a) of Sl. No. 10. In addition the family will also be entitled to a monthly Family Pension at 50% of the full amount of pension. The widow will be entitled to the family pension for the 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 unmarried daughters, if any, until they are married or attain the age of 21 years, whichever is earlier for a period of ten years or unexpired period of ten years.

*[Finance Division O.M. No. F. 12(13)-Reg. (6)/82(A), dated 18-8-1983.]

- (iii) According to the instructions as contained in the Finance Division's O.M. No. F. 12(13)-Reg. (6)/82(A) dated 18th August, 1983, read with that Division's O.M. No. F. 1(13)-Reg. (6)/83 dated 23rd October, 1983, the family pension in case of death of the widow is admissible to the sons, if any, until they attain the age of 21 years and (the unmarried daughters, if any, until they are married or attain the

age of 21 years, which-ever is earlier). A doubt has since been expressed whether the family pension granted to a son or unmarried daughter of a deceased Government servant or of a pensioner under the previous instruction (*i.e.* Pension-*cum* Gratuity Scheme, 1954 as amended in 1977) which was in course of payment on 1st July, 1983, will continue or not beyond 1st July, 1983 for the full term of 10 years or un-expired portion of 10 years, as the case may be, despite the son or unmarried daughter having attained the age of 21 years on or after 1st July, 1983.

It is clarified that the instructions, referred to in the preceding para are effective from the 1st July, 1983. These instructions do not affect the title to family pension admissible to a son or unmarried daughter of a deceased Government servant or of a pensioner under the previous instructions (*i.e.* Pension-*cum*-Gratuity Scheme, 1954 as amended in 1977) which was in existence on 1st July, 1983. In such cases the son or unmarried daughter, as the case may be, will continue to get family pension as existed on 1st July, 1983 for the full term of 10 years of unexpired portion of 10 years despite he or she having attained the age of 21 years on or after 1st July, 1983.

[Finance Division O.M. No. F. 1(13)-Reg. (6)/83-Vol. III. dated 16-7-1984.]

- (iv) 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 as in (ii) above.
- (v) The commutation will be allowed upto 1/2 of the full pension.

(1) The 'Family' for the purpose of payment of death-*cum*-retirement gratuity will include the following relatives of the Government servant:—

- (a) wife or wives, in the case of a male Government servant.
- (b) husband, in the case of a female Government servant.
- (c) children of the Government servant.
- (d) widow or widows and children of a deceased son of the Government servant.

- Note (I) A child means a legitimate child. An “adopted child” will be considered to be a child when the Accounts Officer, or if any doubt arises in the mind of the Accounts Officer, the recognized Legal Adviser of Government, is satisfied that under the personal law of the Government servant concerned, adoption is legally recognized as conferring the status of a natural child, but in this case only.
- Note (II) If it is proved that the wife has been judicially separated from the Government servant or has ceased under the customary law of the community to which she belongs to be entitled to maintenance, she shall no longer be deemed to be a member of the family unless the Government servant has himself intimated in writing to the Accounts Officer/Head of the Office that she shall continue to be so regarded.
- Note (III) In case of the female Government servant if she intimates in writing to the Accounts Officer/Head of Office that her husband should not be included as a member of the family then he shall not longer be considered a member of the family unless she subsequently cancels in writing her intimation excluding him.

(2) A Government servant shall, as soon as he/she completes 5 years’ qualifying service, make a nomination, conferring on one or more persons the right to receive any gratuity that may be sanctioned under Paragraphs 2 and 3 of the original Scheme and any gratuity which having become admissible to him/her has not been paid to him/her before death.

(3) If a Government servant nominates more persons than one person under sub-para (2) above he/she shall specify in the nomination the amount or share payable to each nominee in such manner as to dispose of the whole amount of the gratuity mentioned therein.

(4) A Government servant may provide in a nomination:—

(a) in respect of any specified nominee, that in the event of his/her predeceasing the Government servant the right conferred upon that nominee in sub-para (2) above shall pass to such other member or members of the Government servant’s family as may be specified in the nomination.

(b) that the nomination shall become void in the event of the happening of a contingency specified therein.

(5) Every nomination shall be in such one of the Forms A&B prescribed in the original Scheme of 1954 as may be appropriate in the circumstances of the case.

(6) A Government servant may at anytime cancel a nomination by sending a notice in writing to the appropriate authority, provided that the Government servant alongwith such notice, send a fresh nomination made in accordance with this paragraph.

(7) Immediately on the death of a nominee in respect of whome no special provision has been made in the nomination under sub-para (4) (a) above or on the occurrence of any event by reason of which the nomination become so void by reason of sub-para (4) (b) above, the Government servant shall send to the appropriate authority a notice in writing formally cancelling the nomination together with a fresh nomination made in accordance with this paragraph.

(8) Every nomination made, and every notice of cancellation given, by a Government servant under this paragraph shall be sent by the Government servant to his/her Accounts Officer in the case of a former gazetted officer and to the Head of his/her Office in the case of a former non-gazetted officer. Immediately on receipt of a nomination from a former non-gazetted Government servant, the Head of the Office shall countersign it indicating the date of receipt and keep it in his custody.

(9) Every nomination made, and every notice of cancellation given, by a Government servant shall, to the extent that it is valid, take effect on the rate or which it is received by the authority mentioned in sub-para (8) above.

2. When the amount of gratuity has become payable to the family it shall be the duty of the Accounts Officer to make payment to the family according to the following procedure:—

(1) When the Government servant leaves a family:—

- (a) The amount of gratuity or any part thereof to which the nomination relates shall become payable to his/her nominee or nominees in the proportion specified in the nomination.
- (b) If no nomination in favour of a member or members of a family subsists, or if a nomination relates only to a part of the amount of the gratuity the whole amount of the gratuity or the part thereof to which the nomination does not relate, shall become payable to the members of his/her family in equal shares:

Provided that no share shall be payable to:—

- (i) sons who have attained the age of 21 years;

- (ii) sons of a deceased son who have attained the age of 21 years;
- (iii) married daughters whose husbands are alive;
- (iv) married daughters of a deceased son whose husbands are alive.

If there is any member of the family other than those specified in clauses (i), (ii), (iii) and (iv) above:

Provided further that the widow or widows and the child or children of a deceased son shall receive between them in equal parts only the share which that son would have received if he had survived that Government servant and had been exempted from the operation of the first proviso.

Supplementary Instruction.—A question has been raised as to what procedure should be followed for making payment of pension or shares of gratuity admissible to minor children of deceased Government servant or family pension when payable to a minor child. The President has been pleased to direct that when the beneficiary is a minor and has no regularly appointed Manager or Guardian, the sanctioning authority may allow the payment of pension or shares of gratuity of minor children of a deceased Government servant to their mother. In case the mother is not alive or was judicially separated from the Government servant in his life time, the sanctioning authority may nominate any suitable person to be the guardian of such minor children for the purpose of receiving payment of pension and/or shares of gratuity on their behalf.

In a case when the deceased Government servant was a female, the sanctioning authority may, under the circumstances stated above, allow the payment of pension or shares of gratuity of minor children of the deceased, to their father.

(G.P.M.F. O.M. No. F. 12(2)-RI(1)/57, dated 28-2-57 as amplified by O.M. No. F. 12(2)-RI(1)/57 dated 9-6-57, and O.M. No. F. 12(13)-Reg. (6)/82 (A), dated 18-8-83).

(2) When the Government servant leaves no family the amount of gratuity shall be payable to the following surviving relatives, if any, of the Government servant in equal shares:—

- (a) Mother;
- (b) father;
- (c) un-married sisters below the age of 21 years and widowed sisters; and

- (d) brothers below the age of 21 years.

Note:—Judicially separated or divorced mother who has re-married does not fall in this category.

3. No gratuity will be payable by Government after the death of a Government servant if he/she does not leave a family as defined in para 5(1) above or an eligible dependent relative or relatives specified in sub-para (2) of paragraph 2 above.

4. (1) Family for the purpose of payment of pension at 50 per cent of gross or net pension as the case may be under para 6(a) or para 6(b) of this Division O.M. No. F. 6(1) Rev. 1/75, dated 7-1-77 will be as defined in para 5(1) above. It will also include the Government servant's relatives mentioned in sub-para (2) of paragraph 2 above.

(2) (a) A pension sanctioned under this Section will be allowed to:—

- (i) Widow of the deceased for her life, if the deceased is a male Government servant. If the Government servant had more than one wife, and the number of his surviving widows and children does not exceed 4, the pension shall be divided equally among the surviving widows for life and children. If the number of surviving widows and children together is more than four, the pension shall be divided in the following manner, *viz.* each surviving widow shall get 1/4th of the pension and the balance if any shall be divided equally among the surviving children. For the purpose of this cause, the term "Children" exclude sons above the age of 21 years, married daughters and daughters above the age of 21 years.
- (ii) failing a widow or husband, as the case may be, to the eldest surviving son for 10 years or un-expired portion of 10 years excluding sons above the age of 21 years;
- (iii) failing (i) and (ii) to the eldest surviving unmarried daughter *[till her marriage]; if the eldest daughter marries or dies then the next eldest *[daughter till her marriage].
- (iv) failing (i) to (iii) to the eldest widowed daughter for 10 years or un-expired portion of 10 years.
- (v) failing (i) to (iv) to the eldest widow of a deceased son of the Government servant for 10 years or un-expired portion of 10 years.

*Subs *vide* Finance Division O.M. No. F. 2(2)-Reg. 6/96 dated 3-7-1997

- (vi) failing (i) to (v) to the eldest surviving son below 21 years of age of a deceased son of the Government servant for 10 years or unexpired portion of 10 years;
- (vii) failing (i) to (vi) to the eldest un-married daughter below 21 years of age of a deceased son of the Government servant for 10 years or unexpired portion of 10 years;
- (viii) failing these, to the eldest widowed daughter of a deceased son of the Government servant for 10 years or unexpired portion of 10 years.

*[Further substituted *vide* F.D.O.M. No. 1(13) Reg. 6/83, dated 19th January 1984.]

(b) If the event of no pension being payable under clause (a) the family pension may be granted for a period of 10 years or un-expired portion of 10 years:—

- (i) to the father;
- (ii) failing the father to the mother;
- (iii) failing the father and the mother to the eldest surviving brother below the age of 21;
- (iv) *"[failing (i) to (iii) to the eldest surviving un-married sister for life or till her marriage, if the eldest un-married sister marries or dies the next eldest un-married sister for life or till her marriage].
- (v) failing (i) to (iv) to the eldest surviving widowed sister for 10 years or un-expired portion of 10 years.

(3) No pension will be payable under this Section:—

- (a) to a person mentioned in clause (b) of sub-para (2) of this para without production of a reasonable proof that such person was dependent on the deceased Government servant for support;
- (b) to an unmarried female member of a Government servant's family in the event of her marriage;
- (c) to a widowed female member of a Government servant's family in the event of her re-marriage;
- (d) to the brother of a Government servant his attaining the case of 21 years;
- (e) to a person who is not a member of a Government servants' family.

*Subs. *vide* Finance Division O.M. No. F. 2(2)Reg. 6/96, dated 24-2-2005.

(4) A pension awarded under this section will not be payable to more than one member of a Government servant's family at the same time, except as provided for in Sub-clause (i) of clause (a) of Sub-para (2) above.

(5) If a pension awarded under this section ceases to be payable before the expiry of the period upto which it is admissible on account of death or marriage of the recipient or other causes, it will be re-granted to the person next lower in order mentioned in sub-para (2) of this paragraph Supplementary Instruction.—A case had arisen in which the widow of the later Mr.....had re-married.....On the re-marriage of the widow the family pension becomes payable..... to the only son of the deceased through his guardian. The question is from what date family pension should be allowed to minor son of the deceased. It has been decided in consultation with the Comptroller and Auditor General of Pakistan that as the family pension of the widow ceased to be payable from the date of her re-marriage, the next legal beneficiary should be allowed to draw the pension with effect from the date on which it ceased to be paid to the widow. This would be in line with the procedure followed on the Defence side.

[M. F. O.M. No. 738-RI/64, dated the 13th June, 1964].

(6) Government have discretion to make such modifications in the mode of allotment or conditions of tenure set forth in sub-paras (2) to (5) above as they may consider desirable to suit the special circumstances of the beneficiaries.

(7) A pension sanctioned under this Section will be payable in addition to any extraordinary pension or gratuity that may be granted to the members of a Government servant's family under the existing rules.

(8) As in the case of a grant of an ordinary pension, future good conduct of the recipient is an implied condition of every grant of a pension under this Section.”

9. In case the deceased is a female Government servant the right of her husband for family pension shall continue in accordance with the old rules of the Pension-*cum*-Gratuity Scheme of 1954 as existed prior to 1-7-1983.

[No. 1(13)-Reg. 6/83 dated 23rd October, 1983].

Shaheen...2796-5....2796(04)MS Wing...PC-3...31-55

NOMINATION FOR DEATH-CUM-RETIREMENT GRATUITY

Form 'A'

When the Government servant has family and wishes to nominate one member thereof.

I hereby nominate the person mentioned below, who is a member of my family and confer on him the right to receive any gratuity that may be sanctioned by the Government in the event of my death while in service and the right to receive on my death any gratuity which having become admissible to me on retirement may remain unpaid at my death :—

Name and address of nominee	Relationship with nominee	Age	Contingencies on the happening of which the nomination shall become invalid	Name and relationship of the person if any to whom the right conferred on the nominee shall pass in the event of the nominee pre-deceasing the Government servant

Dated this.....day of.....19

at.....

Witnesses to signature.

1.....

2.....

Signature of Government servant.

(To be filled in by the Head of office in the case of a B-1 to B-15 Government servant.)

Nomination by

Signature of Head of Office.

Designation

Designation.....

Office

Date.....

Form 'B'

When the Government servant has family and wishes to nominate more than one member thereof:—

I hereby nominate the persons mentioned below, who are members of my family, and confer on them the right to receive to the extent specified below, any gratuity that may be sanctioned by the Government in the event of my death while in service and the right to receive on my death, to the extent specified below, any gratuity which having become admissible to me on retirement may remain unpaid at my death :—

Name(s) and address(es) of nominee(s)	Relationship with Govt. servant	Age	*Amount of share of gratuity payable to each	Contingencies on the happening of which the nomination shall become invalid	Name, address, relationship of person if any to whom the right conferred on the nominee shall pass in the event of the nominee predeceasing the Government servant

N.B.— The Government servant should draw lines across the blank space below the last entry to prevent the insertion of any name after he has signed.

Dated this.....day of.....19
at.....

Witnesses to signature

- 1
- 2

Signature of Government servant.

(To be filled in by the Head of office in the case of B-1 to B-15 Government servants.)

Nomination by Signature of Head of Office.
 Designation Designation.....
 Office Date.....

**Note:—*This column should be filled in so as to cover the whole amount of the gratuity.

**Payment of family pension in
the case of employees who
remain missing for 12 months**

Sl. No. 24

Reference Finance Division's O.M. No. 5(1)-Reg.6/87 dated 4-3-1987 in which it was decided that if an employee remains missing or unheard of for a period of 7 years to the satisfaction of the Department concerned, family pension may be allowed to his heirs as admissible under the prescribed rules. The President has been pleased to decide that, with effect from 24th September, 1997, if an employee remains missing or unheard of for a period of 12 months to the satisfaction of the Department concerned, family pension may be allowed to his heirs as admissible under the prescribed rules provided that :—

- (i) The spouse of the pensioner claiming to be entitled to the pensionary benefits of the missing person shall, before such benefits are paid, guarantee, through affidavit or as the pensionary authority may require, the repayment of pensionary benefits to the missing person if subsequently he appears and makes any claim thereto.
- (ii) The pensionary authority shall not be responsible for repayment of any pensionary benefits to the missing person which have already been paid to his spouse or family members who shall personally be responsible for satisfaction thereof on appearance of the missing person.

[Finance Division O.M. No. F. 2(1)-Reg. 6/97 dated 25-9-1997.]

Sl. No. 25

In continuation of Finance Division's O. M. No. F. 2(1)-Reg. 6/97 dated 25-9-1997, the concession admissible thereunder shall also be admissible in cases a pensioner remains missing or unheard of for a period of 12 months to the satisfaction of the Department concerned, family pension may be allowed to his heirs as admissible under the prescribed rules and subject to the condition mentioned in O. M. dated 25-9-1997 referred to above.

[Finance Division O. M. No. F. 2(1)-Reg. 6/99, dated 8-5-1999.]

Commutation of pension

Sl. No. 26

It was clarified in the Finance Division O.M. No. F. 6(1)-Rev. 1/75, dated the 14th January. 1979 (not included) that in case a pensioner who does not opt to draw *gratuity equal to 25% of his gross pension, he can commute upto 50% of the

*Gratuity stands abolished *w.e.f* 1-7-86 *vide* Finance Division O.M. No. F.10(3)Reg-6(86) (II) dated 1-7-1986 (Sl. No. 30).

gross pension. The matter has since been further reviewed. It has been decided that the aforesaid orders of 14th January, 1979, will be treated to be effective from the 1st February, 1977, the date from which the financial benefits under the Liberalized Pension Rules were allowed. It has further been decided that those retired civil servants who had drawn gratuity for 25% of gross pension on or after 1st February, 1977 but before the issue of this Division's O.M. dated 14th January, 1979, will be allowed to change their option for 50% commutation, and the difference, if any may be paid to them.

[Finance Division O.M. No. F. 15(2)-Reg. (6)/81, dated 4-1-1982.]

Sl. No. 27

A Government servant is entitled to commute for a lumpsum payment of any portion, not exceeding 1/2 of pension excluding the indexed amount of pension which has been or may be granted to him.

2. The application for commutation should be addressed to the sanctioning authority. On receipt of the application the sanctioning authority will transmit to the applicant a copy of the Accounts Officer's Certificate of the *lumpsum* to be paid on commutation, and direct him to appear for examination before a medical authority to be prescribed by the sanctioning authority. The applicant must appear before the medical authority within 3 months of the date of orders of the sanctioning authority. This intimation will be treated as administrative sanction for commutation, but will lapse if the medical examination is not held within the prescribed period. If the applicant does not appear before the medical authority within the prescribed period, the sanctioning authority may, at its discretion, renew the administrative sanction for a further period of three months. The applicant can withdraw his application by written notice despatched at any time before medical examination, but this option will expire on the appearance before a medical authority.

3. The commutation will become absolute *i.e.*, the title to receive the commuted portion of pension will cease and the title to receive the commuted value will accrue, on the date on which the Medical Board signs the medical certificate. Whatever the date of actual payment, the amount paid and the effect upon the pension will be the same as if the commuted value was paid on the date on which the commutation became absolute. If the pensioner died on or after the day following that on which commutation became absolute, but before receiving the commutation value, this value will be paid to his heirs.

4. Commutation is not subject to medical certificate nor to administrative sanction if it is asked for within one year of the date of retirement. The date of application by the retired civil servant, in such a case, will be the date of commutation becoming absolute. Where commutation is applied for before retirement the commutation will become absolute on the date of retirement. A civil servant retiring on or after 1-7-86 after attaining the age of 60 years will be allowed

commuted value of pension as applicable to age of sixty years instead of the age of 61 years, if he applies for commutation while in service.

[Finance Division O.M. No. F. 4(3)-Reg. (6)/86, dated 1-7-1986 and F. 11(I) Reg. (6)/85-(11) dated 16-4-1985.]

In the case of provisional pension, the commutation may be provisionally sanctioned on that basis. When the pension is finally sanctioned, the final payment order should be substituted for the provisional payment order for purpose of commutation as also for all other purposes. In the case of premature retirement on medical grounds the requirement of medical examination will not be waived.

2. Ministries/Divisions *etc.*, should ensure that while approaching the medical authorities for constituting medical boards, relevant papers *etc.*, are sent to them complete in all respects, well in advance of the next date of birth of the Government servant concerned.

3. The commuted amount of pension equal to 1/4th of the gross amount of pension shall be restored on completion of the number of years for which commuted value was paid. In restoring the commuted portion of pension fraction of a year shown in the commutation table which is less than six months will be ignored and that of six months and more will count as one year.

[Finance Division O.M. No. F. 10(8)-Reg. (6)/85, dated 25-6-1985.]

Sl. No. 28

Under the existing rules a pensioner on his option can get his pension commuted upto a maximum of 50 per cent. In such cases Government pays commuted value of such portion of pension for a number of years according to age next birthday after retirement as shown in the Commutation Table. The President has been pleased to decide that commuted portion of pension to the extent of 1/4th of gross pension shall be restored *w.e.f* 1st July, 1985 in the case of such civil pensioners including those paid from Defence Services Estimates who have already completed the number of years for which commuted value of pension was paid. The 1/4th commuted portion of pension shall also be restored in the case of those retiring in future on completion of the number of years for which commuted value is paid.

2. In restoring the commuted portion of pension fraction of a year shown in the Commutation Table which is less than 6 months will ignored and that of 6 months and more will count as one year.

3. No arrears on account of restoration of commuted portion of pension will be payable in those cases in which the number of years paid for had been completed before 1st July, 1985.

[Finance Division O.M. No. F. 10(8)-Reg. (6)/85, dated 25-6-1985.]

Sl. No. 29

With reference to Finance Division's Office Memorandum No. F. 10 (8)-Reg. (6)/85, dated the 25th June, 1985, it is stated that the instructions contained therein shall apply to those who have already retired before 1st July, 1985 or retired or would retire after this date.

2. In calculating pension or restoring commuted portion thereof fraction of a rupee which is less than 50 paises will be ignored and that of fifty paises and more will count as one rupee.

[Finance Division's O.M. No. F. 11(I)-Reg. (6)/85, dated 18-7-85.]

Rates of Commutation/Commutation Table

Sl. No. 30

A civil pensioner is eligible to commute at his option 50% of his gross pension. He has also the option to draw 1/4th amount of gross pension as gratuity and 1/4th amount thereof as commutation. The President has been pleased to decide that *w.e.f* 1-7-1986 gratuity shall be abolished altogether Commutations up to 50% of gross pension shall however, continue to be admissible at the option of a pensioner.

2. It has further been decided to replace the existing Commutation Table by the new Commutation Table as annexed to this Office Memorandum.

3. Under the existing rules, if a civil servant dies while in service, gratuity in lieu of one-fourth of the gross pension is allowed. In such cases, the rate of gratuity as from 1-7-1986 will be determined on the basis of age next birthday of the deceased civil servant in accordance with the new Commutation Table.

[Finance Division O.M. No. F. 10(3)-Reg. (6)/86, (II), dated 1-7-1986.]

**ANNEXURE TO THE FINANCE DIVISION'S O.M. No. F. 10(3)-REG. (6)/86
DATED 1ST JULY, 1986.**

COMMUTATION TABLE

Age next birthday	Number of years purchased	Age next birthday	Number of years purchased	Age next birthday	Number of years purchased
20	50.6304	41	30.8007	62	14.2105
21	49.6676	42	29.8907	63	13.6090
22	48.7066	43	28.9800	64	13.0239
23	47.7467	44	28.0891	65	12.4549
24	46.7884	45	27.1990	66	11.9017
25	45.8314	46	26.3172	67	11.3643
26	44.8758	47	25.4444	68	10.8428
27	43.9215	48	24.5816	69	10.3371
28	42.9688	49	23.7301	70	9.8472
29	42.0179	50	22.8911	71	9.3729
30	41.0089	51	22.0658	72	8.9142
31	40.1218	52	21.2563	73	8.4708
32	39.1767	53	20.4638	74	8.0427
33	38.2336	54	19.6896	75	7.6299
34	37.2929	55	18.9348	76	7.2322
35	36.3551	56	18.2002	77	6.8496
36	35.4203	57	17.4860	78	6.4818
37	34.4885	58	16.7925	79	6.1287
38	33.5603	59	16.1191	80	5.7901
39	32.6361	60	15.4649		
40	31.7160	61	14.8290		

Sl. No. 31

Under the existing rules a civil servant can apply for commutation before the age of sixty years but he is allowed the commuted value at the rate prescribed for 61 years of age under the Commutation Table. The President has been pleased to decide that a civil servant retiring on or after 1st July, 1986 after attaining the age of 60 years shall be allowed commuted value of pension as applicable at the age of 60 years instead of at the age of 61 years if he applies for commutation while in service.

In all other cases the commuted value of pension shall continue to be admissible under the formula of “age next birthday” as heretofore.

[Finance Division O.M. No. F. 10(3)-Reg. (6)/86, (II), dated 1-7-1986.]

SI. No. 32

With reference to Finance Division’s O.M. No. F. 10(3)-Reg. (6)/86 (II), dated 1st July, 1986 it is stated that a question has been raised whether the commuted value of pension in case of those who have retired before 1st July, 1986 will be determined in accordance with the Old Commutation Table even if such retired civil servants apply for commutation on or after 1st July, 1986. In this connection Rule 7 of the Civil Pensions (Commutation) Rules is reproduced below:—

“The lumpsum payable on commutation shall be calculated in accordance with a table or tables of present values prescribed by the President. For the purpose of this rule, the age in the case of impaired lives shall be assumed to be such age, not being less than the actual age, as the certifying medical authority may direct. In the event of the table of present values applicable to an applicant having been modified between the date of administrative sanction to commutation and the date on which commutation is due to become absolute, payment shall be made in accordance with the modified table, but it shall be opened to the applicant if the modified table is less favourable to him than that previously in force to withdraw his application by notice in writing despatched within 14 days of the date on which he receives notice of the modification”.

2. According to the above rule, if the Commutation Table is modified between the date of administrative sanction of commutation and the date on which commutation is due to become absolute, the payment shall be made in accordance with the modified Table. In the context of O.M. referred to in para 1 above, therefore, it is clarified that where a civil servant who had retired before 1st July, 1986 applies for commutation after this date, the commuted value in that case will be determined in accordance with the modified Table as per rule 7 cited in para 1 above. However, the cases of commutation finalized before 1st July, 1986 under the old Commutation Table will not be reopened.

[Finance Division O.M. No. F. 10(3)-Reg. (6)/86. dated 16-10-1986.]

**Grant of Commutation to the Widow of Government
Servant Retired on Superannuation but Expired
before Signing his Pension/Commutation Claims**

Sl No. 33

Reference Finance Division's O.M. No. 10(3)-Reg. 6/86 (II) dated 1-7-1986, (Sl. No. 31), Commutation upto 50% of gross pension is admissible to a civil pensioner at his option. Under the existing procedure, the entitlement of commuted value upto 50% of gross pension becomes valid as and when a Government servant, while in service or on retirement, exercises his option for commuted value of pension on prescribed Form (CSR-25 Revised). Few references have been received in this Division wherein Government servants, while having retired on superannuation, could not sign their pension papers due to their death. Consequently the bereaved families of deceased pensioners were not given benefit of the commuted value of pension under the existing rules and orders.

2. The case has been considered and it has been decided that the family of a deceased Government servant, who after having retirement on superannuation could not sign his pension papers due to death, will also be entitled for the commuted value of pension *w.e.f.* 1-7-1999.

[Finance Division O.M. No. F. 13(1)-Reg. 6/94, dated 6-7-1999.]

**Grant of commutation to the Widow of Government Servant
Retired on Invalidation by Medical Board but expired before
signing his Pension/Commutation claims**

Sl. No 34

With reference to Finance Division's O.M. No. 10(3)-Reg.6/86(II) dated 01-07-1986, and to state that Commutation upto 50% of gross pension is admissible to the civil pensioner at his option. Under the existing procedure, the entitlement of commuted value upto 50% of gross pension becomes valid as and when a Government servant, while in service or on retirement, exercises his option for commuted value of pension on prescribed Form (CSR-25 Revised).

2. It has been decided that the family of a deceased Government servant, who after having retirement on invalidation by Medical Board, could not sign his pension papers due to death, will also be entitled for the commuted value of pension henceforth.

[Finance Division's O.M. No. F. 13(I)-Reg-6/94, dated 22-5-2001.]

**Grant of commutation to the widow of
Government servant compulsory retired
but expired before signing his Pension/
Commuted Claim**

Sl. No. 35

With reference to Finance Division's O.M. No. 10(3)-Reg.6/86(II) dated 01-07-1986, and to state that Commutation upto 50% of gross pension was admissible to a civil pensioner at his option. Under the existing procedure, as contained in Finance Division's O.M. No. 1(5)-Imp/2001 dated 4-9-2001 the entitlement of commuted value upto 40% of gross pension becomes valid as and when a Government servant, while in service or on retirement, exercises his option for commuted value of pension on prescribed Form (CSR-25 Revised).

2. It has been decided that the family of a deceased Government servant, who after having compulsorily retired, could not sign his pension papers due to death, will also be entitled for the commuted value of pension henceforth.

[Finance Division's O.M. No. F. 13(I)-Reg.6/94-III, dated 4-3-2002.]

**Pension and Commutation under
Revised Pay Scales-2001**

Sl. No. 36

Pension.—The Government has made the following reforms in pension/commutation scheme *w.e.f.* 1-12-2001 in respect of civil pensioners of Federal Government including civilian paid from Defence Estimates as well as retired Armed Forces Personnel.

- (a) Commutation Table shall be replaced by the new Commutation Table at Annexure-II to this Office Memorandum.
- (b) Commutation upto 40% of gross pension shall be admissible at the option of the pensioner.
- (c) The additional benefit of 2% —10% for extra years of service after completion of 30 years of qualifying service in respect of Civil Pensioners shall be discontinued.
- (d) The increase in pension @ 20%—25% to Civil Pensioners allowed *vide* Finance Division's O.M. No. 4(1)-Reg.6/99 dated 23-7- 1999 shall be discontinued.
- (e) The benefit of restoration of surrendered portion of pension in lieu of commutation/gratuity shall be withdrawn.

- (f) In future, the increase in pension to the pensioners shall be allowed on net pension instead of gross pension.
- (g) All the pensioners shall be allowed an increase in pensions (inclusive of dearness increases allowed in the past) as follows:—

Increase in net pension

- | | | |
|-------|---|-----|
| (i) | Pensioners who retired prior to the introduction of 1991 Basic Pay Scales. | 15% |
| (ii) | Pensioners who retired prior to the introduction of 1994 Basic Pay Scales but on or after the Introduction of 1991 Pay Scales. | 10% |
| (iii) | Pensioners who retired on or after the introduction of 1994 Basic Pay Scales and upto the date of introduction of revised Basic Pay Scales <i>i.e.</i> 1-12-2001. | 5% |

Option.—(a) All the existing civil employees (BPS I to 22) of the Federal Government shall within 45 days from the date of issue of this Office Memorandum, exercise an option in writing, addressed to the Audit Office concerned in the case of employees in BPS 16 and above to the DDO concerned in the case of employees in BPS 15 and below, either to draw pay in the existing Basic Pay Scales of 1994 or in the revised Basic Pay Scales and pension/commutation scheme 2001 as specified in this O.M. Option once exercised shall be final.

(b) An existing employee as aforesaid, who does not exercise and communicate such an option within the specified time limit, shall be deemed to have opted to continue to draw salary in basic pay scales of 1994 and Pension Commutation as per existing formulae.

The government servant who will retire *w.e.f.* 1-7-2001, shall be given the benefit of revised pay scales on presumptive basis discounted by 5% increase in pension if availed, subject to the condition that all those who may like to avail this benefit should opt for the entire package *i.e.* revised schemes of Basic Pay Scales as contained in Part-I and revised package of pension as contained in Part-III of this O.M.

All existing rules/orders on the subject shall be deemed to have been modified to the extent indicated above. All existing rules/orders not modified shall continue in force under this scheme.

**ANNEXURE-II TO FINANCE DIVISION O.M. NO. F. 1(5)IMP/2001
DATED SEPTEMBER 4, 2001**

*[DELETED]

COMMUTATION TABLE

Age next Birthday	No. of years Purchased	Age next Birthday	No. of years Purchased
20	40.5043	51	17.6526
21	39.7341	52	17.0050
22	38.9653	53	16.3710
23	38.1974	54	15.7517
24	37.4307	55	15.1478
25	36.6651	56	14.5602
26	35.9006	57	13.9888
27	35.1372	58	13.4340
28	34.3750	59	12.8953
29	33.6143	60	12.3719
30	32.8071	61	11.8632
31	32.0974	62	11.3684
32	31.3412	63	10.8872
33	30.5869	64	10.4191
34	29.8343	65	9.9639
35	29.0841	66	9.5214
36	28.3362	67	9.0914
37	27.5908	68	8.6742
38	26.8482	69	8.2697
39	26.1009	70	7.8778
40	25.3728	71	7.4983
41	24.6406	72	7.1314
42	23.9126	73	6.7766
43	23.1840	74	6.4342
44	22.4713	75	6.1039
45	21.7592	76	5.7858
46	21.0538	77	5.4797
47	20.3555	78	5.1854
48	19.6653	79	4.9030
49	18.9841	80	4.6321
50	18.3129		

*The words "Existing and Revised Pay Scales" deleted vide Finance Division letter No. F. 1 (5)/Imp/2001 dated 3.11.2001.

**PENSION AND COMMUTATION UNDER REVISED PAY
SCALES-2005**

Sl. No. 37

1. Commutation shall be admissible upto a maximum of 35% of Gross Pension, at the option of the pensioner. Admissibility of monthly pension shall be increased from the existing 60% to 65% of Gross Pension.

2. An increase @ 10% shall be allowed on the amount of pension being drawn by the existing pensioners as well as to those Government servants who would draw pension under the Revised Basic Pay Scales, 2005.

3. The increases allowed on pension @ 15% and 8% *w.e.f.* 01-7-2003 and 01-07-2004 respectively shall not be admissible to the Government servants who would draw pension under the Revised Basic Pay Scales, 2005.

4. Option:

(a) The Ministry/Division/Department/Office to which an employee belongs and/ or on whose pay roll he is borne shall obtain an option in writing from such employee within **60 days** commencing from the date of issue of this Office Memorandum and communicate it to the concerned Accounts Office/DDO, as the case may be, either to continue to draw salary in the existing Basic Pay Scales in which he is already drawing or in the Revised Basic Pay Scales and pension/commutation scheme, 2005 as specified in this O.M. Option once exercised shall be final.

(b) An existing employee as aforesaid, who does not exercise and communicate such an option within the specified time limit, shall be deemed to have opted to continue to draw salary in the Basic Pay Scales and Pension/Commutation Scheme applicable to him as on 30-06-2005.

5. All existing rules/ orders on the subject shall be deemed to have been modified to the extent indicated above. All existing rules / orders not so modified shall continue to be in force under this scheme.

6. Anomalies.—An Anomaly Committee shall be set up in the Finance Division (Regulations Wing) to resolve the anomalies if any, arising in the implementation of this Office Memorandum.

[Finance Division O.M. No. F.1(1)/Imp/2005 dated 1-7-2005.]

Anticipatory Pension

Sl. No. 38

(a) When a government servant is likely to retire before his pension can be finally assessed and settled action should be taken for grant of anticipatory pension. For this purpose the sanctioning authority should furnish to the Audit Officer concerned with all the particulars of services in respect of the retiring Government servant. The Audit Officer should sanction the disbursement of pension to which after the most careful summary investigation that he can make without delay, he believes the Government servant to be entitled. Such disbursement should be made only after the following declaration has been signed by the retiring Government servants :—

“Whereas the (here state the designation of the officer sanctioning the advance) has consented provisionally, to advance to me a pension of Rs.....per month and a lumpsum gratuity of Rs..... in anticipation of the completion of the enquiries necessary to enable the Government to fix the amount of my pension and gratuity, I hereby acknowledge that, in accepting this advance, I fully understand that my pension and gratuity is subject to revision on the completion of the necessary formal enquiries, and I promise to base no objection to such revision on the ground that the provisional pension and gratuity now to be paid to me exceeds the pension and gratuity to which I may be eventually found entitled. I further promise to repay any amount advanced to me in excess of the pension and gratuity to which I may be eventually found entitled.” (Art. 922 C.S.Rs).

(b) If the Audit Officer considers it likely that the Government servant would be entitled to a gratuity only, one-sixth of the amount of such probable gratuity should, upon a similar declaration, be disbursed monthly until the amount is finally settled. (Art. 923 C.S.Rs.).

(c) The payment of the anticipatory pension should be so arranged that it is not delayed beyond the first day of the month following the month in which Government servant is due to retire. (Art. 924.C.S.Rs.).

(d) Administrative as well as audit and account authorities must exercise the power to sanction anticipatory pension, whenever required, to avoid any delay in the payment of pension.

[Para 1(c) of the Finance Division O.M. No. F 6(4)-Reg. (6)/79 dated 22-3-1981.]

If for any reason it is apprehended that the pension payment order cannot be issued within the prescribed time—in the case of normal retirement, one month before retirement and in the case of premature, voluntary or compulsory retirement or death, within three months of the date of event—a provisional order authorising

payment of 80% of the admissible pension may be issued by the competent authority without referring the case to the audit office within one month of the expiry of the prescribed time.

[Finance Division O.M. No. F 5(1)-Reg. (6)/77, dated 24-2-1977.]

Wounds, Injuries and Extraordinary Pensions

Sl. No. 39

Where a government servant is injured, killed or dies of injuries received during the execution of public duty, a pension or gratuity may be granted to him or to his family in accordance with the following rules.

Pension/Gratuity for injury or death in course or consequence of duty.—The classification of disabilities and the criteria for determining their attributability to service under the Central Civil Services (Extraordinary Pension), Rules is detailed in Annexure, alongwith the rate and scale of disability/death pension and gratuity.

*ANNEXURE

Class of Injury	Pension	Gratuity	Children's pension	
			Child without own mother	Child with own mother living
DISABILITY PENSION/GRATUITY				
A.	20% of pay subject to a maximum of Rs. 3000/- and a minimum of Rs. 500/- per month (<i>Note.</i> —After death it will devolve on the widow).	6 months pay.	5% of pay, subject to a maximum of Rs. 500/- and a minimum of Rs. 250/- per month per child.	2.50% of pay, subject to maximum of Rs. 250/- and a minimum of Rs. 125/- per month per child.
B.	15% of pay subject to a maximum of Rs. 2500/- and a minimum of Rs. 375/- per month.	Nil	4% of pay, subject to a maximum of Rs. 400/- and a minimum of Rs. 200/- per month per child.	2% of pay, subject to a maximum of Rs. 200/- and a minimum of Rs. 100/- per month per child.
C.	15% of pay subject to a maximum of Rs. 2500/- and a minimum of Rs. 375/- per month.	—	Nil	Nil
Death (Special Family) Pension/Gratuity				
	20% of pay subject to a maximum of Rs. 3000/- and a minimum of Rs. 500/- per month.	6 months pay	5% of pay, subject to a maximum of Rs. 500/- and a minimum of Rs. 250/- per child.	2.50% of pay, subject to a maximum of Rs. 250/- and a minimum of Rs. 125 per month per child.

*Substituted *vide* Finance Division Notification S.R.O. 93(KE)/2004 dated 26-8-2004 *w.e.f.* 1-7-2004.

The pensions/gratuities mentioned in this para will be in addition to the pensions and gratuities admissible under the normal rules.

These rules will continue to be applicable to the Government servants transferred to foreign service in Pakistan, liability for any claim in this respect will be that of the foreign employer.

[Finance Division O.M. No. F. 2(3) Reg. 7/74, dated 31-5-1974.]

Restoration of 1/4th amount of Gross Pension surrendered compulsorily in lieu of Gratuity under the Pension-cum-Gratuity scheme 1954

Sl. No. 40

Under the existing rules a civil pensioner is eligible to commute at his option 50% of his gross pension. He has also the option to draw 1/4th amount of gross pension as gratuity and 1/4th thereof as commutation. Under Finance Division Office Memorandum No. F. 10(8)-Reg. (6)/85, dated 25-6-1985, 1/4th amount of commutation was restored to the pensioners out-living the period of commutation. The President has now been pleased to decide that civil pensioners including those paid from Defence Services Estimates who availed the benefit of gratuity only and had not drawn commutation shall also be restored the amount of gratuity (1/4th of gross pension) only as and when they out-live the period for which the gratuity was paid.

2. In restoring the amount of gratuity, the rate of gratuity would be divided by 12 to arrive at the period of gratuity. For instance if a pensioner had received the gratuity at the rate of Rs. 160, his period of gratuity would work out to 13.33.

3. While restoring the amount of gratuity, fraction of a year which is less than 6 months will be ignored and that of 6 months and more will count as one year.

4. No arrears on account of restoration of the amount of gratuity will be payable in any case for the period prior to 1-7-1986 due to the completion of the period for which the gratuity was paid.

[Finance Division O.M. No. F. 10(5) Reg. 6/86 dated 1-7-1986.]

Sl. No. 41

Under the rules a retired government servant is entitled to commute upto one-half of his pension or avail gratuity for one-fourth of pension and in addition commutation upto one-fourth of pension. From 01-07-1985 only one fourth gross

pension surrendered for commutation is restorable to retired government servants on out-living the period of commutation. No arrears were allowed prior to 01-07-1985.

2. The President has been pleased to decide that all retired government servants including those paid from Defence Services Estimates who availed the benefit of commutation upto one-half of pension or gratuity of one-fourth of pension from 01-07-1991, after out-living the period for which commutation or gratuity (as the case may be) was availed. No arrears shall be allowed for the period prior to 01-07-1991.

3. In restoring the amount of gratuity, the rate of gratuity would be divided by 12 to arrive at the Period of gratuity. For instance if a retired government servant received the gratuity at the rate of Rs. 160, his period for gratuity works out to 13—33 years or say 13 years. Fraction of a year which is less than 06 months will be ignored and that of 06 months and more will count as one year.

[Finance Division (Regulation Wing-II) O.M. No. F. 7(3)/Reg. (6)/91 dated 3-7-1991.]

Withdrawal/Restoration of Pension Surrendered in lieu of Commutation/Gratuity

Sl. No. 42

Finance Division's O.M. No. 5(2)-Reg. 6/95 dated 28-06-1995 (Annexure) regarding withdrawal of restoration of Pension surrendered in lieu of commutation/gratuity is withdrawn *ab initio*. The previous policy of restoration of Pension surrendered in lieu of commutation/gratuity will remain operative as it was in vogue before the issuance of the said Office Memorandum.

[Finance Division (Regulation Wing) O.M. No. F. 5(2)-Reg. 6/95 dated 17-09-1995.]

Annexure (for information only)

Reference.—Finance Division (Regulation Wing) O.M. No. F. 5(2)Reg. 6/95 dated 28-06-95.

Under the existing orders upto 50% commuted portion of pension as gratuity/commutation is restored in respect of all pensioners including civilians paid out of Defence Estimates as well as Armed Forces Personnel who have outlived the number of the years for which the commuted value/gratuity was paid.

2. The matter has been reconsidered and it has been decided that the benefit of restoration of surrendered portion of pension in lieu of commutation/gratuity shall stand withdrawn with immediate effect. Accordingly, no pensioner

shall be entitled to restoration of the surrendered portion of pension in lieu of commutation/gratuity on completion of the number of the years for which commuted value/gratuity was/is paid.

**Grant of Family Pension for Life
to a Widow /Widower**

Sl. No. 43

Reference para 2 of Finance Division's Office Memorandum No. F. 1(3)-Reg. (6)/83 dated the 23rd October, 1983, (not included) in which it was indicated that family pension of a widow which had ceased to be payable before 1-7-1983 was not to be revived for life from that date. The President has been pleased to decide that the pension of such widows which ceased to be payable before 1-7-1983 on account of expiry of prescribed period of 5/10 years will also be revived for life with effect from the dates these ceased to be payable. The amount of family pension that will be revived shall be equal to the same amount of family pension as was drawn and payable immediately before it ceased to be admissible. In cases in which the gross pension is required to be re-calculated on account of elimination of the reduction of pension due to cut off points referred to in this Division Office Memorandum No. F. 10(7)-Reg. (6)/85 dated the 25th June, 1985, (Sl. No. 17) the amount of family pension may be worked out on the basis of re-calculated amount of gross pension.

2. No arrears will, however, be payable for the period prior to 1-7-1985.
3. The other instructions on the subject will be same as applicable to family pensions which were in existence on 1-7-1983.

[Finance Division's O.M. No. F. 5(2)-Reg. (6)/85, dated 25-6-1985.]

Sl. No.44

With reference to para B(2) (a) (i) of Finance Division's O.M. No. 1(13)-Reg.6/83, dated the 23rd October, 1983.

2. It has been decided that a share of the widow or children who after some time become ineligible will be transferred or divided equally to the other surviving widows or children as the case may be.

[Finance Division's O.M. No. 2(2)-Reg.6/96-V, dated 8-8-2000.]

Grant of Family Pension to those Widows whose Husbands died after drawal of Pension for 5/10 years before 1st July, 1983.

Sl. No. 45

With reference to Finance Division's Office Memorandum No. F. 5(2)Reg. (6)/85, dated 25th June, 1985, on the subject noted above it is stated that according to the instructions contained therein, the pensions of such widows which ceased to be payable before 1st July, 1983 on account of expiry of prescribed period of 5/10 years have been revived for life with effect from 1st July, 1985. There is yet another category of widows of government servants whose husbands had died before 1st July, 1973 after drawal of pension for 5/10 years. The President has been pleased to decide that such widows may also be paid family pension for life at 50% of the pension (net or gross as the case may be) *w.e.f.* 1st July, 1985 without any arrears.

2. In cases where the gross pension is required to be re-calculated on account of elimination of the reduction of pension due to cut-off points referred to in Finance Division's Office Memorandum No. F. 10(7)-Reg. (6)/85 dated the 25th June, 1985, (Sl. No. 17) the amount of family pension may be worked out on the basis of re-calculated amount of gross pension.

3. The other instructions on the subject will be the same as applicable to family pensions which were in existence on 1st July, 1983.

[Finance Division's O.M. No. F. 5(2)-Reg. (6)/85, dated 5-8-1985.]

Grant of Family Pension to the Widows of those Civil Servants who had retired before 24th March, 1954 or who did not opt for the Pension-cum-Gratuity Scheme of 1954.

Sl. No. 46

With reference to Finance Division's Office Memorandum of even number dated the 25th June, 1985 and 5th August, 1985 (Sl. No. 17 & 45) regarding revival/grant of Family Pensions it is stated that the orders contained therein do not cover the categories of the widows of the following Government servants :—

- (i) who had retired before 24th March, 1954 *i.e.* before the Pension-cum-Gratuity Scheme was introduced by the Government of Pakistan; and

- (ii) who did not opt for the Pension-cum-Gratuity Scheme and whose pension was sanctioned under the rules in force prior to 24th March, 1954.

2. The President has been pleased to decide that such widows may also be paid family pension for life at 50 per cent of the pension (net or gross, as the case may be) with effect from 1st July, 1985, without any arrears.

3. The other instructions on the subject will be the same as applicable to family pensions which were in existence on 1st July, 1983.

[Finance Division's O.M. No. F. 5(2)-Reg. (6)/85, dated 10-12-1985.]

Sl. No. 47

With reference to Finance Division's O.M. No. F. 5(2)-Reg. (6)/85, dated the 25th June, 1985, 5th August, 1985 and 10th December, 1985 regarding grant of family pension it is stated that the orders contained therein do not cover the widows of civil servants who had died while in service prior to 24th March, 1954. The President has been pleased to decide that such widows may also be paid family pension *w.e.f.* 1st July, 1987 for life at the rate of 50 per cent of the gross pension admissible to the deceased civil servant in each case.

2. No arrears for the period prior to 1st July, 1987 would be admissible.

3. *The family pension shall be admissible to the widow for life or until remarriage.

4. The other instructions on the subject will be the same as applicable to family pensions which were in existence on 1st July, 1983.

[Finance Division's O.M. No. F. 5(4)-Reg. (6)/87, dated 11-8-1987 as amended *vide* *Finance Division's O.M. No. F. 5(5)-Reg. (6)/87, dated 23-8-1987.]

Admissibility of Pension for Life to a Widower

Sl. No. 48

Under existing rules/orders on the subject, family pension is admissible to widower of a deceased female government servant for a period of 10 years or unexpired portion of 10 years and to a widow for life or until re-marriage. It is also stated that *w.e.f.* 01-03-1992 the widower of deceased female government servant will also be entitled to family pension for life or until re-marriage.

2. The other instructions on the subject will continue.

[Finance Division (Regulation Wing-II) O.M. No. F. 2(2) Reg. (6)/91 dated 12-3-1992.]

**Grant of Minimum Pension to
Ex-Burma Police Pensioners**

Sl. No.49

The President has been pleased to decide that the *ex-gratia* minimum pension of the *ex-Burma* Police Pensioners and their surviving widows drawing pension from Pakistani treasuries, be raised to Rs.300/- p.m. and Rs.150/- p.m. respectively (without accepting the final responsibility/liability) with effect from 1st August, 2000 with no arrears.

2. The expenditure on account of these pensions should continue to be maintained in a separate head.

3. Any increase in pension allowed to Pakistani pensioners is not admissible to these pensioners.

[Finance Division's O.M. No. 2(3)-Reg.6/93-IV, dated 8-8-2000.]

SECTION 4

PROCEDURE FOR SANCTION OF PENSION

Steps for Finalization of Pension Cases

Sl. No. 50

All authorities dealing with pension cases should bear in mind that delay in the payment of pensions involves pecuniary hardship. The monthly income of a wage earner ceases at a time when he may be needing money the most. So it is essential to ensure that a retiring Government servant begins to receive his pension on the date on which it becomes due. With this end in view, the procedure for preparation of pension papers and sanction of pensions have been simplified. The most important factors relevant to the determination of the amount of pension/gratuity are the length of qualifying service rendered by a Government servant before retirement/death and average emoluments. Information in both these respects is computed on the basis of the information available in the History of Services/Service Book/records of the Government servant concerned. The simplified procedures themselves cannot bring about the desired results unless the authorities concerned take effective steps to ensure that service records are kept up-to-date and complete. In order to achieve this object the following measures have to be adopted.

(i) *History Files.*—All Divisions/Departments/Offices should maintain a History File of each B-16 & above. This file should contain (a) Gazette Notification (b) Charge Report (c) a separate Card or Booklet showing the date of Assumption and Relinquishment of Charge of each post and emoluments drawn, and (d) Leave Account showing the various kinds of leave taken by the officer from time to time. As soon as an officer is transferred to another Department or Office, his 'History File' should also move with him to the new office or Department. The History File should be shown to the officer concerned in January every year and his acknowledgement obtained on it after settling any discrepancy that may be noticed.

History Files in respect of the officers belonging to the occupational groups controlled by the Establishment Division, *e.g.*, DMG, OMG, Police etc. shall be maintained by the Division/Department in which the officer is appointed from time to time and not by the Establishment Division. When such an officer is transferred to an other office his History File should also be sent to his new Department who will then be responsible to maintain it for so long as he remains there.

History of Service.—The Audit offices should compile History of Services in respect of B-16 and above regularly and keep them up-to-date.

(ii) *Service Books*.—Service Books in the prescribed form should be maintained in duplicate, in respect of all the B-1 to B-15 Government Servants. If the work justifies a whole time officer should be exclusively designated for supervising maintenance of Service Books. One copy of the Service Book should be kept in the custody of the head of the office in which the Government servant is employed and transferred with him from office to office. Every step in a Government servant's official life must be recorded in his Service Book, and each entry must be attested. It should be ensured that all entries are duly made and attested and that the Service Book contains no erasures or overwritings, all corrections being, neatly made and properly attested. The second copy of the Service-Book should be kept in the custody of the Government servant concerned who should ensure that all entries in his service book are recorded and attested in time. The Government servant should in his own interest, examine his, Service Book occasionally in order to see that it is not only properly maintained but the entries made therein are complete in all respects. The head of the office should permit a Government servant to examine his Service Book should he at any time desire to do so. For the purpose of the grant of pension/gratuity, increment, etc., to the Government servants, only the original copy of the Service Book will be consulted, the duplicate copy of the Service Book would serve as a means for completion of the original Service Book or its reconstruction in the event of its being lost or destroyed.

(iii) *Verification of service*.—At a fixed time early in the year the Service Books should be taken up for verification by the Head of the office, who after satisfying himself that the services of the Government servant concerned are correctly recorded in each service book, should record in it a certificate in the following form:—

“Service verified up to (date) from (the record from which the verification is made)”.

If the service cannot be wholly verified from the records (Service Books, pay bills and acquittance rolls) of anyone office, reference shall be made to the heads of other offices in which the Government servant has served.

If, in any particular case, it is not possible to verify the service of a Government servant from the official records, a statement of the Government servant in writing as to the particulars of his service, statements in writing of other officers who were his contemporaries in the office/department, and documents and letters not forming part of official records may be received in evidence and the service verified on their basis. The power to admit service under this provision can be exercised by the authority empowered to sanction pension.

On transfer of the Government servant from one office to another, the Head of office should record in the Service Book the result of the verification of service with reference to pay bills and acquittance rolls in respect of the whole period during which the Government servant was employed under him, before forwarding the Service Book to the new office.

(a) *Verification of service by Audit Officer.*—The services of a Government servant should be got verified by the Audit office as soon as he has completed ten years service, thereafter the next verification should be on completion of 24 years service, *i.e.*, in respect of the intervening 29 years, and then finally it should be verified in respect of the period after 29 years when a Government servant is actually due to retire. The length of the pensionable service accepted in audit at these stages should be recorded in both the copies of Service Book of B-1 to B-15 Government servants, with the stamp of verification duly authenticated. In the case of B-16 and above, the fact of verification should appear in the History of service but if the History of service is not up-to-date, the officer concerned should be informed of the accepted length of pensionable service through a letter.

(b) *Special measures for verification of service and computerisation of accounts.*—(1) In order to deal with the existing outstanding pension cases in which the entries relating to previous fixation of pay or verification of service are missing, it shall be incumbent upon the last audit and account officer dealing with a pension case to verify the same *himself* on the basis of the available record without referring the case to any other audit and accounts office.

(2) The verification of qualifying service of all government servants should be completed by the administrative and audit authorities concerned.

(3) The salary accounts of the government servants, if not computerised so far, should be computerised immediately.

(4) The computer slip is required to indicate up-to-date qualifying service and the status of government servant, *i.e.*, “temporary”, “permanent” or “substantive”. These entries are considered as duly audited.

(5) In case any of the salary accounts remains uncomputerised the audit and account authorities should issue an up-to-date qualifying service certificate to each government servant and, thereafter, such a certificate be issued every year till the audited qualifying service is reflected in the computer pay slip. The audit and accounts authorities should also give a certificate that valid nomination papers regarding gratuity are held by them.

[Para 1(c), Finance Division O.M. No. 6(4)-Regs. (6)/79 dated 22-3-1981.]

(iv) *Allocation of pension between different Departments.*—(a) The Audit officer should take steps to obtain acceptance of allocation of pension from the Accounts Officers of the Provincial Governments and the Commercial Departments like Railways, Posts, Telegraph and Telephone Departments, etc., in respect of service rendered under them and from the Military Accounts Officer in respect of service paid from Defence Estimates.

(b) Finalization of pension cases shall not be held up on this account. If there is any dispute with regard to the apportionment of pensionary liability, the matter should be sorted out by the Audit and Accounts Officers involved.

[Para 1(h) of the Finance Division O.M. No. F. 6(4)-Reg. (6)/79 dated 22-3-1981.]

(v) *List of officers and staff due to retire.*—With a view to ensuring timely action in pension cases the Divisions/Departments/Offices should maintain a list showing the dates of retirement of all their officers and staff who are due to retire in a calendar year and review it quarterly.

(vi) *Employment of officers and staff on pension work.*—Depending on the volume of work, one Section Officer or Assistant should be employed exclusively on pension work. He should be required to make himself conversant with pension procedures and the method of preparation of pension papers.

(vii) *Observance of rules relating to grant of secured advances.*—It should be ensured that all secured advances made to Government servants are properly and adequately secured with mortgage deeds, agreements, etc., as prescribed under the rules. It should be ensured that suitable steps are taken at the appropriate time so as to complete the recovery of other Government dues before the date of retirement. Officials responsible for the grant and recovery of advances and other outstanding dues, should be warned that should an advance or any other amount due from the Government servant be found to be irrecoverable, due to non-observance of prescribed procedure/rules and/or negligence, it will be liable to be recovered from those officials. If the amount of advance is not fully repaid, the retiring Government servant should be asked to give his consent to any recoveries due from him being effected from the pension/gratuity payable to him. In case, he fails to give such consent, appropriate legal action should be taken to effect the recoveries on the basis of the mortgage deeds executed by him at the time of drawing the advance.

(viii) *Grant of un-secured advances.*—No unsecured advances should ordinarily be granted to any Government servant within six months of the date of his retirement. If any such advance or other dues are already outstanding, these should be recovered from his pay or leave salary for six months' period up to the date of his retirement. If, for special reasons, it becomes necessary to grant an advance of pay, travelling allowance etc., to any Government servant within six months of his retirement, he should be required to furnish security of a permanent Government servant, who is not due to retire within one year before the advance is paid to him.

(ix) *Government servants proceeding on foreign service and recovery of leave salary and pension contribution.*—(a) Full particulars of the officers and staff proceeding in foreign service must be communicated promptly to the Audit Offices, it should be ensured that the recoveries on account of pension and leave salary contribution in respect of officials on foreign service are effected and accounted for by the Audit officers. Where original treasury challans are not available the missing credits of leave salary and pension contribution may be adjusted either on the basis of attested/photostat copies of treasury challans or on production of original/attested copies of certificate of, foreign employer regarding deposit of contribution bearing number and date of challans.

[Auditor-General of Pakistan letter No. 1126-A/29-77, Vol. II dated 3-10-1979.]

(b) *Recovery of leave salary and pension contributions in respect of Federal Government employees on deputation to foreign service within Pakistan or abroad.*—It has been decided to prescribe a uniform rate of recovery of pension contributions at 33-1/3% of the mean of minimum and maximum of the pay scale of the grade held by the government servant concerned at the time of his proceeding on foreign service, plus other emoluments (reckonable for pension) which would have been admissible to him had he not been deputed on foreign service. The above prescribed rate of pension contributions shall apply to all Federal Government employees whether on deputation to foreign service within Pakistan or abroad.

(2) In future, the pension contributions in all cases shall be payable by the foreign employers. However, in the case of government servants presently on deputation to foreign service within Pakistan or abroad, pension contributions shall be paid by the foreign employers or the government servants concerned, as the case may be, according to the agreed terms of deputation.

(3) *[No leave salary contributions shall be recovered from the foreign employer, but leave/leave salary shall be sanctioned/paid during the period of foreign service by the foreign employers. The Federal Government employees sent on deputation to foreign service who, under the revised procedure, are granted leave and paid leave salary by the foreign employers, shall not count the period spent on foreign service for earning leave under the Government of Pakistan.]

(4) These orders shall take effect from 1-1-1982.

*** (c) Payment of pension contributions for service rendered to the Government by employees of autonomous/semi-autonomous organisations.*—In the case of Government servants sent on foreign service to autonomous/semi-autonomous organisations, pension contributions at the prescribed rates are recovered from those organisations for the period of their deputation. On the other hand, there have been cases in which the Government had to acquire the services of certain employees of autonomous/semi-autonomous organisations for specified periods. There have also been cases where the autonomous/semi-autonomous

*Subs vide Finance Division O.M. No. 5(5) Reg/7/79-1407 dated 15-12-1981.

**Subs vide Finance Division O.M. No. F. 5(2)-Reg. 7/81-1352, dated 31-12-1981.

organisations had to acquire the services of some experienced hands from the Government, who later on were advised to resign from the Government service in order to become regular employees of the borrowing organisations concerned. The question as to how the period of service rendered under the Government in such cases should be treated for the purpose of grant of pension by the autonomous organisations concerned has been under the consideration of the Government for some time past. It has been decided that such cases should be dealt with in the following manner:—

- (a) In the case of an employee of an autonomous/semi-autonomous organisation, who renders service in a Government department on deputation, the concerned department may make payment of pension contributions to the autonomous organisation concerned at the prescribed rates, subject to the following conditions:—
 - (i) The appointment of the individual concerned in the Government department on deputation was made with the consent of the head of the autonomous organisation and with the approval of the competent authority in the Government department concerned, in accordance with the normal procedure for making such appointments.
 - (ii) The regular employees of the autonomous organisation concerned are entitled, under specific rules of the organisation for the purpose, to the same benefits of pension as are admissible to the civil servants of the Federal Government, and the employee concerned had rendered qualifying service for pension in his parent organisation before his appointment on deputation in the Government department concerned.
- (b) In the case of a Government servant who resigns from the public service to take up an appointment in an autonomous/semi-autonomous organisation as its regular employee, service in which counts for pension under the rules of that organisation, his resignation may not be treated as resignation of the public service, in terms of Article 418(b), CSR, and the autonomous organisation concerned may count Government service of such an employee for the purpose of pension and accept the full pensionary liability; the Government department concerned may, however, pay pension contributions to the organisation concerned at the prescribed rates in respect of the Government service rendered by the said employee. This will be subject to the following conditions:—
 - (i) The application for appointment to the relevant post in the autonomous organisation concerned was made by the Government servant concerned through proper channel, or it was with the consent of the competent authority in the Government department concerned that the new appointment in the autonomous organisation concerned was taken up.

- (ii) The Government servant concerned has, while tendering resignation from the public service, stated clearly that he was doing so to take up another appointment in the autonomous organisation concerned. This should be supported by his letter of resignation and its acceptance by the competent authority.
- (iii) The service rendered by the Government servant concerned in the previous Government department was pensionable.

2. These orders will be effective from the date of issue. They will also cover, subject to the conditions specified in para 1 above, past cases of those employees of autonomous/semi-autonomous organisations who had rendered service in a Government department and have not proceeded on retirement before the date of issue of this O.M.

(d) *Grant of pensionary Benefits to Employees of Autonomous/Semi-Autonomous Organisations on Regular Appointment to posts in Government.*— Apart from the category of employees mentioned therein, there is another category of employees in autonomous/semi-autonomous organizations, who on the recommendations of the Federal Public Service Commission or otherwise are appointed in a Government department on a regular basis. The question as to how the period of service rendered under the autonomous/semi-autonomous organizations concerned in such cases should be treated for the purpose of grant of pension etc. has been examined in consultation with the Establishment Division. It has been decided that *[in the case of an employee of an autonomous/semi-autonomous organization, who joins service in a Government department through proper channel, the concerned autonomous/semi-autonomous organization may make payment of pension contribution to the Government at the prescribed rate as indicated in Finance Division's O.M. No. F. 5(5)-Reg. 7/79-1407, dated the 15th December, 1981 for the service rendered with them, subject to the following conditions].

- (i) The appointment of the individual concerned in the Government department on deputation was made with the consent of the head of the autonomous organisation and with the approval of the competent authority in the Government department concerned, in accordance with the normal procedure for making such appointments.
- (ii) The regular employees of the autonomous organisations concerned are entitled, under specific rules of the organisation for the purpose, to the same benefits of pension/gratuity as are

*Subs vide Finance Division O.M. No. F. 5(9)-R-7/85-1221, dated 22-10-1985.

admissible to the civil servants of the Federal Government, and the employee concerned had rendered qualifying service for pension/gratuity in his parent organisation before his appointment in the Government department concerned.

- (iii) Such appointments under the Government departments shall be treated as fresh appointments and incumbents will be allowed the benefit of previous service rendered in the autonomous/semi-autonomous organisation for the purpose of pension only. Their seniority will be reckoned from the date of appointment under the Government concerned.

These orders will be effective from the date of issue. However, these will also cover, subject to the condition specified above, past cases of those employees of Government departments who has rendered service in an autonomous/semi-autonomous organisation and have not proceeded on normal retirement before the date of issue of this Office Memorandum.

(e) *Reference:* Establishment Division's O. M. No. 18/48/81—R.3(CV), dated 24-4-1982 (Annexure).

Para 2(iii) of the aforesaid O. M. may be substituted as under:—

- “2(iii) The foreign employer (and where foreign employer is not agreeable to pay the pension contribution) the Government servant concerned as the case may be, shall during the period of foreign service, pay to the Government of Pakistan pension contribution in foreign currency in accordance with the relevant rules and at the rates prescribed from time to time by the Government of Pakistan. The remittance shall be made by the foreign employer or the Government servant concerned through normal banking channel to the parent office of the Government servant concerned in Pakistan with a covering letter showing the relevant head of account. The parent office will send copies of challans and schedules to the Accounts Officer concerned for information and necessary action. On delayed payment of these contributions, the provisions of SR. 307 shall apply. Till such time as the rates of pension contributions are ascertained and intimated by the Audit Office concerned the foreign employer or the Government servant concerned shall provisionally pay pension contribution in foreign currency at a uniform rate of 33-1/3% of the mean of minimum of the pay scale held by him at the time of his proceeding on foreign service, *plus* other emoluments (reckonable for pension) which would have been admissible to him had he not been deputed on foreign service ;”

2. It has further been decided that the Lending Department should invariably work out the rate of pension contribution and incorporate the same in the terms and conditions of the persons concerned deputed on foreign service within Pakistan or outside Pakistan. To illustrate the rate of the pension contribution will be as under in respect of an officer of BPS-17, the minimum and maximum of the pay scale of which is Rs. 1600/- and Rs. 3040/- respectively:

(i) Mean $\frac{\text{Rs. } 1600 + \text{Rs. } 3040}{2} = 2320$

(ii) Rate of pension contribution @ 33-1/3% will be:
 $\frac{2320 \times 100}{3} = 773.33$ or Rs. 773 per month.

3. Under the instructions contained in Finance Division's O.M. No. F. 5 (5)R. 7/79-1407, dated 15-12-1981, no leave salary contribution is recoverable from the foreign employers but leave/leave salary is to be sanctioned/paid during the period of foreign service by the foreign employers, that period being not countable for earning leave with the Government of Pakistan. In view of this position, pension contribution will be payable by the foreign employer during the entire period of foreign service including the period of leave availed of by the person concerned with the foreign employer.

4. This has been issued after consultation with the Establishment Division, the Auditor General of Pakistan and the Chief Accounts Officer, Ministry of Foreign Affairs.

[Finance Division (Regulations Wing) O.M. No. 5 (5)R. 7/79, dated 29-01-1984.]

ANNEXURE

(Copy of Establishment Division's O.M. No. 18/48/81-R. 3 (CV), dated 24-4-1982)

It has been observed that persons are sent on transfer on foreign service terms outside Pakistan but their terms and conditions of service remain undetermined or unknown which is not desirable. The terms and conditions of deputation are to be finalized in the light of the offer made before relieving the person to take up his assignment. It has to be ensured that when a Government servant is proposed to be transferred to foreign service outside Pakistan, the terms and conditions of such foreign service including the amount of his pay, joining time and pay during joining time etc. should be fixed by the authority sanctioning the transfer in consultation with the foreign employer. A formal letter embodying these terms should be issued.

2. The following general principles may be kept in view while determining the terms and conditions of the persons sent on foreign service out of Pakistan:—

- | | | | |
|-------|---|----|----|
| (i) | xx | xx | xx |
| (ii) | xx | xx | xx |
| (iii) | The foreign employer shall, during the period of foreign service of the person concerned, pay to the Government of Pakistan through the Pakistan Mission in the borrowing country, in foreign currency in which he receives his salary from the foreign employer, pension contribution in accordance with the relevant rules of and at the rates prescribed from time to time by the Government of Pakistan. On delayed payments of these contributions, the provisions of SR 307 shall apply. Till such time as the rates of pension contribution are ascertained and intimated by the Audit Office concerned the foreign employer shall provisionally pay pension contribution in foreign currency in respect of the person concerned at a uniform rate of 33 1/3% of the mean of minimum and maximum of the pay scale of the grade held by him at the time of his proceeding on foreign service, <i>plus</i> other emoluments (reckonable for pension) which would have been admissible to him had he not been deputed on foreign service; | | |
| (iv) | xx | xx | xx |
| (v) | The leave terms of the person concerned during the period of his foreign service will be regulated according to the rules of, or the terms and conditions offered by the borrowing Government/ Organization. | | |

2. It has now been decided that all the concerned Ministries/Divisions/ Departments/Organisations should ensure following checks, to avoid cropping up of problems in the implementation of the Government policy on the subject :—

- (i) On appointment of employees on deputation abroad, Chief Accounts Officer, Ministry of Foreign Affairs/respective Embassy/Consulate Office/concerned audit office must be kept informed by endorsing a copy of his Deputation Order.
- (ii) The final payment of pension contribution in foreign currency prior to return of the officer/official from deputation abroad must be ensured before their assumption of charge in their parent office.
- (iii) All concerned Ministries/Divisions may carry out a review of the position of payment of pension contribution in conjunction with the C.A.O., Ministry of Foreign Affairs on quarterly basis, so that the payment of pension contribution does not fall into arrears.

[Finance Division (Regulations Wing) O.M. No. F .7 (1)-Reg. 7/96-D. 322/97, dated 19-5-1997.]

(x) *Close watch by Vigilance Officers.*—The Vigilance Officers should keep a close watch over pension work in their Division as well as in the Attached Departments and subordinate offices.

(xi) (a) *Checking of service records by Audit Department and controlling Officers.*—Service records of the Government servants who are due to retire in the next one or two years should be checked by the Local Audit Parties and by the Controlling Officers while visiting subordinate offices. For this purpose, a list of Government servants who are due to retire during the next two years should be prepared and furnished half yearly to the Accountant General concerned on the 1st January and 1st July each year.

[Finance Division O.M. No. F. 5(5)R. 7/79-1407 dated 15-12-1981.]

(b) It has been brought to the notice of Establishment Secretary that office of the AGPR, Karachi processed the pension papers in respect of a BS-20 officer of the Secretariat Group without having the same verified from Establishment Division and issued the P.P.O.

2. Needless to mention that four Occupational Groups, namely District Management Group, Secretariat Group, Police Service of Pakistan and Office Management Group are controlled by the Establishment Division, which maintains the service history/record of the officers, belonging to these groups. The particulars recorded in the pension papers of the officer like length of his service, whether he has ever worked in the autonomous body during his service which requires pension

contribution for the period spent in such body, EOL availed, during the service, the period of which is deductible from the entire service, punishment awarded under the E & D Rules, if any, suspension etc., can only be verified from the record maintained in this Division. It is, therefore, essential that the pension papers in respect of the officers, belonging to the aforementioned groups are invariably got verified from this Division and signed by the Establishment Secretary, before these are processed in any of the audit offices.

3. In view of the above, I would request you to kindly advise the Accountant General, Pakistan Revenue to issue instructions to all the audit offices not to process cases without verification of essential particulars in terms of para 2 above.

[Establishment Secretary's D. O. Letter No. 39/391/80-E. I. dated 17-10-1997, addressed to Auditor General of Pakistan.]

Sl. No. 51

The annual increment in the Basic Scale of Pay will accrue only on 1st day of the month of December following the completion of at least six months of such service at the relevant stage in that scale as counts for increment under the ordinary rules, provided that:—

- (a) a retiring Civil Servant shall be entitled to the usual annual increment, for the purpose of calculation of his pension only, on completion of six months service in the year of his retirement irrespective of due date of 1st December following the completion of six months;
- (b) the rules regarding withholding of increments and crossing of Efficiency Bars shall not be affected by this decision.

2. In view of the Federal Service Tribunal (FST)'s Judgement in Appeal No. 275 (R) of 1998 (Mr. Muhammad Yusuf vs. Divisional Superintendent of Pakistan Railways) the above amendment shall be effective from the calendar year 1998.

[Finance Division O.M. No. F.3(20)R-2/98, dated 8-9-1999.]

Grant of Usual Increment in the year of Retirement

Sl. No. 52

After the issuance of Finance Division's Circular Office Memorandum No. F. 3(20)R-2/98 dated the 8th September, 1999, various queries have been received from Ministries/Divisions/Departments etc. as well from certain retired/retiring

Civil Servants. These queries have been considered and clarifications thereof are circulated for information of all concerned, as under:—

- (i) The words “retiring Civil Servant” is applicable to both gazetted and non-gazetted employees. Para (i) of part-I of Finance Division’s Office Memorandum No. F. 1 (36) Gaz-Imp./93, dated 18-08-1973 may be treated as amended to that extent.
- (ii) The civil servants retiring during the period on and from 1st of June and 1st of December of a year are entitled to the usual annual increment.
- (iii) The amendment is equally applicable to the Civil Servants expired during the above period.
- (iv) The financial effect of the amendment is admissible from the year 1998. No claim of pension/commutation prior to 01-06-1998 will be entertained.

[Finance Division’s O.M. No. F.3(20)-R.2/98, dated 29-12-1999.]

Procedure for preparation of pension papers and sanction of pension

Sl. No. 53

With a view to ensuring that a retiring Government servant begins to draw his pension on the date it becomes due, the following procedure should be followed by the authorities concerned;

- (i) The Heads of Departments (in the case of B-16 and above officers) and Heads of offices (in the case of B-1 to B-15) employees should start the preparation of pension papers in each case one year before the expected date of retirement without waiting for the formal application from the Government servant concerned, which is to be submitted not earlier than six months before the date of retirement.
- (ii) The Head of the Departments or offices responsible for initiating the case should start filling Sections (2) to (5) of Part II of the working copy of the Pension Application Form C.S.R. 25 (Revised) one year before the expected date of retirement.
- (iii) Simultaneously, with the starting of preparation of pension papers of a Government servant, the department authorities should consult the records and see whether any recoveries are due from him on account

of misuse of Government funds or losses caused to Government. If there are any such dues, early steps should be taken to complete the recoveries of the dues before the date of retirement, if any disciplinary action in this behalf has to be initiated, this should be done at once, so that it may be possible to finalize the case and complete the recoveries before the date of retirement. In case such action has already been initiated steps should be taken to finalize it as quickly as possible so that recoveries may be completed well in time. If any other disciplinary action is pending, it should also be finalised.

- (iv) Six months before the expected date of retirement, the would-be pensioner should be asked to fill in and sign Part I in a fresh copy of the form and submit it alongwith three specimen signatures, three photographs and two sets of thumb and finger impressions on the prescribed form, all duly attested. The photographs and thumb and finger impressions are not required in the case of B-16 and above officers.
- (v) Part I of the working copy should then be filled in by copying from the signed copy received from the applicant. Similarly, Sections (2) to (5) of Part II of the signed copy should be filled in by copying from the working copy. Section I of Part II of both the forms should then be filled in.
- (vi) Requests for furnishing 'No Demand Certificate' should be made to all concerned at least six months before the date of retirement of the Government servant. If any demand is outstanding against the Government servant, it must be intimated not later than 15 days after the date of retirement (which should be specified in the request for 'No Demand Certificate'). In case the demand is not intimated within the above time limit the finalisation of pension cases should not be held up on that account and the Department/Office which has failed to intimate an outstanding demand by the due date should be held responsible.
- (vii) The payment of pension should not be held up merely for want of 'NO DEMAND CERTIFICATE'. In cases in which 'No Demand Certificate' is not available P.P.O. may be issued by the Audit Officer concerned for payment at a Treasury subject to the production of an undertaking, at the time of the first payment of the pension/gratuity, by the pensioner, or his family (in the case of his death) to the effect that any demand coming to the notice within a period of one year after the issue of P.P.O. would be recoverable from the pension. Failure to intimate recoveries during this extended period should result in the

amount involved being recovered from the official responsible for the delay. If any Government dues are found to be outstanding against pensioner within one year from the date of issue of the P.P.O. the matter shall be referred to Head of the Department for orders before any recoveries are actually effected from the pensioner.

[Para 1(1) Finance Division O.M. No. F. 6(4)-Reg. (6)/79 dated 22-3-1981.]

- (viii) In cases where Government servants had retired with less than 10 years service and were entitled to service gratuity only, it would not be possible to recover Government dues coming to light afterwards when the gratuity had been paid to them. The payment of such gratuity could, therefore, be made only after the 'No Demand Certificates' have been issued by the authorities concerned. In order to avoid hardship in such cases it has been decided that the payment of gratuity should not be withheld for more than six months after the date of retirement. The onus of furnishing the certificate or intimating the outstanding dues, as the case may be, within this period will rest on the Division/ Department concerned. The outstanding dues coming to light within this period may be recovered from the amount of gratuity which should be paid after six months of the date of retirement without insisting on the 'No Demand Certificate' and the responsibility for Government dues if any, coming to light thereafter should rest with the officials responsible for the delay.
- (ix) The Head of Department or office should alert the Estate Office six months before the date of retirement of a Government servant to bring his rent account up-to-date so that the outstanding dues, if any, are realised before the date of retirement. In case a retired Government servant is allowed to continue in occupation of Government quarter after the date of retirement, the Estate Office should ensure future recovery of rent by obtaining personal sureties instead of withholding the 'No Demand Certificate'.
- (x) No Demand Certificates in respect of all Government accommodations occupied by a Government servant throughout his service are not necessary. Such a certificate should be necessary in respect of only the last Government accommodation occupied by him before retirement. Any outstanding dues in respect of any previous accommodation should be recovered from the defaulting Estate Officer. Also a 'No Demand Certificate' should be issued yearly by the Estate Office concerned in the case of all allottee Government servants at a particular station.

- (xi) The signed copy of the Pension Form should be forwarded to the sanctioning authority after filling up and signing Section (6) of Part II. The working copy may be retained in the initiating office as an office copy.
- (xii) (a) Pension Application Form must be supported by such requisite documents as can be issued before the actual date of retirement. In case of Invalid Pension, invalidity certificate should be enclosed in original. Documents which cannot be issued till the date of retirement such as the Last Pay Certificate and the No Demand Certificate should be sent afterwards separately.
- (b) *Last Pay Certificate*.—It shall be mandatory for the drawing and disbursing officers and audit and accounts authorities to issue Last Pay Certificate within 15 days of the date of retirement of a Government servant.

[Para (b) Finance Division O.M. No. F. 6 (4)-Reg. (6)/79 dated 22-3-1979.]

- (xiii) Where a Government servant is deceased and family pension is payable to the widow or other claimants, the following documents have to be sent alongwith the Pension Application Form :—
 - (a) Application (in original) from the widow/claimants.
 - (b) Death Certificate (in original).
 - (c) Postal Address (3 copies).
 - (d) List of surviving members (3 copies).
 - (e) Specimen signatures of widow/claimant(s).
 - (f) Thumb and finger impressions of the widow/claimant.
 - (g) Non employment certificate (3 copies).
 - (h) A certificate to the effect that the widow had not judicially separated from her husband (3 copies).
 - (i) A certificate that the widow had not re-married after the death of her husband.

- (xiv) The sanctioning authority should fill in Section (6) or Part II of the Form. The full pension admissible under the rules is not to be given as a matter of course, unless the service rendered has been really approved. If the service rendered has not been thoroughly satisfactory, the authority sanctioning the pension/gratuity should make such reduction in the amount of pension/gratuity as it thinks proper. However no reduction in the amount of any pension can be made without affording to the person concerned, by means of a notice in writing, an opportunity to show cause against the proposed reduction.

[Finance Division Notification No. S.R.O. 482(K)/72-F, 10(7) Rev. (6)/71, dated 30-3-1972.]

- (xv) After completion of Section (6) of Part II of the form the sanctioning authority should send the form to the Audit Office, alongwith a forwarding letter. In regard to preparation of pension papers of Government servants on deputation to other Departments it has been decided that those of a temporary employee may be prepared by the borrowing Ministry/Department, but in the case of a permanent employee the papers have to be prepared by the Ministry/Division/Department/Office in which he held a substantive appointment. Likewise the audit office dealing with the borrowing Department, in which the temporary employee was serving will finalise the pension case and in the case of a permanent Government servant the pension case will be finalised by the audit office in whose jurisdiction falls the Government/Ministry/Department in which such a Government servant holds a permanent post in a substantive capacity.

[Finance Division O.M. No. F. 7(2) Reg. (6)/72, dated 18-4-1972 and Auditor-General's letter No. 2244-Pro/50-71, dated 24-9-1975.]

- (xvi) The Audit Officer, after scrutinizing Part I and Part II and arriving at his own findings about the correct length of qualifying service and the amount of Pension and Gratuity admissible, record a gist of his findings from his working papers into Part III of the form.
- (xvii) The Audit Officer should issue the Pension Payment Order in case where all necessary documents/informations are available with him, a fortnight before the expected date of retirement.
- (xviii) When the preparation of a pension case is started a Progress Sheet in the following form should be attached with it showing the dates by which specific action should be completed. This sheet should move with the pension case from the administrative authority to the Audit office and should be returned to the administrative authority after the

final Pension Payment Order has been issued. The return of the Progress Sheet should be watched by the administrative Ministry/ Department and on its receipt back it should be examined at the level of Deputy Secretary in the case of B-1 to B-15 staff and Joint Secretary in the case of B-16 and above with a view to finding whether any delay has taken place.

Progress sheet for pension cases

1. Name of retiring Government servant.
2. Post held.
3. Date of birth.
4. Expected date of retirement.

	Due date	Action	
		Initiated on	Completed on
1	2	3	4
5. Initiate preparation of pension papers.	One year before the expected date of retirement.		
6. Checking of records to see whether any recoveries of Government dues are outstanding.			
7. Obtaining of formal application for pension from would be pensioner.	Six months before the expected date of retirement.		
8. Request for furnishing No. Demand Certificate.			
9. Writing to Estate Office to bring rent account upto-date.			
10. Finalisation of pension papers in administrative department and their submission to Audit Office.	At least three months before the expected date of retirement.		
11. Issue of Pension Payment Order.	Fortnight before the expected date of retirement.		

This Progress Sheet should move with the pension papers of the individual concerned and be returned to the administrative authority after Pension Payment Order has been issued where observations of Head of Department/D.S./J.S. should be recorded.

Stages relating to preparation and disposal of an ordinary pension case

Sl. No. 54

One year before the date of retirement.

- STAGE I** {
- (i) The office responsible for initiating the case starts filling up of working copy of the Pension Application Form.
 - (ii) Checks records to see whether any recoveries of Government dues are outstanding.
 - (iii) Attach a Progress sheet showing the dates by which specific action is required.

Six months before the date of retirement

- STAGE II** {
- (i) Obtain formal application from the would-be pensioner.
 - (ii) Requests the parties concerned for issue of "No Demand Certificate".
 - (iii) Warns the Estate Office to bring the rent account up-to-date.

Six to three months before the date of retirement

- STAGE III** {
- (i) Completes the pension papers for submission to sanctioning authority.
 - (ii) Sanctioning authority records orders.
 - (iii) Forwarding of papers to the Audit Office.

Three months to fortnight before the date of retirement

- STAGE IV** {
- (i) Audit office checks the pension papers.
 - (ii) Audit office issues the P.P.O.
 - (iii) Allows anticipatory pension in case delay is likely to take place in finalization.

After the issue of P.P.O.

- STAGE V** {
- (i) Audit office returns the Progress Sheet.
 - (ii) DS/JS examines the Progress Sheet.

The Vigilance Officers will keep a close watch over the pension work in the Ministries as well as the attached departments and subordinate offices.

Introduction of Revised Pension Application Forms CSR 25

Sl.. No.55

Since the issue of Finance Division's O.M. No. F. 12(11)/R. 6/81, dated the 10th June, 1982, some additional benefits have been allowed to the retiring

government servants. As such it has been decided, in consultation with the Auditor General of Pakistan, to introduce a revised Pension Application Form CSR-25, a copy of which is re-produced below. Ministries/ Divisions/Departments/Offices are requested to use the new Form invariably while dealing with the pension cases of retiring government servants.

2. The Department of Stationery and Forms may standardise the above form so as to enable the Ministries/Divisions/ Departments/Offices to obtain future supply thereof from that Department.

[Finance Division O.M. No. 28(18)-Reg. (6)/86, dated 30-7-1987.]

C. S. R. 25
Revised

PENSION PAPERS

OF

Mr./Mrs./Miss.....

.....

Postal Address.....

.....

.....

In the case of family pension for death while in service, page 2 will not be filled in and page 3 will be applicable.

APPLICATION FOR PENSION AND/OR GRATUITY

PART I

(To be filled in and signed by the applicant himself/herself)

To
The

.....

.....

SIR,

have retired

I have the honour to say that I have been permitted to retire from service
am due to retire

on (Dated).....

I, therefore, request that the pension/gratuity admissible under the rules may kindly be sanctioned to me.

2. I declare that I have neither applied for nor received any pension or gratuity for any portion of this service, nor shall I submit any application hereafter without quoting a reference to this application and to the orders which may be passed thereon.

3. Should the amount of the pension and/or gratuity granted to me be afterwards found to be in excess of that to which I am entitled under the rules, I hereby undertake to refund any such excess.

4. I wish to commute my pension to the extent of Rs.....

5. I wish to draw my pension from the District Accounts Office/ Treasury/ Sub-treasury/National Bank of Pakistan Branch.
at..... (Place).

6. The following documents, duly attested are enclosed :

- (a) Three specimen signatures of mine/two sets of my thumb and finger impressions on the prescribed form.
- (b) Three photographs of mine.
- (c) List of family members.

Yours obedient servant,

Signature: _____

S/o: _____

W/o: _____

D/o: _____

Dated: _____
Post held on the
date of retirement: _____

**Delete inapplicable alternative.*

APPLICATION FOR FAMILY PENSION

(To be filled in and signed by the applicant himself/herself)

To

The

.....

.....

DEAR SIR,

I have the honour to say that my husband/wife/*.....
has expired on (date).....I, therefore, request that
the family pension admissible under the rules may kindly be sanctioned to me.

2. I declare that I have neither applied for nor received any family pension.

3. Should the amount of the family pension granted to me be afterwards found to be in excess of that to which I am entitled under the rules, I hereby undertake to refund any such excess.

District Accounts Office

4. I wish to draw my pension from the **Government Treasury/sub-Try.**
National Bank of Pakistan Br.

(place)

5. The following documents, duly attested, are enclosed :—

- (i) Three specimen signatures of mine duly attested/two sets of my thumb and finger impressions on the prescribed form.
- (ii) Three photographs of mine.**
- (iii) List and particulars of family members.

*Indicate relationship with the deceased Government servant.

**Not applicable in the case of purdah-observing lady.

- (iv) Descriptive Roll.
- (v) Death Certificate.
- (vi) Non-remarriage and non-separation certificates.

Yours faithfully,

Signature

Widow/Husband/entitled
member of the family

Postal Address

Dated.....

PART II

(To be completed by the Office/Department receiving the application for pension)

SECTION (1).—*Particulars of Applicant*

- * I. Name of civil servant
- *2. Father's name.....
- *3. Nationality.....
- *4. Postal address.....
- 5. Post held on the date of retirement/death.....
- 6. BPS.....Date of Birth.....
- 7. Date of

{	Commencement of service
	Retirement/death
	Application for pension

Y M D

8. Length of service:

From to
From to
From to

Total: _____

9. Date of commencement and ending of each spell of military service, if any:

Y M D

From to
From to

Total: _____

10. Government under which service has been rendered in chronological order;

Government of from to *ie*

Government of from to *ie*

Government of from to *ie*

Total: _____

11. Class of pension or gratuity applied for

12. Average emoluments/Last pay drawn of the post held on regular basis.....

13. Proposed gross Pension/Gratuity.....

14. Proposed family pension.....

15. Proposed value of commutation.....

16. Proposed net pension.....

*17. Place of District Accounts Office
Treasury/Sub-Treasury
National Bank of Pakistan.....Branch

18. Date from which pension is to commence.....

official seal Signature of Head of.....

Office/Department.....

Name.....

Designation.....

*Entries No.1, 2, 3, 4 and 17 should be made in capital letters.

SECTION (2).—*Calculation of qualifying service*

Total length of service as per Col. 10 of Section Y M D

(1) Non-qualifying service from, to

Period

Y M D

- (i) Extraordinary leave.....
- (ii) Unauthorised absence
- (iii) Spell of service not qualifying for pension under Article 420. C.S.R.

Total (i) (ii) & (iii) :

Net qualifying service

Add From to

Period

Y M D

- (i) Periods, if any, of Military service or war service allowed to count for pension.
- (ii) Benefit of condonation of deficiency in total qualifying service.

Total (i)(ii):

Total qualifying service.....

SECTION (3).—*Calculation of “Average Emoluments”* under para 3(a)/(b) of L. P. R. 1977*

Statement of Emoluments During the Last 36/12 months

Period		Duration Months & Days		Monthly rate of Emoluments		Amount Drawn	
From	To	M	D	Rs.	Ps.	Rs.	Ps.

The total emoluments for 36/12 months are:

Therefore “Average Emoluments” work out to Rs. — 36/12 = Rs. P.M.

*Please see relevant rules/orders before filling in this section.

SECTION (4).—*Calculation of Pension*

Length of total qualifying service.	Rs.....years
Emoluments/Average Emoluments/last pay drawn of the post held on regular basis.	Rs.....
Amount of gratuity (in case where qualifying service is 5 years or more but less than 10 years.	Rs.....
Amount of Gratuity on discharge from temporary service where qualifying service is 10 years, or more but less than 25 years;	Rs.....
Gross pension calculated upto 30 years qualifying service.	Rs.....
Benefit to the extent of 2% of Gross Pension for each extra year of service beyond 30 years subject to a maximum of 10% of the Gross Pension.	Rs.....
Total:	Rs.....
Commutation.	Rs.....
Net pension.	Rs.....

SECTION (5).—*Commuted Value of Pension*

(i) Amount of pension to be commuted	Rs.....
(ii) Age next birthday or 60 in case of SuperannuationYears
(iii) Rate of commuted value for every one rupee	Rs.....
(iv) Commuted value of pension	Rs.....

SECTION (6).—*Orders of the Sanctioning Authority*

1. The undersigned is satisfied that the service of..... has been satisfactory. The grant of full pension and/or gratuity which the Audit

Officer may find to be admissible under the rules is hereby sanctioned.

OR

The undersigned is satisfied that the service of.....
has not been satisfactory and it has been decided that the full pension and/or gratuity
found by the Audit Officer to be admissible under the rules should be reduced by the
specific amounts or percentage given below:—

Amount or percentage of reduction in pension.....

Amount or percentage of reduction in gratuity.....

Sanction is hereby accorded to the grant of pension and/or gratuity as reduced.

2. The payment of pension and/or gratuity may commence
from..... Before issuing the pension payment order, the Audit Officer may
kindly ascertain whether the Last Pay and No Demand Certificates have been
received by him. In case the Last Pay Certificate and/or No Demand Certificate
has/have not been received with the pension papers, the Audit Officer should issue
P.P.O. subject to the production of the last pay certificate and/or an undertaking, at
the time of first payment of pension/gratuity, by the pensioner, or his family (in case
of his death) to the effect that any demand coming to the notice within a period of
one year after the issue of P.P.O. would be recovered from him/her.

Official Seal

Signature—————

Designation—————

(FOR USE IN THE ACCOUNTANT GENERAL'S OFFICE)

- I. The calculations contained in the preceding pages have been checked.
- II. Length of qualifying service accepted in Audityears
- III. Reasons for difference, if any, between this and the length of qualifying service worked out by the Department
- IV. Amount of pension Rs.....
- V. Reasons for discrepancy if any, between this amount and that calculated by the Department

- VI. Amount of family pension Rs.....
- VII. Reasons for discrepancy if any, between this amount and that calculated by the Department
- VIII. Amount of commutation for the pension commuted Rs.....
- IX. Reasons for discrepancy, if any, between this amount and that calculated by the Department
- X. Amount of net pension payable Rs.....
- XI. The pension will commence from
- XII. Allocation of the pension and gratuity

	Pension	Gratuity
Government of		
Government of		
Government of.		
Defence Estimates		
Total:		

- XIII. Anticipatory pension of Rs.....(Rupees.....) per month, granted with effect from
vide P.P.O. No.....Under rule.....
to be adjusted in the final P.P.O.
- XIV. Amount of original pension commuted Rs.....
- XV. Checked with the L.P.C. and “No Demand Certificate”.
- XVI. P.P.O. issued vide No..... dated.....

Assistant Accountant General
Assistant Accounts Officer

SECTION 5

EMOLUMENTS RECKONED FOR PENSION

Definition of terms ‘Emoluments and Average Emoluments’ (CSR-486-487)

Sl. No. 56

The term “emoluments” means the emoluments which the officer was receiving immediately before his retirement and shall include—

- (a) Pay as defined in FR 9(21) (a) (i);
- (b) Senior Post Allowance;
- (c) Special Pay of all types and nature;
- (d) Personal Pay;
- (e) Technical Pay;
- * (f) Indexed Pay;
- (g) Increments accrued during leave preparatory to retirement;
- (h) Any other emoluments which may be specially classed as Pay.

Note 1.— The President has been pleased to declare with reference to clause (h) of this Article that the emoluments or pay drawn by an officer who is transferred on foreign service in an autonomous or semi-autonomous body in a post appointed to which is, by Law required to be made, and the salary of which is required to be fixed by the Federal Government or a Provincial Government, shall be treated as emoluments or pay drawn in a post in Government service.

*2. Omitted.

The term “Average Emoluments” means the average calculated upon[**] the last three years of service.

1. If during the last three years of his service an officer has been absent from duty on leave with allowances or having been suspended has been reinstated without forfeiture of service his emoluments for the purpose of ascertaining the average should be taken at what they would have been and he not been absent from duty or suspended. Provided always (a) that his pension must not be increased on account of increase in pay not actually drawn and (b) that an officer will not during leave be allowed to count as emoluments the *sub-Protam*, allowances which he would have been entitled to so count under Article 486 (n) had he remained on duty, if another officer has been appointed *sub-Protam*, to the same appointment during the period of such leave. But if his absence on Departmental or Recess leave is reckoned as service under Article 409, only the allowances, if any, actually received during such leave should be taken into account.

1-A. If during the last three years of his service an officer’s pay has been refixed as a result of revision of upgradation of the post held by him with retrospective effect but arrears have not been allowed not rise made in respect of the past period, his emoluments, for the purpose of calculating the average, shall be taken at what they would have been if the arrears had not been disallowed or the recoveries had been made.

*Substituted/Omitted *vide* Finance Division Notification No. F. 12(2)-Reg. (6)/84 dated 13-10-1985.

**Pension is Calculated on basis 12/36 of Service *vide* F. D. No. F. 6(7)-Reg. 6/73, dated 15-2-1977 and even number, dated 16-6-1979.

2. If during the last three years of his service, an officer has been absent from duty on leave without allowances (not counting for pension), or in Class IV service, or suspended under such circumstances that the period of suspension does not count as service, the periods so passed should be disregarded in the calculation of the average, an equal period before the three years being included.

*2.A. In the case of a military officer, departmental officer, warrant or non-commissioned officer or soldier who was in civil employ on 7th June 1937 and was or may be granted a pension under military rules on or after the 30th May, 1933 and whose pay has been reduced under Clause (b) of Article 526, emoluments for the purpose of ascertaining the average shall be taken at what they would have been had the pay not been reduce.

3. Excepting as provided in **[rules 1, 1-A, 2 and 2-A] only emoluments actually received be included in the calculation. For example, when an officer is allowed to count time retrospectively towards increase of pay, but does not receive retrospectively the intermediate periodical increments, these intermediate increments are not reckoned in the calculations.

4. In the case of Section -writers whose service has been allowed to count for pension under special orders of the Government of Pakistan, and of Press servants whose service qualifies under Article 380, "average Emoluments" means the average earnings of the last seventy two months in Supervisor service.

Note 1.—[This rule applies in a case of a Press servant remunerated by a fixed rate of pay if his pay is met from the grant for piece-work].

Note 2.—[Overtime earnings of press servants paid at piece-work rate may be taken into account in calculating Average Emoluments under this rule, but such earnings must be excluded in reckoning the Average Emoluments of Press employees who draw at fixed rate].

Note 3.—[If during the last 72 months of service a Press servant has been for some period on fixed pay and for other period a piece-work employee overtime earnings may be taken into account in calculating pension only for the periods during which he was remunerated at piece-work rate].

Determination of Amount of pension

Sl. No. 57

(a) The amount of pension that may be granted to a Government servant is determined by the length of service. Fractions of a year are not taken into account in the calculation of any pension admissible to a Government servant. The full pension admissible under the rules is not given as a matter of course. The service rendered should be really approved. If the service has not been thoroughly satisfactory, the authority sanctioning the pension should make such reduction in the amount as it thinks proper. [Art. 470 C.S. Rs].

“Note.—1. The amount of any pension shall not be reduced under this Article without affording to the person entitled to it, by means of a notice in writing an opportunity to show cause against the proposed reduction.”

[No. F. 10(7) Reg. (6)/71.]—Ministry of Finance Notification No. S.R.O. 482 (K)/72, dated the 30th March, 1972.]

“Note.—2. A Government servant compulsorily retired under the Government Servants (Efficiency and Discipline) Rules, 1973, shall be entitled to

*Rule 2-A under Article 487 takes effect from 30-5-1933.

** Substituted for the words rules 1 and 2 *with effect from* 30- 5-1933.

pension or gratuity as admissible under normal rules and the certificate of ‘thoroughly satisfactory service’ is not required in his case.”

[Finance Division Notification No. F. 1(21)-Reg. (6)/80 dated 1-1-1981.]

(b) If a Government servant employed in a substantive and permanent capacity in pensionable service retires or is selected for discharge owing to the 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.

(c) Temporary Government servants who retire from service in the usual course, *i.e.*, on attaining the age of superannuation or on being declared incapacitated for further service or who elect to retire after completion of 25 years qualifying service, are treated at par with permanent Government servants and as such are entitled to gratuity or pension as the case may be in accordance with (b) above. If, however, a temporary Government servant is discharged from service owing to the abolition of his post or replacement by a ‘qualified’ candidate he is entitled to an ordinary pension on completion of qualifying service of 25 years or more and to a gratuity not exceeding one month’s emoluments for each completed years of qualifying service subject to a maximum of *Rs. 1,75,000 on completion of 10 years but less than 25 years qualifying service. No gratuity or pension is admissible to such temporary Government servants, who at the time of discharge have rendered service of less than 10 years.

[Finance Division O.M. No. OB-2/12/63-Imp (1), dated 18-08-1966 and Finance Division O.M. No. F. 8 (14)-R. 6/68, dated 25-11-1968 and Notification No. F 3 (1) Reg. (6)/84, dated 20-11-1984.]

(d) The amount of pension of a Government servant who has the right to retire on a retiring pension should not be less than the amount to which he would have been entitled if he had exercised this right, notwithstanding the fact that the emoluments may be reduced by reason of his appointment to another post carrying lower pay, otherwise than as a penalty.

[Finance Division’s O.M. No. OB-2/12/63-Imp(1)/Pt. dated 28-7-1970.]

*Subs. *vide* Finance Divisions O.O. No. F. 1(4)R-4/2001, dated 22-12-2003.

**Calculation of Average Emoluments
for the purpose of Pension**

Sl. No. 58

It has been decided that the “average emoluments” shall be calculated for the purpose of pensionary benefits on the basis of the last twelve months of service.

These orders shall be applicable to all civil servants retiring on or after the 1st February, 1979.

[Finance Division O.M. No. F. 6 (9)-Reg. (6)/78, dated 15- 2-1979].

Sl. No. 59

Reference Finance Division O.M. No. F. 6(9)-Reg. (6)/78, dated the 15th February, 1979. The decision contained therein was intended to be applicable in cases where the average calculated on that basis was more favourable than under the rules previously in force. It has accordingly been decided that in case where the pay of a Government servant has been reduced, otherwise than as a penalty, under the Government servants (Efficiency and Discipline) Rules, the average for the purpose of pension may, at the option of the pensioner, be calculated on the basis of the emoluments drawn or which would have been drawn, during the last three years of service.

[Finance Division O.M. No. F. 6 (9)-Reg. (6)/78, dated 16- 6-1979].

**Calculation of Pension on the basis of
revised Pay Scales**

Sl. No. 60

Reference Finance Division’s O.M. No. F. 1(12) Imp-II/91, dated 19-08-1991 (Annexure). The sanction of the President is conveyed for the fixation of pay due to revised pay scales of 1991 on National Basis, in respect of those Government servants, who are on LPR on 01-06-1991, for the purpose of calculation of their pension.

[Finance Division (Regulation Wing) O.M. No. F. I (12)Imp-II/91. dated 17-10-1991].

ANNEXURE

(Copy of Finance Division O.M. No. F. 1 (12)-Imp. II/91, dated 19-8-1991).

The President has been pleased to sanction the revision of Basic Pay Scales for the civil employees in BPS 16—22 of the Federal Government paid directly from the Civil Estimates or from the Defence Estimates as detailed in the following paragraphs.

2. *Basic Pay Scales.*—The existing and the revised pay scales are detailed in the Appendix. The revised pay scales shall replace the Basic Pay Scales, 1987 and shall be effective from the first of June, 1991.

3. *Initial fixation of Pay.*—(i) The initial pay of an existing employee who has been in Government service since before the 1st June, 1991 shall be fixed in the revised pay scale “on point to point basis” at the stage in the relevant revised basic pay scale which is as many stages above the stage occupied by him above the minimum of the existing basic scale; (ii) The annual increment shall continue to be admissible subject to the existing conditions on the first December each year; (iii) The increases allowed since 1-7-1988 as detailed below would cease to be admissible from 1-6-1991:—

- (a) The existing indexed pay sanctioned *vide* Finance Division’s O.M. No. F. 1 (31)-Imp. II/88, dated 1-7-1988.
- (b) *Ad-hoc* increase of 5% of pay sanctioned *vide* O.M. No. F. 1(31) Imp. II/89, dated 22-7-1989.
- (c) The *ad-hoc* increase of 10% sanctioned *vide* Finance Division’s O.M. No. F. 1(13)-Imp. II/90, dated 10-7-1990.
- (d) The dearness allowance of Rs. 200 per month sanctioned *vide* Finance Division’s O.M. No. F. 1(23)-Imp. II/90 (i), dated 17-1-1991.

4. *Fixation of Pay on Promotion.*—(i) In cases of promotion from a lower to higher post/scale before the introduction of these scales, the pay of the senior employees in the same scale may be fixed and so enhanced that it would not be less than the pay that would have been admissible to him if his promotion to the higher post/scale had taken place after the introduction of these scales.

(ii) The existing concession of grant of one premature increment on promotion as admissible to employees in BPS-1—19, shall be extended also to those in BPS-20 and above.

(iii) Government employees who are allowed selection grade may be granted one premature increment as is allowed in the case of promotion.

5. *Grant of Selection Grade.*—From 1-6-1991 onwards the Accountants in BPS-16 in the Audit and Accounts Departments shall be allowed 33% selection grade in BPS-17.

6. *Move-over.*—The employees in BPS-16 to 19 enjoying selection grade and will also be allowed the concession of one move-over from 1-6-1991 onwards subject to the fulfilment of the existing conditions laid down in the move-over policy.

7. *Special Pays.*—The existing special pays admissible to various categories of employees working as Private Secretaries posted in Ministries/Divisions shall be revised from 1-6-1991 as under:—

Name of post	Existing Rs. p.m.	Revised Rs. p.m.
— PS to Ministers (Federal)	250	375
— PS to Secretaries (Federal)	200	300
— PS to Additional Secretaries (Federal)	150	225

8. *Qualifications Pay.*—(i) Existing rates of Qualifications Pay for ICMA/ICWA/Chartered Accountants shall be enhanced from 1-6-1991 as under :—

- (a) Part-III (ICMA/ICWA) : From Rs. 150 p.m. to Rs. 300 p.m.
- (b) Part-V (ICMA/ICWA) : From Rs. 400 p.m. to Rs. 800 p.m.
- (c) Chartered Accountants : From Rs. 400 p.m. to Rs. 800 p.m.
Where FCA/ACA is not the minimum qualification prescribed for the post.

(ii) *Qualifications Pay for Senior Officer.*—Qualification Pay shall be allowed from 1-6-1991 to those officers who have qualified the following courses at the rates shown against each :—

- | | |
|--|---|
| (a) PASC National Management Course: | Rs. 500 p.m. |
| (b) National Defence College Course: | Rs. 500 p.m. as against the existing rate of Rs. 100 p.m. |
| (c) Advanced Course in Management in NIPA. | Rs. 100 p.m. |

Note.—One Qualification Pay will be admissible at a time.

(iii) *Qualification Pay for S.A.S. Accountants.*—The existing rate of Rs. 100 p.m. shall be enhanced to Rs. 150 p.m. from 1-6-1991.

9. Allowances:

I. (a) *Deputation Allowance (Foreign Service in Pakistan).*—Deputation allowance at 20% of the minimum of the relevant basic pay scales shall be allowed *w.e.f* 1-6-1991 as against the existing rate of deputation allowance of 10% of the minimum of relevant Basic Pay Scales.

(b) *Deputation allowance admissible to audit officers on deputation to Ministries/Divisions.*—As against the existing deputation allowance of Rs. 200 p.m. for SAS Accountants (B-16), Rs. 300 p.m., for AAG/AO in BPS-17 and Rs. 400 p.m. for officers in BPS-18 and 19, deputation allowance at 20% of minimum of the relevant basic pay scales shall be allowed in future.

II. *Performance Evaluation Allowance.*—Existing rates of Performance Evaluation Allowance admissible to Audit Officers working in the Performance Evaluation Cell shall be enhanced as under:—

- | | |
|------------------------------------|-----------------------------------|
| (a) For Officers in BPS-17 and 18. | From Rs. 300 p.m. to Rs. 400 p.m. |
| (b) For Officers in BPS-19 and 20. | From Rs. 400 p.m. to Rs. 500 p.m. |

III. *Teaching Allowance.*—Existing rates of Teaching Allowance shall be enhanced as under:—

- | | |
|---|------------------------------------|
| For Doctors who teach basic sciences in Medical Colleges. | From Rs. 500 p.m. to Rs. 1000 p.m. |
|---|------------------------------------|

IV. *Rural Compensatory Allowance for Doctors posted in rural areas below Town Committee level.*—The existing rates of the Practice Compensatory Allowance (Renamed as Rural Compensatory Allowance) for doctors posted in rural areas below Town Committee level shall be enhanced as under :—

- (a) For Male Doctors: From Rs. 200 p.m. to Rs. 1,200 p.m.
 (b) For Female Doctors: From Rs. 300 p.m. . to Rs. 1,500 p.m.

V. *Senior Post Allowance.*—The existing rates of Senior Post Allowance shall be enhanced as under:—

- (a) For Officers in BPS-20. From Rs. 200 p.m. to Rs. 600 p.m.
 (b) For Officers in BPS-21. From Rs. 400 p.m. to Rs. 800 p.m.
 (c) For Officers in BPS-22. From Rs. 600 p.m. to Rs. 1,000 p.m.

Appendix

BASIC PAY SCALES

1987	Modified Scales	1991
600-13-860	605-17-860	920-26-1310
650-16-945	630-21-945	945-32-1425
650-19-1030	655-25-1030	975-37-1530
675-22-1115	680-29-1115	1005-43-1650
700-25-1200	705-33-1200	1035-49-1770
725-28-1285	730-37-1285	1065-54-1875
750-31-1370	755-41-1370	1095-60-1995
790-34-1470	795-45-1470	1140-65-2115
830-38-1590	840-50-1590	1185-72-2265
870-42-1710	870-56-1710	1230-79-2415
910-46-1830	915-61-1830	1275-86-2565
970-52-2010	975-69-2010	1355-96-2795
1035-58-2195	1040-77-2195	1440-107-3045
1100-64-2380	1105-85-2380	1530-119-3315
1165-71-2585	1160-95-2585	1620-131-3585
1350-105-2925		1875-146-4065
2065-155-3925		2870-215-5450
2710-195-4660		3765-271-6475
4130-205-5770		5740-285-8590
4900-235-6780		6810-325-10060
5420-290-7740		7535-405-11585
5800-325-8400		8075-450-12575

Sl. No. 61

It has been decided to allow the benefit of revised pay scales of 1977 for fixation of pay on notional basis for the purpose of calculation of pension only to those retired officers/officials who were on LPR on 01-05-1977 and whose pay was not revised in terms of revision of pay scales of 1977 with effect from 01-05-1977.

[Finance Division (Regulation Wing) O.M. No. F. 6(3) R. 6/91, dated 23-8-1993.]

Sl. No. 62

In the case of persons retiring from 01-06-1994 onwards in BPS-17 to 22, pension will be recalculated on 01-06-1995 on the basis of pay refixed with 35% increase in the pay in the second phase. New pension, will however, be admissible from 01-06-1995 and no arrears will be admissible.

2. The following relief to the widows, dependents, retarded and incapacitated children and invalid pensioners shall be allowed *w.e.f* 1st June, 1994:

- (a) Restoration of commuted value/gratuity portion of families on completion of required period.
- (b) Grant of family pension to dependent disabled/retarded children for life without any age limit.
- (c) Elimination of second medical board for the invalidated pensioners for eligibility of commutation.

3. Government servants who have retired on or after 01-06-1993 till the introduction of revised pay scales *i.e.* 01-06-1994, be allowed pension/commutation on the basis of pay that would have been admissible to them, had the pay revision been effected on the date of their retirement, discounted by 12%.

[Paras 7-9 of Finance Division (Regulation Wing) O.M. No. F. I (2)-IMP/94 (i), dated 15-6-1994.]

Sl. No. 63

With reference to para 8 (a) of Finance Division's O.M. No.1 (2)-Imp/94 (i) dated 15th June, 1994 regarding restoration of commuted value/ gratuity of families on completion of required period, it is stated that queries have been received in the Finance Division :—

- (i) Whether the commuted portion/gratuity will also be restorable in family pension cases *i.e.* both death in service and death after retirement and

if the commuted portion/gratuity that has become due for restoration before 01-06-1994 may be restored on due date or *w.e.f* 01-06-1994.

- (ii) Family pension in case of death during service of Government servant is allowed at 50% of gross pension after allowing gratuity in lieu of 1/4th of gross pension while in the case of death after retirement, it is allowed at 50% of the net pension. It is not clear whether on the expiry of its payment, the commuted value/ gratuity portion of pension will be allowed in full or at 50% thereof.

2. It is hereby clarified that:—

- (i) The commuted portion/gratuity that has become due for restoration before 01-06-1994 will not be restored on due date but *w.e.f* 01-06-1994.
- (ii) Restoration of commuted value/gratuity portion of families, means, 50% of the pension *net or **gross (as the case may be) which has been surrendered by the deceased Government servant in lieu of commutation or gratuity, if not restored in his life time.

[Finance Division (Regulation Wing) O.M. No. F. 4 (10)-Reg. 6/94-1. dated 11-6-1995.]

Sl. No. 64

In continuation of Finance Division's O.M. No.1 (2)-Imp/94 (i) dated 15th June, 1994 it is stated that a doubt has arisen as to whether the medical examination will be required for additional amount of commutation accrued due to the revision of pay scales for pension purpose in terms of para 9 thereof. In this regard it is clarified that medical examination will be must on additional amount of commutation, if it is applied after 15-6-1995 *i.e.* after one year of the issue of Finance Division's O.M. dated 15-6-1994.

[Finance Division (Regulation Wing) O.M. No F. 4 (10)-Reg. 6/94. dated 11-6-1995.]

Grant of Increase in Pension

Sl. No. 65

In supersession of Finance Division (Regs. Wing-II) Office Memorandum No. F. 6 (3)/R. 6/91, dated 22nd August, 1991 regarding grant of *ad hoc* increase in

*Death after retirement.

** Death in service.

pension to the pensioners of the Government of Pakistan, the President has been pleased to grant the benefits as follows:

2. Pensioners who retired prior to 1st May, 1977 be allowed an increase in pension *w.e.f.* 01-06-1991 at 20% on existing pension (inclusive of *ad hoc* increases). All pensioners be allowed increase in their pension at the rate of 12 % *w.e.f.* 01-06-1991. For pensioners who retired before 01-05-1977, this increase will be over and above the increase of 20% mentioned above.

- (i) The above increase will not be admissible to those retired on or after 01-06-1991.
- (ii) For the purpose of admissibility of the *ad hoc* increase sanctioned in this O.M. the term 'pension' means pension before commutation and/or surrender of 1/4th for gratuity plus dearness/*ad hoc* increases/*Indexation/Ad hoc Relief* in pension sanctioned from time to time.
- (iii) The *ad hoc* increase will also be admissible on family pension granted under the Pension-*cum*-Gratuity Scheme, 1954, Liberalized Pension Rules, 1977, on pension sanctioned under the Central Civil Services (Extra-Ordinary Pension) Rules as well as on the Compassionate Allowance under CSR-353.
- (iv) If the gross pension sanctioned by the Federal Government is shared with any other Government in accordance with the rules laid down in Part-IV of Appendix III to the Accounts Code, Volume-I, the amount of the *ad hoc* increase will be apportioned between the Federal Government and the other Government concerned on proportionate basis.
- (v) Commutation/Gratuity of any part of *ad hoc* increase will not be permissible.
- (vi) In the case of re-employee pensioners, the *ad hoc* increase sanctioned in this Office Memorandum shall not be admissible to them during the period of their re-employment.
- (vii) The benefit of *ad hoc* increase sanctioned in this Office Memorandum will also be admissible to those Civil Pensioners of the Federal Government who are residing abroad (other than those residing in India and Bangladesh) who retired on or after 15-08-1974 and are not entitled to, or are not in receipt of pension increase under the British Government's Pension (Increases) Act. The payment will be made at the existing official rate of exchange.

3. Government servants who have retired on or after 01-07-1990 till the introduction of revised pay scales *i.e.* 01-06-1991, be allowed pension/ commutation

on the basis of pay that would have been admissible to them had the pay revision been effected on the date of their retirement discounted by 12%.

4. Pension shall be calculated for the pensioners from time to time in accordance with the latest rules.

5. The above benefits will also be admissible on family pension.

[Finance Division (Regulation Wing-II) O.M. No. F. 6 (4)/Reg. (6)/91 dated 3-10-1991.]

Sl. No. 66

In continuation of Finance Division Office Memorandum No. F. 6 (4) Reg. (6)/91, dated 03-10-1991 regarding Pension benefits after retirement it is stated that a doubt has arisen as to whether the medical examination will be required for additional amount of Commutation accrued due to the revision of pay scales for pension purpose in terms of para 3 thereof. In this regard it is clarified in consultation with Auditor General of Pakistan that medical examination will be must on additional amount of commutation if it is applied after 03-10-1992 (After one year of the issue of Finance Division O.M. dated 03-10-1991).

[Finance Division (Regulation Wing-II) O.M. No. F. 6 (4)/Reg. (6)/91 dated 19-4-1993.]

Sl. No.67

The President has been pleased to sanction with effect from 01-07-1995 increase in pension to all civil pensioners of Federal Government including those paid from Defence Services Estimates as well as retired armed forces personnel at the rates as follows:

	<i>Increase in Pension</i>
(i) Pensioners retired up to 30-04-1977	15%
(ii) Pensioners retired between 01-05-1977 to 31-05-1991	10%
(iii) Pensioners retired between 01-06-1991 to 31-05-1993.	05%

2. For the purpose of admissibility of the increase in pension sanctioned in this O.M. the term 'Pension' means pension before commutation and or surrender of 1/4th for gratuity plus dearness/*ad hoc* increases/indexation/*ad hoc* relief, in

pension sanctioned from time to time. Gross pension of retired Government employees would not be less than Rs. 300 per month and in the case of family pension not less than Rs. 150 per month for the purpose of calculation of the above increase.

3. The increase in pension will also be admissible on family pension granted under the Pension-*cum*-Gratuity Scheme, 1954, Liberalized Pension Rules, 1977, on pension sanctioned under the Central Civil Services (Extra Ordinary Pension) Rules as well as on the Compassionate Allowance under CSR-353.

4. If the gross pension sanctioned by the Federal Government is shared with any other Government in accordance with the rules laid down in Part-IV of Appendix III to the Accounts Code, Volume-I, the amount of the increase in pension will be apportioned between the Federal Government and the other Government concerned on proportionate basis.

5. Commutation/Gratuity of any part of increase in pension will not be permissible.

6. In the case of re-employed pensioners, the increase in pension sanctioned in this office memorandum shall not be admissible to them during the period of their re-employment.

7. The benefit of increase in pension sanctioned in this O.M. will also be admissible to those Civil Pensioners of the Federal Government who are residing abroad (other than those residing in India and Bangladesh) who retired on or after 15-08-1947 and are not entitled to, or are not in receipt of pension increase under the British Government's Pension (Increases) Acts. The, payment will be made at the existing official rate of exchange.

[Finance Division (Regulation Wing) O.M. No. 4 (3)-Reg. 6/95. dated 29-6-1995.]

Sl. No. 68

The President has been pleased to sanction with effect from 1-3-1997 an increase @ 10% in pension to civil pensioners of Federal Government including those paid from Defence Services Estimates as well as armed forces personnel retired in BPS-1 to 16.

For the purpose of admissibility of the increase in pension sanctioned in this O.M. the term 'Pension' means pension before commutation and or surrender of 1/4 for gratuity plus dearness/*ad hoc* increase/indexation/*ad hoc* relief in pension sanctioned from time to time. Gross pension of retired Government employees would not be less than Rs. 300/- per month and in the case of family pension not less than Rs. 150/- per month for the purpose of calculation of the above increase.

The increase in pension will also be admissible on family pension granted under the Pension-*cum*-Gratuity Scheme, 1954, Liberalized Pension Rules, 1977, on pension sanctioned under the Central Civil Services (Extraordinary Pension) Rules as well as on the Compassionate Allowance under CSR-353.

If the gross pension sanctioned by the Federal Government is shared with any other Government in accordance with the rules laid-down in Part-IV of Appendix-III to the Accounts Code, Volume-I, the amount of the increase in pension will be apportioned between the Federal Government and the other Government concerned on proportionate basis.

Commutation/Gratuity, of any part of increase in pension will not be permissible.

In the case of re-employed pensioners, the increase in pension sanctioned in this-office memorandum shall not be admissible to them during the period of their *re*-employment.

The benefit of increase in pension sanctioned in this O.M. will also be admissible to those Civil Pensioners of the Federal Government who are residing abroad) other than those residing in India and Bangladesh) who retired on or after 15-8-1947 and are not entitled to, or are not in receipt of pension increase under the British Government's Pension (Increases) Acts. The payment will be made at the existing official rate of exchange.

[Finance Division's O.M. No. F. 4(3)/Reg. 6/97, dated 11-3-1997.]

Sl. No. 69

Reference Finance Division's O.M. of even number dated 11-3-1997 on the subject queries have been received in Finance Division :—

- (i) Whether the above said increase is also admissible to the pensioners, who were in BPS-17 by moveover or by virtue of Selection Grade.
- (ii) Whether the said increase is admissible to those Government servants who were retired upto 28-2-1997 or also to those who will retire on or after 1-3-1997.

2. It is hereby clarified that :—

- (i) The benefit of 10% increase in pension is also admissible to those pensioners who were in BPS-17 by virtue of moveover but not to those who were in BPS-17 by virtue of Selection Grade.

- (ii) The benefit of an increase in pension is admissible to those Government servants who were retired prior to 1st March, 1997.

[Finance Division O.M. No. F. 4(3)-R 6/97. dated 29-3-1997.]

**Grant of increase in pension to
Civil Pensioners of the Federal
Government including Civilians
paid from Defence estimates**

Sl. No. 70

The President has been pleased to allow increase in pension with effect from 1st July, 1999 to civil pensioners of the Federal Government including civilians paid from Defence Estimates at the following rates :

	<i>Increase in Pension</i>
(i) Pensioners in BPS-1—16	25%
(ii) Pensioners in BPS-I7 & above	20%

2. For the purpose of admissibility of the increase in pension sanctioned in this O.M. the term 'Pension' means pension before commutation and/or surrender of 1/4 for gratuity plus dearness/*ad hoc* increases/indexation/*ad hoc* relief, in pension sanctioned from time to time. Gross pension of retired Government employees would not be less than Rs. 300 per month and in the case of family pension not less than Rs. 150 per month for the purpose of calculation of the above increase.

3. The increase in pension will also be admissible on family pension granted under the Pension-*cum*-Gratuity Scheme, 1954, Liberalized Pension Rules, 1977, on pension sanctioned under the Central Civil Services (Extra Ordinary Pension) Rules as well as on the Compassionate Allowance under CSR-353.

4. The increase in pension will also be admissible to those Government servants who would retire between the period commencing from 1st July, 1999 and introductions of revised pay scales.

5. If the gross pension sanctioned by the Federal Government is shared with any other Government in accordance with the rules laid down in part-IV of Appendix-III to the Accounts Code, Volume-I, the amount of the increase in pension will be apportioned between the Federal Government and the other Government concerned on proportionate basis.

6. Commutation/Gratuity of any part of increase in pension will not be permissible.

7. In the case of *re*-employed pensioners, the increase in pension sanctioned in this Office Memorandum shall not be admissible to them during the period of their *re*-employment.

8. The benefit of increase in pension sanctioned in this O.M. will also be admissible to those Civil Pensioners of the Federal Government who are residing abroad (other than those residing in India and Bangladesh) who retired on or after 15th June, 1947 and are not entitled to, or are not in receipt of pension increase under the British Government's pension (increases) Acts. The payment will be made at the existing official rate of exchange.

[Finance Division (Regulations Wing) O.M. No. F. 4(1)-R. 6/99, dated. 23-7-1999.]

Revision of Basic Pay and Fringe Benefits of Civil Employees (BPS 1–22) of the Federal Government (2001)

Sl. No. 71

All the pensioners shall be allowed an increase in pension (inclusive of dearness increases allowed in the past) as follows:—

	<i>Increase in net pension</i>
(i) Pensioners who retired prior to the introduction of 1991 Basic Pay Scale.	15%
(ii) Pensioners who retired prior to the introduction of 1994 Basic Pay scales but on or after the introduction of 1991 Pay Scales.	10%
(iii) Pensioners who retired on or after the introduction of 1994 Basic Pay Scales and upto the date of introduction of revised Basic Pay Scales <i>i.e.</i> 1-12-2001.	5%

Option.—All the existing civil employees (BPS 1 to 22) of the Federal Government shall within 45 days from the date of issue of this office memorandum, exercise an option in writing, addressed to the Audit Office concerned in the case of employees in BPS 16 and above to the DDO concerned in the case of employees in BPS 15 and below, either to draw pay in the existing Basic Pay Scales of 1994 or in the revised Basic Pay Scales and pension/commutation scheme 2001 as specified in this O.M. Option once exercised shall be final.

[Finance Division's O.M. No. F. 1(5)Imp/2001, dated 4-9-2001]

Sl. No. 72

Reference para 18 of Finance Division's O.M. No. F.1 (5)-Imp/2001, dated 4-9-2001, the Government has considered the case of family pension of those government servants who expired between 1-7-2001 to 30-11-2001 and has decided that the government servants who expired during the above period while in service, may be allowed the benefit of fixation of pay for the purpose of calculation of family pension only so that their families could avail the benefit accrued *vide* para 18 of this Division's O.M. *ibid*.

[Finance Division's O.M. No. F.4(2)-Reg.6/2001-III, dated 5-3-2002.]

Incentives for Civil Servants of B-20 and above

Sl. No. 73

On the recommendations of the Committee set up by the Government for the purpose, the President has been pleased to approve that all civil officers in BPS-21 and 22 who opt to retire on completion of 25 years service or more, shall be allowed the following benefits with effect from 19-2-1991:—

- (i) Maximum limit of one year LPR will be relaxed in their case. Leave at full pay will be calculated at 4 days per month of service, less leave on full pay availed during the service. The balance would be allowed as LPR on full pay;
- (ii) On retirement after LPR, they should be entitled to pension based on their service as on the date of proceeding on LPR plus LPR availed plus a grace period of 2 years; provided the above period does not exceed the age of superannuation prescribed in section 13 of the Civil Servants Act, 1973;
- (iii) For purpose of commutation, the factor relevant to actual age on conclusion of LPR will be applied as under existing rules/orders.

2. On retirement, a Government Officer in BPS-20, 21 and 22 would be allowed a special additional pension equal to the admissible pre-retirement orderly allowance.

[Finance Division O.M. No. F. 1(2)/Reg(6)/91, dated 29-9-1991.]

Restoration of Pension Surrendered in lieu of Commutation/Gratuity

Sl. No. 74

With reference to para 16(e) of Finance Division's O.M. No. 1(5) Imp/2001, dated 4-9-2001, *vide* which the benefit of restoration of surrendered portion

of pension in lieu of commutation/gratuity was withdrawn *w.e.f* 01-12-2001 irrespective of an employee's date of retirement. The old pensioners have requested for re-consideration of this decision; in so much as that it may not be made applicable to Government servants who retired prior to 01-12-2001.

2. The case has been reconsidered and it has been decided that all those Government servants who retired prior to 01-12-2001, others those who have opted to remain in pay scales of 1994, shall be entitled to the restoration of surrendered portion of pension in lieu of commutation/gratuity.

3. It has also been decided that all other benefits available under the 1994 scales shall continue for those who have opted to remain in the 1994 scales. Government servants who availed the benefit of presumptive fixation of pay in the 2001 scales, *i.e.* those who retired between 1-7-2001 to 01-12-2001 shall be governed by the Pay and Pension package of the 2001 scales.

[Finance Division's O.M. No. F. 5 (2)-Reg. 6/2002, dated 2-7-2002.]

Sl. No. 75

With reference to Finance Division's O.M. No. F. 4(2)-Reg.6/2001-III, dated 5-3-2002, thereby extending the benefit of fixation of pay under para 18 of the subject scheme for the purpose of family pension of those Government servants who expired during the period from 1-7-2001 to 30-11-2001 and to clarify that the similar benefit is admissible for the purpose of payment of Gratuity where admissible, in case where the Government servants could not exercise option for the Revised Basic Pay Scales scheme and the family so opts.

[Finance Division's O.M. No. F.4(2)-Reg.6/2001, dated 14-9-2002.]

**Grant of Increase in Pension to Civil Pensioners
of the Federal Government as well as Retired
Armed Forces Personnel**

Sl. No. 76

With reference to Finance Division's Office Memorandum No. 4(2)-Reg.6/2003, dated 30-06-2003, queries have been received in the Finance Division, as to whether 15% increase in pension is also admissible to those Government servants who would retire on or after 01-07-2003.

2. It is clarified that the said increase in pension is admissible until further orders to those Government servants as well who retired/may retire on or after 01-07-2003.

[Finance Division's O.M. No. F. 4(2)-Reg. 6/2003, dated 15-9-2003.]

Sl. No. 77

The President has been pleased to sanction an increase in pension with effect from 1st July, 2004 to civil pensioners of the Federal Government including civilians paid from Defence Estimates as well as retired Armed Forces Personnel at the following rates:—

- (i) Pensioners who retired prior to revised Pay Scales of 1994. 16%

- (ii) Pensioners who retired/retire in revised Pay Scales of 1994 and onwards. 08%

2. For the purpose of admissibility of increase in pension sanctioned in this O.M. the term 'Pension' means 'Pension being drawn'.

3. The increase will also be admissible on family pension granted under the Pension-*cum*-Gratuity Scheme, 1954, Liberalized Pension Rules, 1977, on pension sanctioned under the Central Civil Services (Extra ordinary Pension) Rules as well as on the Compassionate Allowance under CSR-353.

4. If the gross pension sanctioned by the Federal Government is shared with any other Government in accordance with the rules laid down in part-IV of Appendix III to the Accounts Codes, Volume-I, the amount of this increase in pension will be apportioned between the Federal Government and the other Government concerned on proportionate basis.

5. This increase in pension is an *ad-hoc* relief and shall not be reckonable for purposes of calculation of Commutation/Gratuity.

6. In case of *re*-employed pensioners, the increase in pension sanctioned in this Office Memorandum shall not be admissible to them during the period of their re-employment.

7. The benefit of increase in pension sanctioned in this O.M. will also be admissible to those Civil Pensioners of the Federal Government who are residing abroad (other than those residing in India and Bangladesh) who retired on or after 15-8-1947 and are not entitled to, or are not in receipt of pension increase under the British Government's pension (increases) Acts. The payment will be made at the applicable rate of exchange.

[Finance Division's O.M. No. F. 4(I)-Reg. 6/2004, dated 2-7-2004.]

Sl. No. 78

Commutation shall be admissible upto a maximum of 35% of Gross Pension, at the option of the pensioner, Admissibility of monthly pension shall be increased from the existing 60% to 65% of Gross Pension.

An increase @ 10% shall be allowed on the amount of pension being drawn by the existing pensioners as well as to those Government servants who would draw pension under the Revised Basic Pay Scales, 2005.

The increases allowed on pension @ 15% and 8% *w.e.f.* 01-7-2003 and 01-07-2004 respectively shall not be admissible to the Government servants who would draw pension under the revised Basic Pay Scales, 2005.

[Finance Division O.M. No. F. 1(1)/Imp/2004, dated 1-7-2005]

Sl. No. 79

The President has been pleased to sanction an increase in pension with effect from 1st July, 2006 to civil pensioners of the Federal Government including civilians paid from Defence Estimates as well as retired Armed Forces Personnel at the following rates:

- | | |
|--|-----|
| (i) Pensioners who retired prior to 01-05-1977 | 20% |
| (ii) Pensioners who retired on or after 01-05-1977 | 15% |

2. The increase in pension will also be admissible to those Government servants who would retire after 30-06-2006.

3. For the purpose of admissibility of increase in pension sanctioned in this O.M. the term 'Pension' being drawn.

4. The increase will also be admissible on family pension granted under the Pension-*cum*-Gratuity Scheme, 1954, Liberalized Pension Rules, 1977, on pension sanctioned under the Central Civil Services (Extraordinary Pension) Rules as well as on the Compassionate Allowance under CSR-353.

5. If the gross pension sanctioned by the Federal Government is shared with any Government in accordance with the rules laid down in part-IV of Appendix III to the Accounts Code, Volume-I, the amount of the increase in pension will be apportioned between the Federal Government and the other Government concerned on proportionate basis.

6. In case of re-employed pensioners, the increase in pension sanctioned in this office Memorandum shall not be admissible to them during the period of their re-employment.

7. The benefit of increase in pension sanctioned in this O.M. will also be admissible to those Civil Pensioners of the Federal Government who are residing abroad (other than those residing in India and Bangladesh) who retired on or after 15-08-1947 and are not entitled to, or are not in receipt of pension increase under the British Government's Pension (increases) Act. The payment will be made at the applicable rate of exchange.

[Finance Division's O.M. No. F. 4(3)-Reg-6/2006]

**Revitalization of the Critical Services:
Institutional Response to Sectarian Violence
Against Government Officials**

Sl. No. 80

The Government has decided to allow the following package to the families of those Government servants whose death takes place due to sectarian violence against Government servants.

- (i) *Accommodation.*—The family of the deceased Government servant shall be allowed to continue living in the Government accommodation till the deceased would have reached the age of superannuation had he not died. In case the deceased's family is not living in Government owned house, the family shall be allotted a Government owned/hired house or paid a monthly allowance at the prescribed rate for hiring a house at the option of the deceased's family.
- (ii) *Pension.*—Full Pension shall be allowed to the bereaved family. Full family pension shall continue till the children of the deceased attain the age of 18 years.
- (iii) *Lump Sum Grant.*—The amount of Rs. 0.5 million shall be paid to the family of the deceased government servant within a period of 30 days of his death.
- (iv) *Employment.*—Either the spouse or one child of the deceased Government servant shall be given employment in the Government provided she/he is qualified for the post.
- (v) *Education.*—Free education shall be provided to the children of the deceased up to the age of 25 years.
- (vi) *Health.*—Free health facilities shall be provided to the family of the deceased upto the age of 20 years.

(Finance Division O.M. No. F. 29(1)R. 9/97-422/2001 dated 4-05-2001]

Sl. No. 81

Reference Finance Division's O.M. No. 29(1)R. 9/97-422/2001 dated 4-5-2001 regarding compensation package for the families of those Government servants whose death takes place due to sectarian violence and to state that competent authority has been pleased to extend the compensation package to the families of those Government servants who fall victim to any type of terrorist activity such as ethnic sectarian or any other subversive activities.

[Finance Division O.M. No. F. 29(1)R-9/97-594/2001 dated 13-7-2001.]

Sl. No. 82

Reference Finance Division's O.M. No. 29(1)R. 9/97-422/2001, dated 4th May, 2001 relating to concession/package approved by the Government for the families of those Government servants whose death took place due to sectarian violence against Government Servants.

2. Questions have been asked whether an entitled family can claim house rent in lieu of Government accommodation and what will be the scale for free education of children of the deceased. In consultation with the Establishment Division, it is clarified that if the family opts to vacate the Government accommodation, while exercising the option of "hiring", will be entitled to receive monthly allowance at the prescribed rates. As regards free education, the Government would pay the fees, for education upto University level (Post-Graduate) of those children of the deceased Government servants, who are below 25 years of age. Further if the children are studying in private/semi private institutions, reimbursement of fee, on production of receipt shall not be more than the fees being charged for that particular course by the Government Education Institutions/ Universities.

[Finance Division O.M. No. 29(1)R-9/97-292/2002 dated 26-3-2002]

Sl. No. 83

Payment of Capitalized Value to Autonomous/Semi-Autonomous Organisations

It is the responsibility of all the Audit and Accounts offices concerned to furnish an Annual Certificate in respect of grades 16 and above officers to ensure that nominations for gratuity in respect of government servants within their respective audit jurisdiction are available with them. However, due to other important work done by the audit offices it may not be possible for them to issue such certificates regularly. It will, therefore be in the fitness of things if all the Ministries/Divisions may prepare a schedule and send the list of their gazetted officers in batches to the audit offices concerned and obtain the certificate in question. Similarly, the nominations of Government servants of grades 1—15 are kept in the service books/personal files maintained by the Ministries/Divisions/ Departments etc. It is therefore, emphasised that it may be ensured that the nominations of such government servants are obtained, if not already done, and placed on their service records.

[F.D. O.M. No. F. 6 (4) Reg. (6)/77 Vt. II dated July 8, 1982.]

Sl. No. 84

As a policy matter, certain Federal Government Departments such as Radio Pakistan, National Health Laboratories, Pakistan Agricultural Research Centre, Civil Aviation Department etc. have been converted into corporation/

autonomous/semi-autonomous bodies and the employees serving in those Departments have been transferred *en bloc* to the organizations concerned from the date of their conversion into such bodies. The question of sanction and payment of pension/gratuity/commutation to the transferees and the discharge and adjustment of pensioner, liability in the case of government departments that have already been converted or that might in future be converted, on wholesale basis, into government sponsored corporations or autonomous/semi-autonomous bodies has been under consideration of Finance Division. It has been decided in consultation with the Auditor General of Pakistan that the procedure appended to this O.M. will be followed in all such cases for the discharge and adjustment of pensionary liability between the Government of Pakistan and such bodies which have come or will come or will come into existence by wholesale conversion of federal Government Departments.

[F.D. O.M. No. F. 1(1)-Reg. (6) /73-Vol.II dated, May 7, 1983]

**PROCEDURE FOR SANCTION AND PAYMENT OF PENSION/
GRATUITY/COMMUTATION ETC. TO THE EMPLOYEES OF FORMER
GOVERNMENT DEPARTMENT(S) TRANSFERRED TO
CORPORATIONS/AUTONOMOUS/SEMI-AUTONOMOUS
ORGANIZATIONS BY WAY OF WHOLESALE CONVERSION OF
GOVERNMENT DEPARTMENTS**

The sanction and payment of pension/gratuity/commutation to the Government servants transferred to corporations/autonomous/semi autonomous organizations by way of wholesale conversion of Government Departments will be regulated as per procedure laid down hereunder:—

(1) Liability of the Federal Government

The sanction and payment of pension/gratuity/commutation, etc. will be authorized by the corporation, autonomous body, etc. concerned. The liability of the Federal Government in so far as it relates to the pension, gratuity and commutation etc. of the employees of former Government Departments that would have been payable had the employees been discharged from service rendered by them upto the date of their transfer, will continue to be the liability of the Federal Government. The liability for post transfer service will be of the Corporation, autonomous body etc. where the Government servant has been transferred.

(2) Procedure for Sanction/Payment of the Pensionary Liability

The procedure for the sanction/payment of Pension/Gratuity and Commutation to such employees on their final retirement from Corporation of such organizations would be as under:—

- (i) The Corporation/Organizations concerned will prepare two sets of Pension Papers, one showing calculations upto the date an employee

had served under the Government and the other upto the date of his final retirement from the service of the Corporation, etc.

- (ii) Pension papers relating to the period upto the date of service under the Government will be sent to the Audit Office concerned for processing in the usual manner. (Explanation: Audit Office concerned means AGPR, Islamabad, Rawalpindi, Karachi, Lahore, Peshawar Quetta to the extent of their jurisdiction limits.
- (iii) After completion of all formalities the Pension Section (of the Audit Office) will issue an authority of payment of Pension/Gratuity and Commutation in favour of the Corporation/Organization, etc.
- (iv) The Corporation/Organization, etc. shall make payment to the individual concerned according to their own procedure and rules.

3. Accounts and Audit

- (i) The Corporation/Organization, etc. should maintain under a separate head, a distinct account of total pensionary charges as well as of Government share thereof.
- (ii) The Account so maintained will be audited by the Auditor General of Pakistan.

4. Adjustment of Accounts

- (i) Government of Pakistan will pay the capitalized value of pensionary liability in respect of Government servants transferred to such Corporation/Organization etc. The capitalized value of pensionary liability of the Government will be determined on the basis of average emoluments calculated on the basis of last 12 months or three years pay, as the case may be, drawn in Government service by the former employees prior to the date on which the Government department was converted into a corporation, autonomous body, etc.

5. Service Verifications

The service record of all employees transferred to the Corporation/autonomous body etc. will be examined and scrutinized by the Corporation etc. and if any requirement arises in respect of service verification prior to the date of transfer such cases will be sent to the respective audit offices for completing the same.

SECTION 6

PROCEDURE FOR PAYMENT OF PENSION

Payment of Pension in Pakistan

Sl. No. 85

(i) *Beginning of payment of pension.*—The ordinary pension is payable from the date on which the pensioner ceases to be borne on the establishment. (Art. 930 C.S.Rs.).

(ii) *Payment of Gratuity.*—A gratuity is paid in a single sum, and not by instalments, on receipt of the Accountant General's authority. (Art. 940 C. S. Rs.).

(iii) *Payment of Pensions.*—A pension is payable monthly on and after the first day of the following month. (Art. 943 C.S. Rs.).

(iv) *Death of a Pensioner.*—A pension is payable for the day on which the pensioner dies, the hour at which death takes place has no effect on the claim. (Art. 943 C.S. Rs.).

[Finance Division Notification No. SRO 413 (I) dated 19-5-1979.]

(v) On receipt of the Pension Payment Order, the disbursing officer should deliver one-half to the pensioner, and keep the other half carefully in such a manner that the pensioner, can not have access thereto. All payments should be entered on both the halves and attested by the disbursing officer. (Art. 943 C.S. Rs.).

A pensioner can draw his pension from a District Accounts Officer, Treasury/Sub-Treasury or any branch of the National Bank of Pakistan.

[Treasury Rule 323 and Finance Division O.M. No. F. 3(11) IF-IX/75-288 dated 8-4-1977.]

(vi) *Payment of pensions by Money Orders.*—Small pensions upto Rs. 500 per mensem can be drawn by pensioners at their option and expense through Postal Money Orders, pensioners drawing up to Rs. 30 per mensem are allowed to draw their pensions at Government expense through postal money orders.

[Finance Division O.M. No. 4(3)-RI/64, dated 11-2-1965 and F. 4(8)RS/II/68, dated 10-5-1969].

(vii) *Personal appearance of pensioners and payment through life certificate.*—As a rule, a pensioner must take payment in person after identification by comparison with the Pension Payment Order. A pensioner specially exempted by the Government from personal appearance, or a female

pensioner not accustomed to appear in public, or a male pensioner who is unable to appear in public in consequence of bodily illness or infirmity, may receive his or her pension upon the production of a LIFE CERTIFICATE signed by a responsible officer of Government or by some other well-known and trust worthy person. A pensioner of any description, who produces a life certificate signed by some person exercising the powers of a Magistrate under the Criminal Procedure Code, or by any Registrar or Sub-Registrar under the Registration Act, or, by any pensioned officer who before retirement held a B-16 and above appointment or exercised the powers of a Magistrate or by a Munsiff, or by any person holding a Government title, is also exempted from personal appearance. In all such cases the disbursing officer must take precaution to prevent impositions and must, at least once a year, require proof independent of that, furnished by the life certificate, of the continued existence of the pensioner. (Art. 944, 945, 946 and 947 C.S. Rs.).

(viii) *Drawal of pensions through Agents.*—A pensioner of any description, resident in Pakistan is exempted from personal appearance if he draws his pension through a duly authorised agent approved by Government who must execute a bond to refund overpayments and produce at least once a year a life certificate signed by any of the persons authorised in para (vii) above. Such pensions should not be paid on account of period of more than a year after the date of life certificate last received and the Accountant-General and the disbursing officer should be on the watch for authentic information of the decease of any such pensioner and on receipt thereof should promptly stop further payment. (Art. 949 C.S. Rs).

(ix) *Drawal of pensions by pensioners not residing in Pakistan.*—A pensioner not residing in Pakistan may draw his pension at any Treasury in Pakistan, any branch of the National Bank of Pakistan through a duly authorised agent who must either produce a certificate by a Magistrate, a Notary .Public or a Banker or the Head of a Pakistan Mission abroad or a gazetted officer duly authorised by him on each occasion, that the pensioner was alive on the date to which his pension is claimed, or execute a bond to refund overpayments and produce such certificate at least once a year. [Art. 949 C.S.Rs. read with Ministry of Finance O.M. No. F. 3(9)IF-IX/77-66, dated 13-8-1977.]

(x) *Certificate of non-employment.*—A pensioner is required to append to his bill a certificate as follows :—

“I declare that I have not received any remuneration for serving in any capacity, either under Government or under a Local Fund during the period for which the amount of pension claimed in this bill is due”.

Note.—In the case of a pensioner permitted to draw pension after re-employment, this certificate should be modified according to facts. (Art. 953 C.S.Rs).

(xi) *Arrears of pension.*—There is now no restriction for the drawal of pension, if it falls into arrears. The arrears may be paid by the disbursing officer without any reference to the audit office or the pension sanctioning authority.

[Finance Division O.M. No. F. 5(1)-Reg. (6)/77, dated 21-2-1977.]

(xii) *Future good conduct as condition of payment.*—Future good conduct is an implied condition of every grant of pension. The Government reserve to themselves the right of withholding or withdrawing a pension or any part of it, if the pensioner be convicted of serious crime or be guilty of grave misconduct. The decision of the President on any question of withholding or withdrawing the whole or any part of a pension shall be final and conclusive. (Art. 351 C.S. Rs).

(xiii) *Taking part in elections and politics.*—Except with the previous sanction of the Federal Government, no pensioner shall, within a period of two years from the date of his retirement, take part in any election or engage in political activity of any kind. The contravention of this provision shall be deemed to be a grave misconduct. (Art. 351 C.S.Rs).

(xiv) *Commercial employment after retirement.*—If a pensioner who immediately before retirement was member of any of the All Pakistan Services including the Foreign Service, or of any Central Superior Civil Service, or a Central Service Class-I or a Central Class-II Gazetted Service, or a holder of a Class-II Gazetted post, wishes to accept any commercial employment before the expiry of two years from the date of his retirement he should obtain the previous sanction of the President for this. No. pension shall be payable to a pensioner who accepts commercial employment without such sanction, in respect of any period for which he is so employed or such longer period as the President may direct. A Government servant permitted by the appropriate authority to take up a particular form of commercial employment during his leave preparatory to retirement shall not be required to obtain subsequent permission for his continuation in such employment after retirement.

Note.—Commercial employment means employment of any capacity including that of an agent under a company, firm or individual engaged in trading or in a commercial, industrial, agricultural, financial or professional business, and includes also a directorship of such company and a partnership of such firm, [Art. 531-B CS Rs—Ministry of Finance Notification No. F. 1(8) RI 65, dated 25-8-1969.]

(xv) *Attachment of pensions.*—No pension granted or continued by Government on political consideration, or on account of past service or present infirmities or as a compassionate allowance and no money due or to become due on account of any such pension or allowance, shall be liable to seizure, attachment or sequestration by process of any Court in Pakistan, at the instance of a creditor, for any demand against the pensioner or in satisfaction of a decree or order of any such Court. (Rule 5 under Art. 943 C.S. Rs.)

(xvi) *Agreements for recovery from pensioner.*—All assignments, agreements, orders, sales and securities of every kind made by the person entitled to any pension, pay or allowance mentioned in Para (xiv), above in respect of any money not payable at or before the making thereof, on account of any such pension, pay or allowance, or for giving or assigning any future interest therein, are *null and void*. (Sec. 12 Act XXIII of 1871).

(xvii) *Recovery from pension on account of loss.*—The President has got the full right to order the recovery from the pension of an officer of any amount on account of losses found in judicial or departmental proceedings to have been caused to Government by the negligence or fraud of such officer during his service. (Art. 351-A C.S.Rs).

Payment of Pension abroad

Sl. No. 86

(i) A pensioner is entitled to receive his pension in sterling for the period of his residence outside Pakistan. The term 'residence' includes temporary visits abroad. For this purpose the pensioner has to intimate to the Audit Officer concerned in advance that he intends to proceed abroad with effect fromin connection withand his period of stay will be approximately..... On receipt of the information the Audit Office will authorise the payment of pension in sterling through the State Bank of Pakistan for the period as intimated by the pensioner or for the period of his actual stay whichever is less. This authorization will, however, be subject to the availability of foreign exchange.

(ii) A pensioner domiciled in Pakistan who retired on or after the 18th September, 1969, and acquires the Citizenship of another country, shall, from the date of his acquiring such Citizenship, cease to draw his pension in foreign currency.

(iii) Consequent upon the devaluation of Pak. Rupee the pensions determined, under the Revised Pension Rules, 1966 will be converted into sterling at the new official rate of exchange prescribed on the devaluation of Pak. Rupee. This will apply to all payments made on or after the date of devaluation of Pak. Rupee irrespective of the period to which they relate.

(iv) The payment of pension in sterling in the case of the pensioners who do not fall within the purview of Revised Pension Rules, 1966, or who have elected to retain the pre-1966 pensionary benefits would continue to be governed by the provisions of Art. 934 C.S.R. or Art. 983 C.S.R. as the case may be, read with paras 3 & 4 of President's Order No. XIV of 1959. [President's Order No. XIV of 1959, dated the 24th August, 1959 as amended *vide* Ordinance No. III of 1981 dated 24-1-1981, Ministry of Finance O.M. No. F. 8(5)-RI/59, O.M. No. F. 5(5)-RI

(RWP)/62, dated the 26th May, 1962, Notification No. F. 4(3)-R6/69, dated the 18th September, 1969 and O.M. No. F.6(22)-Reg. (6)/72, dated the 8th September, 1972.]

(v) The following procedure shall be adopted for drawal of pensions by the Pakistani pensioners who want payment of their pension being made through Pakistan Mission abroad. Such pensioners can be placed in the following three categories:—

- (i) Federal Government Pensioners (Civil).
- (ii) Federal Government Pensioners (Defence).
- (iii) Provincial Government Pensioners.

A Pakistani pensioner belonging to any of these three categories desiring to draw pension through a Mission abroad, should approach his Audit Officer for this purpose and the Audit Officer will provide the requisite funds in the Assignment Account of the Ministry of Foreign Affairs together with necessary foreign exchange.

The Chief Accounts Officer, Ministry of Foreign Affairs, on receipt of requisite funds in the Assignment Account and the Payment Authority from Account Office concerned will arrange payment to the pensioner through the missions concerned. The provision for pension payments in the account circle of the respective Account Office shall continue to be made as at present in respect of all the three categories of pensioners mentioned above.

The mechanism in the Accounts Offices concerned shall be that the Account Officers concerned shall forward both halves of the existing P.P.O. of the Pensioner to the Chief Accounts Officer, Foreign Affairs with a sealed letter of authority for arranging payment through the mission concerned. The Chief Accounts Officer, Foreign Affairs will record on the P.P.O. an endorsement showing name of the mission where pension is to be paid and then forward both the halves of the P.P.O. to the mission concerned. The pensioner will be advised to contact the mission and receive his own copy of the P.P.O. for getting monthly payment.

[Finance Division O.M. No. F. 1(10)EF(B-II)/79-2340, dated 17-11-1980.]

Disposal of cases of Overpayment of Pension

Sl. No. 87

Finance Division has received number of cases in the past, regarding waiver of overpayment due to wrong calculation of pension by the audit offices. It seems that due care has not been taken in the past to calculate pension in the light of instructions issued by the Finance Division, from time to time. Later when the

pensioners were asked to refund the excess amount, they protested strongly on the basis of hardship.

2. In view of the above situation and the fact that in most cases the fault did not lie with the pensioners, it has been decided that for the purpose of dealing with the overpayments made so far, waiver may be allowed as follows:—

- (i) The entire amount, if a pensioner/widow is more than 75 years of age on 30th November, 1986; .
- (ii) Half of the amount if a pensioner/widow is between 70 and 75 years' of age on 30th November, 1986;
- (iii) One-third of the amount if the pensioner is between 65 and 70 years of age on 30th November, 1986; and .
- (iv) Full recovery may be made from pensioners/widows who are below 65 years of age on 30th November, 1986.

3. It may please be brought to the notice of concerned officers that in cases of overpayments of pension in future, the officials responsible for such lapses will be located and proceeded against under the rules. The Auditor General of Pakistan is requested to issue administrative instructions to all audit offices for strict compliance of this decision.

[Finance Division U. O. No. F. 18(2)-Reg. 6/86 dated 24-12-1986, addressed to the Auditor General of Pakistan.]

Remittance of small pensions through Postal Money Orders at Government expense.

S. No. 88

At present small pensions upto Rs. 200 per mensem can be drawn by pensioners at *their option and expense* through Postal Money Orders. In order to provide greater facility to small scale pensioners, the President has been pleased to decide that, with immediate effect, Central Pensioners drawing pensions upto Rs. 300 per mensem will be allowed to draw their pensions at the expense of the Central Government. Necessary amendment to the relevant rules is being made separately.

[M.F. O.M. No. F. 4(3)-RI/64, dated the 11th February, 1965.]

Sl. No. 89

Reference Finance Ministry's Office Memorandum No. F. 4(3)-RI/64, dated the 11th February, 1965. The expenditure incurred by Government in connection with the remittance of small pensions through Postal Money Orders, including the expenditure on money order commission, will be charged to sub-head "A-Superannuation and Retired Allowance" under the major head "55-Superannuation Allowances and Pensions".

[M.F.O.M. No. 879-RI/65, dated the 13th May, 1965.]

Sl. No. 90

With a view to affording maximum facilities to the pensioners in the matter collection of their pensions, it has been decided that *w.e.f.* 1st July, 1979, all the branches of National Bank of Pakistan will under take the work of payment of pensions in addition to the Treasuries.

2. In order to avoid inconvenience and hardship to the pensioners regarding payment of pensions through the branches of National Bank of Pakistan, Ministries/Divisions are requested to issue necessary instructions to the attached departments/sub-ordinate Offices under their administrative control.

[F.D. O.M. No. F. 3(11) If-IF 75-288, dated 8-4-1977.]

Sl. No. 91

The question of simplification of pensionary procedures has been under consideration by Government for some time past. In this context, Government instructions aimed at further improvement of the procedure for the sanction of pensions of retired Government servants have already been issued under Finance Division (Regulations' Wing II) office memorandum No. F. 5(1)Reg.(6)/77, dated 24th February 1979.

2. Government has since also considered the existing procedure for payment of pensions and, with a view to further facilitating the drawal of their monthly pensions by retired Government servants, it has been decided that the payment of pensions will also be allowed at all branches of the National Bank of Pakistan. This arrangement will take effect from 1st September, 1977, and the pensioners at their option can choose either to continue to draw their pension from the Treasury Officer or District Accounts Officer, as the case may be, as hitherto or to draw it from a branch of the National Bank of Pakistan of their choice.

3. The precise arrangements to be followed to give effect to the aforesaid decision will be as indicated below:—

- (1) In addition to the existing arrangements pension payment will also be made by all branches of the National Bank of Pakistan that the pensioners may nominate for drawal of their pension.
- (2) Finance Division have already issued a Press Note announcing the decision for the information of the pensioners and requiring them to intimate in writing, to the Treasury Officer or the District Accounts Officer from whom they are drawing their monthly pension at present the particular branch of the National Bank of Pakistan from which they wish to draw their pension in future. The information can also be furnished when the pensioner approaches the Treasury Officer/District Accounts Officers (as the case may be) for drawal of his pension for the month of July, 1977 or for any subsequent month.
- (3) The National Bank of Pakistan will immediately start giving publicity over the information media to the new mode of payment of pensions. The bank would also supply an up-to-date district-wise list of their branches all over Pakistan to:—
 - (i) All Treasury Officers/District Accounts Officers.
 - (ii) All Accountants General and Comptrollers.
- (4) On their part, the Treasury Officers or the District Accounts Officers (as the case may be) concerned with payment of pensions will also ensure that an option is obtained in writing from all those pensioners who approach them for payment of their pension for the month of July, 1977, or for any subsequent month and who desire future payments of their pension to be made through the National Bank of Pakistan. The written option should invariably name the particular branch of the National Bank from which payment is desired.
- (5) After collecting options in the aforesaid manner, the Treasury Officers/District Accounts Officers will take out the disburser's portion of the relevant PPO's on record in their office, endorse them (as well as the PPO in the possession of pensioner which will be returned to him for presentation at the branch of National Bank of Pakistan) in favour of the nominated branch of National Bank of Pakistan. They will list PPO(s) in Form T.R. 36 in triplicate and take further action as indicated below:
 - (i) If the nominated branch of National Bank is situated in the same Province in which the Treasury is located, the Treasury Officer will forward one copy of the completed TR. 36 and disburser's

portion of PPO to the concerned Branch of National Bank of Pakistan, another copy to his Accountant General/Comptrollers and the third copy will be recorded for reference in future.

- (ii) If the nominated branch of National Bank is situated in the same District as that of the District Accounts Office the District Accounts Officer will forward one copy of the completed TR. 36 and disburser's portion to the concerned branch of National Bank and another copy to the Audit Branch of his office (which will audit the payments of pensions made directly at the branches of National Bank) and the third copy will be recorded for reference in future.
 - (iii) If the nominated branch of National Bank is situated outside the District in which the District Accounts Office is located the District Accounts Officer will forward one copy of the completed TR. 36 and disburser's portion to the concerned branch of National Bank and another copy to the District Accounts Officers, in whose jurisdiction the nominated branch is situated (for audit of pension payments) and the third copy will be recorded for reference in future.
 - (iv) In case the nominated branch is situated outside the Province of Treasury/District Accounts Office, the Treasury Officer/Districts Accounts Officer will forward one copy of TR. 36 and the disburser, to portion to that branch of National Bank, and the second copy the Accountant General/Comptroller of the Province where pension is being received. That Accountant General will, in turn, inform the Accountant-General/Comptroller of the other Province so that pension payments thus made may be accounted for and audited. The third copy will be recorded for future reference. Before forwarding the documents to National Bank of Pakistan in pursuance of (i) to (iv) above the Treasury Officers/District Accounts Officers will have their signatures verified in the manner stated at item 8(b) below."
- (6) Pensions for the month of August, 1977, payable on and from 1st September, 1977, in respect of those pensioners who elect to be paid at the National Bank of Pakistan will be disbursed by the respective nominated branches of the bank.
 - (7) Pensioners who do not visit the Treasury Officer/District Accounts Officers for drawal of their pension for July, 1977 or for any reason even thereafter will continue to draw their monthly pension from the Treasury Officer/District Accounts Officer until they have exercised their option and wish to be paid through the National Bank of Pakistan. After exercise of the option the Treasury Officer/District Accounts Officer will take action on the lines indicated at item (5) above.

- (8) (a) The Accountant General/Comptroller shall in due course, arrange to supply to the branches of the National Bank of Pakistan, the specimen signatures of their authorised Officers, including those of District Accounts Officers, together with the specimen of the confidential seal with which the PPO and other related documents will be embossed.
- (b) As an interim measure (in-as much as it will take time to supply specimen signatures) the signatures of the Treasury Officers/District Accounts Officers/Authorised Officers of the Accountants-General office will be verified by the Treasury branch, or the designated branch, of the National Bank of Pakistan before the PPO and the related documents are forwarded to the branch of the National Bank of Pakistan at which a pensioner has chosen to draw his pension to enable the latter branch to satisfy itself about the authenticity of the document (please *see* item (5) above and item (9) below).
- (9) In the case of new PPOs the Accountant-General/Comptroller/District Accounts Officer will ascertain from the pensioner the particular branch of the National Bank of Pakistan at which he wishes to draw his pension. When final sanction is accorded to the pension, the Accountant-General/District Accounts Officer will indicate the branch of National Bank of Pakistan (at which payment of pension will be made) in the forwarding letter and also in both halves of the PPO (disburser's portion as well as pensioner's portion) and take further action as below:—
- (i) When the PPO is issued by an Accountant-General/Comptroller and the nominated branch of the National Bank is located in the same province, the Accountant-General/Comptroller will send both halves of the PPO to the nominated branch of National Bank.
- (ii) If the nominated branch of National Bank of Pakistan is located in another province, a copy of the letter of intimation (referred to at (i) above will also be sent to the Accountant General/Comptroller of the other province for necessary action *i.e.* auditing etc., of the pension.
- (iii) When the PPO is issued by a District Accounts Officers and the nominated branch of the National Bank is situated within his jurisdiction (District) both the halves of the PPO will be sent to the nominated branch of the Bank endorsing a copy of the forwarding letter to the pensioner.

- (iv) When the nominated branch is situated outside his jurisdiction (District) both the halves of the PPO will be sent to the nominated branch of National Bank, endorsing a copy of the forwarding letter to the District Accounts Officer in whose jurisdiction the nominated branch of the Bank is situated for the purpose of audit of pension payments. If however, the branch is situated outside the province the copy should be forwarded to the Accountant-General for his Province who will, in turn, inform the Accountant-General/Comptroller of the other Province.
- (v) In all these cases *i.e.* (i) to (iv) above:—
- (a) a copy of the forwarding letter (with which PPOs are being sent to the bank) should be endorsed to the pensioner advising him to take his National Identity Card to the bank, on first appearance, for identification; and
- (b) until specimen signatures have been sent to the branches of National Bank of Pakistan *vide* (a) of item (8), the signatures of the authorised officers/District Accounts Officer will be got verified by the designated branch of National Bank of Pakistan in terms of (b) thereof.
- (10) Accountants-General/Comptrollers/District Accounts Officers ensure that PPOs (both pensioner's portion and disburser's portion) bear pensioner's photograph except where not required under F.T.R. 328(2) as well as the number and date of his national identity card. For this purpose, space should be provided even in the existing supply of aforesaid both portions of PPOs.
- (11) On receipt of PPOs and completed Form T.R.-36 the Manager of the concerned branch of the National Bank of Pakistan or his authorised officer will enter them in a special ledger to be maintained in a form similar to existing Form TR-36 (specimen at Annex-I). The particulars thus entered will serve as a permanent record with the National Bank of Pakistan.
- (12) The first payment of pensions the National Bank of Pakistan will be made to the pensioner after proper identification and after carrying out necessary checks on presentation of his PPO by the pensioner or in case of new pensioners the letter of intimations sent to him by accountant General/Comptroller/District Accounts Officer that his PPO has been sent to the branch of National Bank from which he has chosen to receive his pension payment. Subsequent payment may be subjected to usual checks. Every payment of pension shall be entered under relevant date and signature of authorised bank officer both on the disburser's portion and pensioner's portion of PPO, and also in the special ledger in Form TR-36 referred to in para (ii) above.

- (13) Payment of pension to pensioner will be made on submission by the pensioner of a bill in the form of Pensioner's Receipt duly filled in, stamped (where necessary and signed by the pensioner).
- (14) (i) In case a pensioner desires to receive payment of his pension from another branch of the National Bank of Pakistan, instead of the one at which it is already in course of payment the latter branch will endorse the name of the other branch on the disburser's portion as well as the pensioner's portion of PPO and forward the disburser's portion of PPO alongwith a completed Form. TR.-36 to the other Branch of the National Bank with a copy of the forwarding letter and completed form TR-36 to the Accountant General/Comptroller/District Accounts Officer who issued the PPO. A photo copy of the PPO of the (disburser's portion) will, however, be retained by the transferring branch for its own record and reference.
- (ii) In case the branch of the National Bank on which payment is now desired by the pensioner is outside the jurisdiction of the Accountant General/Comptroller, a copy of completed Form TR-36 received from the branch of the Bank will be sent by the Accountant-General/Comptroller, to the Accountant General/Comptroller concerned (in whose jurisdiction the branch of the Bank at which payment is desired by the pensioners) for necessary action.
- (iii) Where the branch of the Bank is situated outside the jurisdiction of the District Accounts Officer who issued the PPO (but within the same Province) the District Accounts Officer will on receipt of Form TR-36, inform the concerned District Accounts Officer so that payments made in latter's jurisdiction are accounted for an-audited accordingly. If, however, the other branch of the Bank is situated the Province the District Accounts Officer will send a copy of the completed Form TR-36 to his Accountant General/Comptroller for out-side informing the Accountant General/Comptroller of the other Province to take necessary action (for accounting and audit).
- (15) Supply of pension payment bill forms to pensioners will be arranged by the National Bank of Pakistan. For this purpose, the National Bank of Pakistan will be required to prepare their annual indent of requirements of this form in the shape of booklets of 50 forms each and place an order with the Controller of Printing and Stationery, Government of Pakistan, Karachi. On receipt of supply from the Controller, the National Bank's local office in each Province may arrange to distribute the booklets to their respective branch.
- (16) Pending the availability of the supply in the manner indicated in item (15), the existing forms of pension payment bills in use in the Treasuries may be utilized for the time being.

- (17) In order to distinguish the pension payment bill forms for Federal and Provincial pensioners, these forms should be provided in two different colours (white for Provincial pensioners and pink for the Federal pensioners).
- (18) After payment of pensioners separate bank scrolls in the prescribed Form TR-36 will be prepared for Federal and Provincial Government pensioners and submitted by National Bank of Pakistan branches alongwith payment vouchers (that is, paid Pensioner's Receipts) to the Treasury Officer/District Accounts Officer in the manner indicated below:—

(i) *At places where State Bank of Pakistan offices exist.*

One or two branches of the National Bank of Pakistan shall be nominated in these cities as the "link branches" to deal with the Treasury Officer, District Accounts Officer and the State Bank. Link branches will collect the scrolls and relevant payment vouchers (paid Pensioner's Receipts) from all branches within their area in respect of pension payments made on a particular day, consolidate them and submit the same to the Treasury Officer/District Accounts Officer on the next working day through a Credit Note showing there in the amount of Federal and Provincial Government pensions separately. On receipt of the Credit Note, the State Bank of Pakistan will credit the total amount to the National Bank of Pakistan a-count per contra debit through consolidated vouchers to the Federal/Provincial Government Account No. 1 (Non-Food) maintained on State Bank's books.

(ii) *At places where State Bank Office does not exist and more than one branch of National Bank is functioning.*

One of the National Bank branches (Treasury Branch) will be nominated as "Link Branch" to deal with the Treasury Officer/District Accounts Officer. The link branch will collect scrolls of pension payments of a day and payment vouchers (paid Pensioner's Receipts) from all branches of the bank in its area, consolidated them and submit the same to the Treasury Officer/District Accounts Officer on the next working day. The link branch shall advise the consolidated figure of pension payments of all branches in its jurisdiction to its Finance Division at Head Office, Karachi, for claiming credit from the State Bank of Pakistan per contra debit to the account of the Federal/Provincial Government concerned with the State Bank in the usual manner.

(iii) *At places where a single branch of the National Bank is Functioning and a Government Treasury does not exist.*

Such branch after payment of pension bills will prepare separate scrolls for Federal/Provincial Government pensioners in

duplicate and submit one copy, together with paid pension bills (paid Pensioner's Receipts), to the nearest Treasury Officer/District Accounts Officer of the District, in which the branch of National Bank is located, on the next working day. The branch will also advise the figures of pension payments of a day to its Finance Division at Head Office, Karachi, on the next working day to enable the latter to claim credit from the State Bank of Pakistan in the usual manner per contra debit to the Federal/Provincial Government concerned.

- (19) The Treasury Officer/District Accounts Officer (as the case may be), will continue to prepare the accounts as usual and submit them to the Accountant General /Comptroller for the purpose of accounting and audit. Inter-provincial transactions will be put through by the Treasury Officer/District Accounts Officer in case pension payments made by the National Bank of Pakistan are recoverable from other Provinces as in the case of other Government payments.
- (20) The Accountant General/Comptroller will supply to the National Bank of Pakistan excerpts of relevant treasury rules of the Federal and Provincial Government governing payment of pensions. The bank in turn will supply the required number of copies to its individual branches.

4. The National Bank of Pakistan will execute an indemnity bond in respect of pension paid through it in case or any account holder in the bank. Similar indemnity bond may be executed by the other banks in respect of the pensions which are paid through them by the National Bank.

5. It may be added that, on the request of the National Bank of Pakistan, that it will not be possible for them to submit 6-monthly list of defaulting pensioners and make special enquiries about pensioners above the age of 70 years, it has been decided that since the bank will be making payment to the pensioners after ensuring beyond reasonable doubt that the pensioner was alive, the requirement of 6-monthly list of defaulting pensioners and of making special enquiries about pensioners above the age of 70 may be dispensed with. The National Bank will issue instructions to their branches that extra precaution should be taken in such cases. The bank will also allow the staff of the Pakistan Audit Department to carry out necessary test checks locally in respect of the payment of pensions made by its branches with reference to the record available with the Accountants General/District Accounts Officers.

6. Finance Division office memoranda No. F. 3(11)IF-IX/75-288 and F. 3(11)IF-IX/75-369 dated the 8th April, and 17th May, 1977, on the subject, may be treated as cancelled.

7. Necessary amendments in the Treasury Rules are being carried out.

[F.D. Letter NO. 3(9)/F. IX 77, dated 13-8-1977.]

SECTION 7

**EXPEDITIOUS DISPOSAL OF PENSION CASES AND MEASURES
TO CHECK DELAYS**

**Government Orders/Instructions for
preparation of Pension Papers**

Sl. No. 92

Revised procedure for maintenance of Service Books of non-gazetted officials.—The question of eliminating delay in the finalization of pension papers in respect of the Government servants has been under consideration of Ministry of Finance for some time past. In this connection, it has been pointed out that one of the factors which greatly contribute towards delay in the settlement of pension cases is the difficulty in verifying the qualifying service of the Government servant concerned due to the incompleteness of his service records. According to the existing rules, the Head of Office has to prepare the statement of service in the prescribed form of application for pension (CSR. 25), and get it verified by the Audit Officer. For this purpose, the particulars of service of the non-gazetted staff are ascertained from their Service Books. It has been noticed that the maintenance of Service Books has been far from ideal with the result that protracted correspondence between the Audit Office and Departmental authorities regarding the service particulars often becomes inevitable. In order to obviate the delay thus caused, the Ministries/Divisions are requested, to ensure that the Service Books of the staff are properly maintained as prescribed in S.R. 199 and that no entry is allowed to fall in arrears in any case. The annual verification shall also be conducted in accordance with the rule 121 of the General Financial Rules, Volume I, and necessary certificates recorded in the Service Books every year. The attention of the non-gazetted officials serving in Ministries/Divisions, etc., may also be drawn to the provisions of S.R. 202 and they may be encouraged to inspect their Service Books periodically in order to satisfy themselves about their correct maintenance. This will facilitate to a large extent the preparation of statement of service and verification of service for pensions.

[Para 1 of Finance Division's O.M. No. F. 2(3)Reg. (S)/63-III, dated 5-6-1964].

Sl. No. 93

It has been observed that the root cause of all delays in the settlement of such cases lies in the fact that the Service Books are either incomplete or are not properly maintained. It has also been observed that Government servants do not take much interest in the proper maintenance of their service books with the result that when their case is taken up for preparation of pension papers it takes a long time to finalize it. With a view to bringing home to them the requirement of

Supplementary Rules 197 to 203, the attention of all Government servants has been drawn through a Press Note to the provisions of those Rules and they have been advised in their own interest to examine their Service Books occasionally in order to see that they are not only properly maintained but the entries made in them are complete in all respects.

2. Further simplification of the pension procedure is, however, actively under the consideration of Finance Ministry and we hope to issue further orders in this regard very soon. It is, however, felt that any simplification will not yield desired results unless administrative authorities take effective steps to ensure completion and proper maintenance of the Service Books and timely action as required under the relevant rules.

[Finance Division D.O. letter No. F. 4(1)-R(S) 11/67, dated 28-3-1967.]

Sl. No. 94

It has been decided with a view to further simplification of procedure that :—

* * * * *

(iii) The payment of pensions should not be held up for want of “No Demand Certificates”. Pension may be sanctioned if the pensioner or his family (in the event of his death before retirement) agrees that the demand coming to notice within a period of one year after the issue of the PPO may be recovered from the pension. Failure to intimate recoveries even during this extended period should result in the amount involved being recovered from the official responsible for the delay.

[Para 2 (iii), Finance Division O.M. No. F. 4(1)-RS/67, dated 17-4-1967].

Sl. No. 95

The question of carrying out further improvement in the procedure for sanction of pension has again been considered in the meeting on Simplification of Procedures held on the 15th April, 1969 and the following decisions were taken :—

Service records etc.

(i) The Ministries/Divisions/Departments should ensure that their administrative Sections open up the History Files and Service Books of all the officers and staff and keep them upto-date and correctly.

(ii) Deleted.

(iii) The Audit Offices should compile History of Services regularly and keep them up-to-date.

[Finance Division O.M. No. 4(8)-R-SII/68. dated 10-5-1969].

No Demand Certificate.—Another cause of delay in settling pension cases is stated to be the “No-Demand Certificate” which is one of the documents to be furnished with the pension papers to the Audit Officer. It has been reported that it usually takes a very long time to furnish this document. It may be stated in this connection that departmental demands generally arise against an officer due to the advances taken by him for the purchase of conveyance, or for building a house, and also on account of his occupation of Government quarters. Occasionally, there are also cases in which the issue of “No-Demand Certificate” by the Department is held up because some recoveries are due from the applicant on account of defalcation, misappropriation or mis-use of Government funds. In order to obviate delay in the issue of “No-Demand Certificate” due to the causes enumerated above, the following steps should be taken by the administrative authorities concerned :—

- (i) The rules regarding the mortgaging of properties acquired, built or purchased out of Government advances should be strictly enforced;
- (ii) The Departmental authorities, while commencing the preparation of the pension papers of a Government servant, should consult the records and see whether any recoveries are due from him on account of mis-use of Government funds or losses caused to Government. If there are any such dues, early steps should be taken to complete the recoveries of the dues before the date of retirement. If any disciplinary action in this behalf has to be initiated, this should be done at once so that it may be possible to finalize the case and complete the recoveries before the date of retirement. In case such action has already been initiated, steps should be taken to finalize it as quickly as possible so that recoveries may be completed well in time;
- (iii) As soon as the Government servant applies for retirement, his Office/ Department should alert the Estate Office so that his rent account is brought up-to-date and the outstanding dues, if any, are realised before the date of retirement. The Rehabilitation and Works Division has already instructed the Estate Office that the “No-Demand Certificate” should be issued to a retired Government servant as soon as all dues up to the date of retirement have been realized. In case a retired Government Servant is allowed to continue in occupation of Government quarter after the date of retirement, the Estate Office will in future ensure recovery of rent by obtaining personal sureties instead of withholding the “No Demand Certificate”.

[Para 2, Finance Division O.M. No. F. 2(3)-Reg. (S)/63-III. dated 5-6-1964].

Sl. No. 97

Reference para 2 of Finance Ministry's Office Memorandum No. F. 2 (3)-Reg (S)/63-III, dated the 5th June, 1964.—The pension rules do not authorise with-holding of pension, if otherwise payable, due to non-issue of “No-Demand, Certificates” in favour of a retired Government servant, and as a further step to eliminate delays in the payment of pension to retired Government servants or their families, the following further decisions have been taken:—

- (i) Requests for furnishing “No-Demand Certificate” should be made to all concerned at least six months before the date of retirement of the Government servant. If any demand is outstanding against the officer, it must be intimated not later than 15 days after the date of retirement (which should be specified in the request for “No-Demand Certificate”). In case the demand is not intimated within the above time-limit the pension should not be held up on that account and the department/office which has failed to intimate an outstanding demand by the due date should be held responsible.
- (ii) In respect of secured advances, such as house building and conveyance advances which are given against the security of the house or the conveyance etc., the retired Government servant should be requested to give his consent to any recoveries due from him being effected from the pension (gratuity payable to him). In case he fails to give such consent, appropriate legal action should be taken to effect the recoveries on the basis of the mortgage deeds executed by him at the time of drawing the advance.
- (iii) No unsecured advances, such as advances of pay, travelling allowance, etc., should ordinarily be granted to any Government servant within six months of the date of his retirement. If any such advance or other Government dues are already outstanding; they should be recovered from his pay or leave salary for the six months period up to the date of his retirement.

2. If, for special reasons, it becomes necessary to grant an advance of pay, travelling allowance, etc., to any Government servant within six months of his retirement, he should be required to furnish security of a permanent Government servant, who is not due to retire within one year, before the advance is paid to him.

[Finance Division O.M. No. F. 2(3)-Reg. (S)/63/V, dated 27-3-1965].

Sl. No. 98

.....The following decisions were taken:

No Demand Certificate

Departments should check the personal records of the retiring Government servants one year before the expected date of his retirement to ascertain the outstanding dues against him so that such dues could come in time and recovery effected before the official actually retires.

[Finance Division O.M. No. F. 4(8)-RS-II/68. dated 10-5-1969.]

Measures to check delay in the disposal of pension cases

Sl. No. 99

With a view to ensuring speedy disposal of pension cases it is requested that the following action may kindly be taken:—

- (i) The administrative authorities under your control should be called upon to take necessary action as required on their part in accordance with the simplified procedure introduced in this Ministry's Office Memoranda mentioned at Sl. No. (62—68). The Heads of Departments concerned may also be requested to send a compliance report to Ministry of Finance within two months. This report should, *inter alia*, state whether—
 - (a) Service Books in respect of non-gazetted staff have been brought up-to-date.
 - (b) "History Files" of all gazetted officers have been opened and brought up-to-date; and
 - (c) Pension cases of all employees of the Department who have since retired or are due for retirement within the next three months have been sent to the Audit Office.
- (ii) One Section Officer or Assistant (Depending on the volume of work), may be employed exclusively on pension work. This person should be required to make himself conversant with pension procedure and the method of preparation of pension papers. He should also be made responsible for maintaining lists of employees of all categories who may be due for retirement in a particular calendar year and for initiating timely action for preparation of their pension papers. The Assistant (Where the work does not justify a Section Officer) should be provided as an additional hand in the Section.

- (iii) A Progress Sheet in the prescribed form should be attached with each pension case showing the dates by which specific action should be completed. This Progress Sheet move with the pension case from the administrative authority to the Audit Offices and should be returned to the administrative authority after the final Pension Payment Order has been issued. The return of the Progress Sheet should be watched by the Administrative Ministry/Department and on its receipt back it should be examined at the level of Deputy Secretary in the case of non-gazetted staff and Joint Secretary in the case of gazetted officers, with a view to finding whether any delay has taken place. In Attached/Subordinate Offices, the Progress Sheet should, on return from the Audit Office, be put up for the information of the Head Office.
- (iv) A monthly return in the prescribed form showing the position of pension cases outstanding at the end of the month should be prepared and submitted to the Head of Ministry/Department. A copy of this Return should also be endorsed to the Establishment Division.

[Finance Division D.O. Letter No. F. 4(1)-R(S)-II/67, dated 28-3-1967].

Sl. No. 100

If a pension cannot be finalized before the date of retirement of a Government servant, proper action should be taken for the grant of anticipatory pension in accordance with the Article 922, C.S.R. For this purpose, the sanctioning authorities should furnish to the Audit Officer concerned with all the information immediately available regarding the officer's service to enable the Audit Officer to sanction the anticipatory pension.

[Para 3 of Finance Division O.M. No. F. 2(3)-Reg. (S)/63-III, dated 5-6-1964].

Sl. No. 101

The Government has been considering the question of removing the various bottlenecks in the way of expeditious disposal of pension cases. One of the main causes of delay in the disposal of pension cases arises from the fact that service books of non-gazetted staff are either incomplete or are misplaced or lost. With a view to eliminating delays on this account, it has now been decided that the service books of all non-gazetted Government servants should be maintained in duplicate and that one copy of the service book should be kept in the custody of the Government servant concerned who will pay the cost of the service book and will also be required to ensure that all entries in his service book are recorded and attested in time.

2. For the purpose of the grant of pension/gratuity, increment *etc.* to the Government servants only the original copy of the service book will be consulted, the duplicate copy of the service book would serve as a means for completion of the original service book or its reconstruction in the event of its being lost or destroyed.

3. All Ministries/Divisions are requested to give effect to the decision immediately and in the case of existing personnel, duplicate copies of service books, complete with all entries up-to-date, should be handed over to them within six months of the date of this Office Memorandum.

[Finance Division O.M. No. F.4(7)-RS-II/69. dated 4-6-1969].

Sl. No. 102

One of the main causes of delay in the timely sanction of pension is the incomplete entries and lack of prescribed periodic checks of the service books. To meet this difficulty, orders were issued *vide* Finance Division O.M. No. F. 4(8) RSII/68, dated the 10th May, 1969. (SI. No. 98). In order to ensure observance of the said instructions it has been decided that the administrative Ministries should, where the work load so justifies, exclusively designate a whole-time officer for supervising the maintenance of service books. In any case the responsibility in this respect should be clearly defined and assigned. The entries in the service book should be clearly made, verified and attested by the officer so designated as already laid down in the Rules. Officer next above the designated officer or the head of an office where he is the designated officer by virtue of being the only officer in the office should record an annual certificate in the service book in token of the correctness of the entries made therein. In partial modification of the orders issued *vide* Finance Division O.M. No. F. 4(I) RSII/70, dated the 24th March, 1971 (Annexure), these service books should be got verified from the Audit Office after the 10th and 24th years of service of the official concerned. On the basis of these certificates the head of office should also record a consolidated certificate in respect of the entire service period in the following form:—

Service.....from.....to.....
verified fromThere is no known disqualifying spell during the
above service except as detailed below:—

(The period and nature of spell(s) to be indicated).

1. _____

2. _____

3. _____

This certificate should be recorded before submission of the case to the Audit Office. The latter shall accept it as a final proof of verification of service.

2. As laid down in Finance Division O.M. No. F. 4(7) RSII/69, dated the 4th June, 1969, the service book should be maintained in duplicate, the duplicate copy being kept in the custody of the government servant. Entries in the duplicate

service book shall as far as possible be made simultaneously with those in the original service book. However, only the original copy of service book would constitute the authority for the sanction of Pension; the duplicate service book would serve as a means of contemporary evidence. In the case of transfer of government servant the original service book, duly completed to the date of transfer, should be sent to the new head of the department and a copy of entries relating to the office from which transfer takes place shall be maintained in that office; a certificate to this effect shall invariably be recorded in the covering letter under which the service book is transferred.

[Para 1(6) and (c) of Finance Division O.M. No. F. 5(1)-Reg. (6)/77. dated 24-2-1977].

Annexure

[Copy of Finance Division O.M. No. F. 4(1) RS-II/70, dated 24-3-71].

MEASURES TO CHECK DELAYS IN THE SETTLEMENT OF PENSION CASES

With a view to achieving expeditious finalization of pension cases of Government servants instructions have been issued from time to time, identifying the causes to which the delay for the payment of pension can be attributed and how best these could be eliminated. It is, however, observed that even now delays do occur in the settlement of pension cases. The position has again, been reviewed by Government and it has decided that:—

- (i) the service of a Government servant should be got verified by the Audit Office as soon as he has completed 10 years' service;
- (ii) thereafter, the next verification should be on completion of 25 years' service, *i.e.*, in respect of the intervening 15 years; and
- (iii) finally, it should be verified, in respect of the period after 25 years when a Government servant is actually due to retire.

2. The length of pensionable service accepted in audit through the verification at different stages mentioned above may in the case of non-gazetted Government servants be recorded in both the copies of the Service Book with the stamp of verification duly authenticated. In the case of gazetted officers the fact of verification will appear in the History of Services but if the History is not kept up-to-date at frequent intervals, the officer concerned may be informed of the accepted length of pensionable service through a letter.

3. The Ministries/Divisions are requested kindly to take necessary steps to implement the above decision as early as possible.

**Steps to be taken by the Authorities concerned
and the Retiring Government Servant for timely
sanction of Pension**

Sl. No. 103

In spite of instructions issued from time to time in connection with expeditious settlement of pension cases, complaints are still being received by the Wafaqi Mohtasib Secretariat. The Wafaqi Mohtasib has been pleased to order that Finance Division should issue suitable instructions to all concerned to eradicate inordinate delay in the payment of pension *etc.* indicating suitable measures including disciplinary action which may be invoked against the defaulter in case of inordinate delay.

2. Under CSR-906 all authorities dealing with the application for pension, should bear in mind that delay in the payment of pension involves peculiar hardships, it is essential to ensure that the retired employees should be able to receive his pension on the date on which it becomes due. In terms of CSR-907 every employee shall submit a formal application for pension in Part-I of CSR-25. The employee should, in his own interest submit his formal application for pension to the departmental authority concerned six months in advance of the date of his actual or anticipated retirement :—

Provided—

- (i) in cases in which the date of retirement cannot be foreseen six months in advance the application shall be submitted immediately after the date of retirement is settled; and
- (ii) an officer proceeding on leave preparatory to retirement in excess of six months, shall submit the application at the time of proceeding on such leave.

Further action is to be taken by department and the audit office concerned.

For expeditious disposal of the pension cases following instructions were issued to all Ministries/Divisions/Departments *vide* Finance Division O.M. No. F. 6(4)/R. 6/79, dated 22nd March, 1981:—

- (a) *Reckonable Emoluments.*—The following shall be treated as emoluments reckoning for pension under Article 486, Civil Service Regulations;

- (i) Pay as defined in FR-9 (21)(a)(i).
 - (ii) Senior Post Allowance.
 - (iii) Special Pay of all types and nature.
 - (iv) Personal Pay.
 - (v) Technical Pay.
 - (vi) Indexation on pension in case of pensions calculated under para 3 (a) of Liberalized Pension Rules for Civil Servants.
 - (vii) Increments accrued during leave preparatory to retirement.
 - (viii) Any other emoluments which may be specially classed as pay.
- (b) *Rules Regarding Qualifying Services.*—In partial modification of the existing rules, it has been decided as under :—
- (i) Any interruption in the service of an officer entails forfeiture of his past service. The authorised 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.
 - (ii) The authority who sanctions the pension may commute retrospectively periods of absence without leave into extraordinary leave.
- (c) *Verification of Service and Computerisation of Accounts:*
- (i) In order to deal with the existing outstanding pension cases in which the entries relating to previous fixation of pay or verification of service are missing, it shall be incumbent upon the last Audit and Accounts officer dealing with a pension case to verify the same himself on the basis of the available record without referring the case to any other audit and accounts office.
 - (ii) The verification of qualifying service of all government servants should be completed by the administrative and audit authorities concerned within 12 months of the issue of these orders, in accordance with the rules regarding qualifying service.

- (iii) The salary accounts of the Government servants, if not computerised so far, should be computerised immediately and completed within 12 months of the issue of these orders.
 - (iv) The computer slip should be modified to indicate up-to-date qualifying service and the status of government servants, *i.e.* 'temporary' 'permanent' or 'substantive' as well as the name of the nominee for the purpose of gratuity. These entries will be considered as duly audited.
 - (v) In case any of the salary accounts remains un-computerised after 12 months of the issue of these orders, the audit and accounts authorities should issue an up-to-date qualifying service certificate to each government servant and, thereafter, such a certificate be issued every year till the audited qualifying service is reflected in the computer pay slip. The audit and account authorities should also give a certificate that valid nomination papers regarding gratuity are held by them.
- (d) In case Government servant is on deputation to foreign service within Pakistan or abroad, regular payment of pension contribution shall be ensured at the time the Government servant is on deputation.
- (e) *Anticipatory Pension.*—Administrative as well as audit and accounts authorities must exercise the power to sanction anticipatory pension, whenever required to avoid any delay in the payment of pension.
- (f) *No Demand Certificate.*—The finalisation of pension cases should not be held up for want of 'No Demand Certificate' from the Estate Office. However, the head of Department or office should alert the Estate Office at least six months before the retirement of the government servant to bring the rent accounts up-to-date and to notify the outstanding dues in respect of the last accommodation occupied by the government servant within 15 days of the date of his retirement. If any Government dues are found to be outstanding against a pensioner within one year from the date of issue of the PPO, the matter shall be referred to the head of Department for orders, before any recoveries are actually effected from the pensioner.
- (g) *Last Pay Certificate.*—It shall be mandatory for the drawing and disbursing officers and audit and accounts authorities to issue Last Pay Certificate within 15 days of the date of retirement of a Government servant.

- (h) *Rule of Proportion.*—The ‘Rule of Proportion’ and the other associated rules and accounting instructions shall continue to be operative and the apportionment of pensionary liability between the various Departments and Federal/Provincial Government, as the case may be, shall be made by the Audit and Accounts Officer issuing the Pension Payment Order. Finalization of pension cases shall not be held up on this account. If there is any dispute with regard to apportionment of pensionary liability, the matter should be sorted out by the Audit and Accounts Officers involved.

The authorities concerned are required to forward the pension case of the retired Government servant to the audit office concerned complete in all respects and with the documents mentioned in *Annexure*.

3. As regards commutation of pension, it is admissible subject to medical examination if commutation is applied by an employee retired on invalid pension and also by a retired employee who applies for commutation after one year of retirement. He is required to apply for commutation on the prescribed form S-156(A), 156(B) and 156(C). The medical authorities should examine the retired Government servant and then pass on their recommendations to audit office concerned for necessary action.

4. Ministries/Divisions/Departments/ Audit Offices are requested to bring to the notice of all concerned including Government servants the above instructions and ensure expeditious settlement of pension cases of the retired Government servants/families of deceased Government servants. In case of inordinate delay strict disciplinary action may be initiated against the defaulter as ordered by the Wafaqi Mohtasib.

[Finance Division (Regulation Wing-II) O.M. No. F. 13(4)/R. 6/89, dated 24-1-1991].

Requirements for Pension Papers:

Sl. No. 104

- Application is on proper Form CSR-25(Revised). Three sets are required.
- All relevant columns/spaces are filled up and signed by the applicant as well as head of the department.
- Office Order/Notification of retirement.
- No demand certificate from Department;/Estate Officer.
- L.P.C. and Service Statement.

- Service Book in original containing all entries upto retirement, verification of services and verification of pay fixation.
- Undertaking for recovery of Government dues.
- Certificate about non indulgence in Politics.
- Two sets of thumb and finger impression.
- Two sets of Specimen signature of applicant.
- List of family members showing relationship, ages and whether dependent or otherwise (Two sets).
- Two photographs of the applicant.
- Two photocopies of National Identity Card.
- Account No. and name of National Bank Branch from where applicant wishes to draw pension.
- Invalid certificate in original in case the applicant is retired on medical grounds.
- Each and every paper is attested by the Department.

Additional Requirements for Family Pension

Sl. No. 105

- Death certificate in original.
- Two photographs of Widow.
- Descriptive Roll of Widow.
- Nomination/Guardian ship for minor children.
- Succession Certificate.
- Non separation/no remarriage certificate.
- Certificate to the effect that she is only widow/nominated widow for drawal of Pension.
- Previous Pension Book in Original is to be attached with pension papers with a last payment certificate recorded by the Bank for payment of lifetime arrears where P.P.O. was issued.
- Each and every paper is attested by the Department concerned.

[AGPR letter No. PN-II/Coord/Misc/2005-2006/2283 dated 6-02-2006]

Annexure

No.

Dated

Ministry /Division/Department/
Office of the _____

To

Sub :—GRANT OF PENSION/GRATUITY TO

Sir,

I am directed to forward herewith the pension papers in respect of Mr. /Mrs./Miss.
..... as detailed below :—

1. Service Book (Where necessary).
2. The Last Pay Certificate showing him paid upto.....
3. No Demand Certificate of the Department.
4. No Demand Certificate of the Estate Office.
5. An undertaking from the retiring/retired Government servant/entitled member of his family for refund of Government dues from pension. (If certificates at Serial Nos. 3 & 4 are not available).
6. A certificate that leave salary/pension contribution for the period from..... to..... was duly recovered and credited to the Government.
7. Form C.S.R. 25 (in duplicate).
- *8. Death Certificate in Original.
- *9. List of Family Members.
- *10. A certificate to the effect that the widow was not judicially separated during life time of her husband and that she has not remarried.
- *11. Descriptive role of the widow/family members.
- *12. Specimen signature/thumb impression of the widow duly attested.
- *13. In the absence of nomination for gratuity, necessary sanction authorising somebody to receive the share of minor child/children, if any, may be issued in terms of Ministry of Finance O.M. No. F. 12(2)-R. 1(1)/57, dated 28-2-1957 and of even number dated 9-6-1957.
- **14. Invalid certificate in original.
15. Three photographs duly attested.
16. Office Order/Notification regarding retirement.

Your obedient servant

Signature: _____

Designation: _____

*In case of family pension.

**In case of invalid pension.

CIVIL SERVICE REGULATIONS

**Civil Service Regulations—Rules regarding
Amount of Pensions (Arts 468—493 CSRs)
and Payment of Pension (Arts 906—987)**

SECTION I.—*General Rules*

468. The amount of pension that may be granted is determined by length of service as set forth in Articles 474 to 485. Fractions of a year are not taken into account in the calculation of any pension admissible to an office under this part of these Regulations.

468-A. *Not printed.*

Currency

469. A pension is fixed in Rupees, and not in sterling money, even though it is to be paid in England.

Award of Full Pension

470. (a) The full pension admissible under the rules is not to be given as a matter of course, or unless the service rendered has been really approved (*see* Appendix 9).

(b) If the service has not been thoroughly satisfactory, the authority sanctioning the pension should make such reduction in the amount as it thinks proper.

* *Note 1.*—The amount of any pension shall not be reduced under this Article without affording to the person entitled to it, by means of a notice in writing, an opportunity to show cause against the proposed reduction.

** *Note 2.*—A Government Servant compulsorily retired under the Government Servants (Efficiency and Discipline) Rules 1973 shall be entitled to pension or gratuity as admissible under normal rules and the certificate of thoroughly satisfactory service will not be required in his case.

Limitations

471. An officer entitled to pension may not take a gratuity instead of pension.

Note.—[*See* Note 2 under Article 807].

**See* G.P.M.F. Notification No. 10(7)R. 6/72, dated 30-3-1972.

***See* G.P.M.F. Notification No. 1(21)R. 6/70, dated 1-1-1981.

472. In the case of an officer who has any service under the Imperial (British) Government, pension from Pakistan Revenues should not be fixed until it has been ascertained whether any pension is payable from Imperial funds in respect of service under the British Government.

473. *Deleted.*

474A. *Deleted.*

Note.—[See Note 2 under Article 807.]

SECTION II AND III—*Amount of Pension*

474-474A. *Not Printed.*

474B. For officers referred to in Article 349 AAA, the amounts of gratuity and pension are regulated as follows :—

- (a) After a service of five years or more but less than ten years, a gratuity not exceeding one month's emoluments for each completed year of service, if, however, retirement is due to invalidation, or if a civil servant dies in service, the rate shall be one and a half month's emoluments for each completed year of service. If the emoluments of an officer have been reduced during the last twelve months or thirty six months of his service, as the case may be, otherwise than as a penalty, average emoluments may, at the discretion of the authority which has the power to sanction gratuity, be substituted for emoluments.
- (b) After a service of ten years or more, pension shall be calculated at the rate of 70 per cent of average emolument on completion of thirty years qualifying service in accordance with the scale shown in the table below:

Completed years of qualifying Service	Scale of pension expressed as fractions of average emoluments
1	2
10.....	70/300
11.....	77/300
12.....	84/300
13.....	91/300
14.....	93/300
15.....	105/300

1	2
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	210/300

*Omitted.

- (c) If, for a pensioner with qualifying service of thirty years or more, the amount of pension calculated under sub-paragraph (b) falls short of the amount of pension (inclusive of dearness increases) that would have been admissible under the rules existing prior to the 7th January, 1977, or exceeds it by less than Rs. 45, the amount under the liberalised formula shall be so increased as to make such difference one of Rs. 45. If qualifying service is less than thirty years but not less than ten years, proportionate reduction at the rate of Rs. 1.50 for each year short of thirty years shall be made while working out the amount of minimum increase mentioned above.
- (d) If the encashment of the cut off point of Rs. 2000 results in no increase of less than Rs. 40 in the pension, it shall be so determined that a minimum benefit of Rs. 40 per month is ensured. Similarly, if employees in grade 11-16 and 17-18 get an increases of less than Rs. 70 per month and Rs. 100 per month, respectively, by the enhancement of the out-off point of Rs. 2000, the increase shall be so determined that a minimum benefit of Rs. 70 or Rs. 100 per month, as the case may be, is ensured. If the aforesaid increases result in an increase of less than the following amounts, namely, in family Pension, Extraordinary Family Pension, Disability Pension and Compassionate Allowance accruing on or after the 1st July, 1980, they shall be so determined that a minimum benefit equal to the above amounts is ensured.

*Omitted *vide* Finance Division Notification No. F. 12(2)-Reg. (6)/84 dated 13-10-85.

N.P.S.	Rs. P.M.
1—10	40
11—16	70
17—18	100
19—20	150
21—22	200

- (e) A pensioner shall be allowed to draw full gross pension, that is, one-fourth of the pension under Pension-*cum*-Gratuity Scheme, 1954, need not compulsorily be paid in the form of gratuity. But if a pensioner so wishes, he may, at any time before the expiry of one month from the date of his retirement, are for gratuity equal to 25 per cent of his gross pension together with the remaining net amount of pension. The gratuity shall be paid at the rates fixed from time to time.
- (f) A pensioner who draws gratuity equal to 25 per cent of his gross pension may opt to commute 25 per cent of the gross pension. The commuted value shall be calculated at the rates fixed from time to time.
- (g) If a pensioner does not opt to draw gratuity equal to 25 per cent of his gross pension, he shall be allowed to commute upto 50 per cent of the gross pension.
- (h) Commutation shall not be subject to medical certification if it is asked for within one year of the date of retirement. In the case of premature retirement on medical grounds, the requirement of medical examination shall not, however, be waived.

*474C.—Article 474 B does not apply to an officer in pensionable service who is not employed in a substantive and permanent capacity and who is discharged from service owing to the abolition of his post or on replacement by a qualified person. In the case of such officers, the amounts of gratuity and pension are regulated as follows:

- (a) After a service of 10 years or more but less than 25 years, a gratuity not exceeding one month's emoluments for each completed year of

*Inserted *vide* G.P.F.D. Notification No. F. 4(4)-RS/68, dated 30-1-1971.

service subject to a maximum of Rs. 25,000 *[in the case of officers who retired before the 1st October, 1984 and Rs. 50,000 **in the case of officers who retired or retire on or after that date] ***[and Rs. 75,000 in the case of officers who retired or retire on or after the 1st April, 1992]. @[and Rs. @@[1,75,000] in the case of officers who retired or retire on or after 1st July, 2003].

- (b) After a service of 25 years or more, a pension at the rates and subject to the conditions laid down in Article 474 B (b).

@@@“474D. Family pension shall be allowed at the following rates:—

- (a) In the case of death of a civil servant while in service on or after the 1st July, 1983, gratuity in lieu of one-fourth of the gross pension shall be allowed at the existing rates. In addition, family pension shall be admissible for life or until remarriage of the widow, at 50 per cent of the gross pension.
- (b) In the case of death of a pensioner who retired or retires on or after the 1st July, 1983, family pension shall be admissible for life or until remarriage of the widow, at 50 percent of the pension (net or gross, as the case may be).
- (c) In the case of a widow who, on the 1st July 1983, was entitled to a family pension which was admissible for a period of ten years under the previous rules, the family pension shall be admissible to her for life or until her remarriage.”

SECTION IV.—*Allowances Reckoned for Pension*

Emoluments and Average Emoluments

475-485.—*Not Printed.*

486. The term “emoluments” means the emoluments which the officer was receiving immediately before his retirement and shall include—

- (a) Pay as defined in FR 9 (21) (a) (i);
- (b) Senior Post Allowance;

*Finance Division Notification No. F. 3(1)-Reg. (6)/84, dated 20-11-1984.

**In Article 474-C inserted by S.R.O. 1030 (1)/84, Gaz. of Pak Extra Part II dated 3-12-1984.

***Finance Division Notification No. F. 3(2)-Reg. 7/88-D.414/92, dated 18-04-1992.

@ Added *vide* Finance Division Notification No. F. 8(1)-R. 7/96(Vol. II)-446/03, dated 24-7-2003.

@@Subs. *vide* Finance Division Notification No. F. 8(1)-R. 7/95 (Vol. II)-801/03, dated 10-12-2003

@@@Substituted *vide* G.P.F.D. Notification No. 12(2)-Reg. (6)/84, dated 9-2-1984.

- (c) Special Pay of all types and nature;
- (d) Personal Pay;
- (e) Technical Pay;
- * (f) Indexed Pay;
- (g) Increments accrued during leave preparatory to retirement;
- (h) Any other emoluments which may be specially classed as Pay.

Note I.—The President has been pleased to declare with reference to clause (h) of this Article that the emoluments or pay drawn by an officer who is transferred on foreign service in an autonomous or semi-autonomous body; in a post appointment to which is, by Law required to be made, and the salary of which is required to be fixed, by the Federal Government or a Provincial Government, shall be treated as emoluments or pay drawn in a post in Government service.

*Note 2.—[Omitted].

487. The term “Average Emoluments” means the average calculated upon. [**] the last three years of service.

1. If during the last three years of his service an officer has been absent from duty on leave with allowances, or having been suspended has been reinstated without forfeiture of service his emoluments for the purpose of ascertaining the average, should be taken at what they would have been and he not been absent from duty or suspended:

Provided always (a) that his pension must not be increased or account of increase in pay not actually drawn and (b) that an officer will not during leave be allowed to count as emoluments the *sub protem*, allowances which he would have been entitled to so count under Article 486 (h) had he remained on duty, if another officer has been appointed *sub protem*, to the same appointment during the period of such leave. But if his absence on Departmental or Recess leave is reckoned as service under Article 409, only the allowances, if any, actually received during such leave should be taken into account.

I-A. If during the last three years of his service an officer’s pay has been refixed as a result of revision of up gradation of the post held by him with retrospective effect but arrears have not been allowed not rise made in respect of the past period, his emoluments, for the purpose of calculating the average, shall be taken at what they would have been if the arrears had not been disallowed or the recoveries had been made.

2. If during the last three years of his service, an officer has been absent from duty on leave without allowances (not counting for pension), or in Class IV service, or suspended under such circumstances that the period of suspension does not count as service, the periods so passed should be disregarded in the calculation of the average, an equal period before the three years being included.

***2A. In the case of a military officer, departmental officer warrant or non-commissioned officer or soldier who was in civil employ on 7th June 1937 and was or may be granted a pension under military rules on or after the 30th May, 1933 and whose pay has been reduced under Clause (b) of Article 526, emoluments for the purpose of ascertaining the average shall be taken at what they would have been had the pay not been reduce.

*Substituted/Omitted *vide* Finance Division Notification No. F. 12(2)-Reg. (6)/84, dated 13-10-1985.

**The average for the purpose of pension, at the option of the pensioner be calculated on the basis of the emoluments drawn or which ,would have been drawn during the last three years of service *vide* Finance Division’s O.M. No.F.6(9)-Reg. (6)/78, dated 15-2-1977 and even number dated 16-6-1979.

***Rule 2-A under Article 487 takes effect from 30-5-1933.

3. Excepting as provided in *[Rules I, 1-A, 2 and 2-A] only emoluments actually received be included in the calculation. For example, when an officer is allowed to count time retrospectively towards increase of pay, but does not receive retrospectively the intermediate periodical increments, these intermediate increments are not reckoned in the calculations.

4. In the case of Section-writers whose service has been allowed to count for pension under special orders of the Government of Pakistan, and of Press servants whose service qualifies under Article 380, "average Emoluments" means the average earnings of the last seventy-two months in Superior service.

Note 1.—[This rule applies in a case of a Press servant remunerated by a fixed rate of pay if his pay is met from the grant for piece-work].

Note 2.—[Overtime earnings of press servants paid at piece-work rate may be taken into account in calculating Average Emoluments under this rule. but such earnings must be excluded in reckoning the Average Emoluments of Press employees who draw at fixed rate].

Note 3.—[If during the last 72 months of service a Press servant has been for some period on fixed pay and for other periods a piece-work employee overtime earnings may be taken into account in calculating pension only for the periods during which he was remunerated at piece-work rate].

“Government Orders See Serial No. 1—19, Chapter V in Section VI.”

Allowances which do not count

488. An officer cannot count the following allowances :

- (1) Local allowances and deputation (local) allowances;
- (2) Messing allowances, Working allowances, and Provision to office/ Department;

Net Emoluments taken

489. Any part of an officer's pay or emoluments which is specially intended to provide for expenses incidental to his duty, must be excluded.

The following are examples of the operation of this Article :—

- (1) When an officer's pay is intended partly to cover the expense of his providing or keeping a horse, his pay must be taken only at what it would be if it was not intended to cover such expense. When a water-carrier's pay includes provision for a bullock, his pay must be taken at what it would be if he were not required to keep a bullock.
- (2) When a consolidated pay specially includes tentage, travelling allowance, or house allowance, these must be deducted.

*Substituted for the words rules 1 and 2 with effect from 30-5-1933.

- (3) When an officer's pay is fixed at two rates, a smaller rate during stationary duty and a higher rate during period passed on tour or travelling, the former rate alone should be the basis of the calculation.

490. When service on temporary duty counts for pension under Article 376, the pay of the permanent appointment held by the officer and not that drawn in respect of the temporary duty, is taken into consideration in determining the amount of pension, unless the officer draws a deputation (duty) allowance under the provisions of Article 76-C or Article 81.

491. The preceding Article does not apply to an officer deputed temporarily to service in the Income-Tax Department, or to an officer deputed on abolition of his appointment to special duty (Article 397), or to an officer who, when his appointment was abolished, was on special duty. In these cases the full allowances are counted.

Combination of Appointments

492. If an officer has held more than one appointment, in respect of each of which, if he had held it separately and alone, pension would have been admissible to him, the pension admissible to him in the sum of the several pensions which would have been admissible to him if he had held each office separately and alone. The consolidated pension thus admissible is subject to the limitations prescribed in Article 474 to 480 and 481.

493. An officer is not entitled, for service in an office conjointly with another office, to any pension which would not have been admissible to him if he had held the office separately and alone.

Rules regarding Payment of Pensions (Article 906-987, CSR)

C.S.R. 906. All authorities dealing with applications for pension under these Regulations, should bear in mind that delay in the payment of pensions involves peculiar hardship. It is essential to ensure therefore that an officer begins to receive his pension on the date on which it becomes due.

C.S.R. 907. Every officer shall submit a formal application for pension in (in Part I of Form C.S.R. 25 (Revised)). An officer should, in his own interest, submit his formal application for pension to the authority specified in Article 911 or 914, as the case may be, six months in advance of the date of his actual or anticipated retirement:

Provided that—

- (i) In cases in which the date of retirement cannot be foreseen six months in advance the application shall be submitted immediately after the date of retirement is settled; and
- (ii) An officer proceeding on leave preparatory to retirement in excess of six months, shall submit the application at the time of proceeding of such leave.

Note.—This rule is intended to obviate delay in the settlement of claims for pension and to ensure that an officer may not retire under the misapprehension that he has earned a pension which is subsequently found to be inadmissible. There is indeed no limitation on the period after retirement within which an application for pension or gratuity must be submitted. (*See* also Article 930).

C.S.R. 908. The Audit Officer shall send to every grade 16 and above Officer a copy of Articles 907 to 911 one year in advance of the date on which the officer attains his age of superannuation, or as soon as possible before the date from which he has formally sought permission to retire, if earlier, with the remark that there is likely to be delay in the commencement of his pension if he does not submit a formal application as soon as the rules permit

C.S.R. 909. Questions affecting the pension or pensionable service of an officer which for their decision depend on circumstances known at the time shall be considered as soon as they arise.

Any question which for its decision depends on possible circumstances that may arise in future or on hypothetical conditions may be raised or discussed as soon the permissible period for submission of formal application for pension under Article 907 begins.

C.S.R. 910. Except in cases covered by the first sentence of the preceding Article or in individual cases under specific orders of the Government of Pakistan or the Local Government, an Audit Officer may not give advice upon any question connected with the claim of an officer to pension until the permissible period prescribed in Article 907 for the submission of formal application for pension begins.

APPLICATIONS

A. OFFICERS OF BPS 16 AND ABOVE

*C.S.R. 911. The Officers of BPS 16 and above shall submit the formal application for pension referred to in Article 907 to the Head of the Department or; if the officer is himself the Head of the Department to the Head of the Administrative Ministry or Division concerned.

Note.— The following certificate shall be recorded by the applicant on the application:—

I hereby declare that I have neither applied for nor received any pension or gratuity in respect of any portion of the service included in this application and in respect of which pension or gratuity is claimed herein, nor shall I submit an application hereafter without quoting a reference to this application and to the orders which may be passed thereon.

C.S.R. 912. (i) The authority receiving the formal application shall immediately draw up the application in Form C.S.R. 25 (Revised).

- (ii) He shall certify **[in section ***(6) of Part II] of the form whether the character, conduct and past services of the applicant are such as to entitle him to the favourable consideration of Government. He shall also record there his own opinion whether the service claimed has been established and should be admitted or not.
- (iii) All periods of ¹(extraordinary) leave, suspension, *etc.*, which are not reckoned as service should be carefully recorded on the form.
- (iv) If the application is for an invalid pension, the requisite medical certificate shall be attached to the application.

Note.— If the medical examination of the applicant was not conducted on the date on which he ceased to perform duty the authority competent to sanction the pension may accept a medical certificate bearing a later date.

*Added *vide* Notification No. F. 2(I)-RS/65, dated 22-2-1965.

**Substituted for "on page three" by Notification No. F. 2(1)-RS/65, dated 22-2-1965.

***Substituted for (7) by Notification No. F. 3(1) RS-II/67, dated 15-2-1968.

¹Inserted *vide* Notification No. F. 2 (1)-RS-II/65, dated 22-2-1965.

C.S.R. 913. (a) After completing the application in the manner prescribed in the preceding article it shall be forwarded along with the necessary documents to the Audit Officer through the authority empowered to sanction the pension.

(b) If the applicant for pension (not gratuity) is no longer in active service, a last pay certificate shall be attached to the application except when he retires from service while on leave out of Pakistan and draw his leave salary at or through the Ambassador for Pakistan in United Kingdom and also desires to draw his pension from the same source.

*(c) The authority competent to sanction the pension shall, after due consideration of the facts of the case and having regard to the provisions of Article 470, accord his sanction in section (7) of Part II of Form C.S.R. 25 (Revised) to the grant of full or reduced pension or gratuity or both which may be found by the Audit Officer to be admissible under the rules.

***(d) In the case of an officer part of whose service has been rendered in non-Gazetted posts, the service book shall also accompany the pension papers sent to the Audit Officer.

B. BPS 1—15 OFFICIALS

C.S.R. 914. An official of BPS 1—15 shall submit a formal application for pension to the Head of the Office.

***C.S.R. 915. The Head of the Office shall *[calculate the official qualifying service] in section (2) of Part II of Form C.S.R. 25 (Revised) and arrange for its verification according to the following procedure :—

- (a) (i) In the case of an official for whom a service book is maintained, all the information procurable shall be gathered from official records, like the service book, pay bills and acquittance rolls, ***[and service verified with reference to these official records.]
- (ii) If the service cannot be wholly verified from the records of any one office, reference shall be made to the Heads of the other Offices in which the officer had served.

*Substituted *vide* Notification No. F. 3(1)-RS-II/67, dated 15-2-1968.

**Amended *vide* Notification No.F. 3(1)/RS-II/67, dated 15-2-1968.

***Substituted *vide* Notification No. F. 2(1)-RS/65, dated 22-2-1965.

- (iii) If, in any particular case, it is not possible to verify the service of an officer from official records in the manner aforesaid, a statement of the officer in writing as to the particulars of his service, statements in writing of other officers who served contemporaneously with him, and documents and letters not forming part of official records may be received in evidence and the *[] of officer's service, verified on their basis.
- (iv) The power to admit service under the last preceding sub-clause shall be exercisable by the authority empowered to sanction pension under these Regulations.
- (b) In the case of an officer for whom a service roll is maintained **[] unless a certificate of verification is already recorded thereon, the service shall be verified from the pay bills, acquittance rolls and other official records, or where necessary, on the basis of such evidence as is mentioned in sub-clause (iii) of clause (a).
- (c) The service of *[the officers] for whom neither service book nor service roll is maintained shall be verified, as far as possible, in the manner specified in clause (b).
- (d) In the case of police officers of rank not higher than Head Constables, the procedure laid down in entry No. 40 in Part III of Appendix I of these Regulations in regard to verification of service and grant of pension shall be followed.

C.S.R. 916. The *[calculation of qualifying service] and the verification of service in the manner set out in the preceding Article shall be undertaken by the Head of the Office as soon as it becomes known that an officer will retire within a period of ***[one year] or has proceeded on leave preparatory to retirement and shall not be delayed till the officer has actually submitted the formal application for pension.

C.S.R. 917. (a) (i) After completing the verification in the manner indicated in Article 915 the Head of the Office shall draw up the application in Form C.S.R. 25 (Revised).

*Omitted/Added *vide* Notification No. F. 3(1)-RS-II/67, dated 15-2-1968.

**Omitted/Added *vide* Notification No, F 2(1)-RS/65, dated 22-2-1965.

***Subs. *vide* Notification No. F. 3(1)-RS-II/67 dated 15-2-1968.

(ii) He shall also follow the directions contained in clause (ii) to (iv) of Article 912 *[]].

(iii) In any case in which it becomes necessary to resort to the procedure prescribed in **[sub-clause (iii)] of clause (a) of Article 915 he shall record on the application the exact nature of the investigation made and the conclusions arrived at.

(b) He shall then arrange, with the application, all the documents relied upon for the verification of the service claimed in such manner that they can be conveniently consulted, and forward them together with the officer's service book, or service roll, as the case may be ***[] [and the last pay certificate if necessary— See Article 913 (b)] through the authority empowered to sanction thy pension to the Audit Officer.

(c) The authority competent to sanction the pension shall follow the procedure indicated in clause (c) of Article 913.

SANCTION

C.S.R. 918. (1) On receipt of the pension papers passed on to him under the provisions of Article 913 or 917, the Audit Officer shall apply the requisite checks and, if he finds that all the necessary documents and information are available in the pension papers, he shall prepare the Pension Payment Order for the full or reduced amount of pension depending upon the orders of the sanctioning authority but shall not issue it more than a fortnight in advance of the date on which the Government servant is due to retire, intimating the fact of issue to the sanctioning authority.

(2) If the Audit Officer finds that the pension papers are incomplete, he shall return them promptly to the sanctioning authority for completion.

C.S.R. 919. (1) A pension ***[] shall be sanctioned :—

(a) In any case, by the Local Government,

(b) In the case of officials in grade 1—15, by the officer who has the authority to fill the appointment vacated by the retiring officer.

*Omitted *vide* Notification No. F. 2(1)-RS/65, dated 22-2-1965.

**Substituted for “clause (iv)” *vide* Notification No. F. 2(1)-RS/65, dated 22-2-1965.

***Omitted and substituted *vide* Notification No. F. 3(1)RS-II/67, dated 15-2-1968.

Note.— A local Government may delegate its powers under this Article to Heads of Departments and other subordinate officers who are authorised to fill the appointment vacated by the retiring officer.

*(2) *Omitted.*

*(3) *Omitted.*

C.S.R. 920. (1) Should the amount of pension granted to an officer be afterwards found to be in excess of that to which he is entitled under the Regulations, he shall be called upon to refund such excess.

(2) *[If after the pension papers are sent to the Audit Officer] any event occurs which necessitates recalculation of the amount of pension, the fact shall be promptly reported to the Audit Officer by the Head of the Department or the Head of the Office, as the case may be. If no such event has occurred the fact shall nevertheless be reported to the Audit Officer within a week from the date on which the officer retires.

C.S.R. 921. (a) If any interpretation of the rules is involved, or if any indulgence not provided for by the rules is proposed, the Local Government shall, unless they are competent to dispose of the matter, submit the case with their opinion and recommendation, to the Government of Pakistan in the Administrative Ministry concerned.

Note.—In respect of such recommendations, *see* orders printed as Appendix 9 of these regulations:

(b) Until the orders of the Government of Pakistan are received a recommendation for any special indulgence shall never be communicated, directly or indirectly, to the officer concerned.

*(c) An application in Form C.S.R. 25 (Revised) shall accompany every special recommendation made under this Article.

C.S.R. 921-A. If the pension sanctioned to an officer falls in arrears it shall be allowed to be paid to him by the disbursing officer or bank without any reference to the audit officer or the pension sanctioning authority.

*Omitted and substituted *vide* Notification No. F. 3(l)RS-II/67, dated 15-2-1968.

*[Provided that the civil pension remaining undrawn for three years or more and political pension remaining undrawn for six years or more shall be paid without the authority of the Audit Office.]

*[921-B. On the death of a pensioner, the payment of any arrears due may be made by the disbursing officer or the bank to the heirs of the deceased without any reference to the audit office or the pension sanctioning authority provided that they apply for such payment within one year of the pensioner's death.]

** *Note.*—The heirs of the deceased pensioners will be as prescribed in Section II of the Annexure to the Pension-*cum*-Gratuity Scheme, 1954, as amended from time to time.

ANTICIPATORY PENSIONS

C.S.R. 922. (a) When an officer whose pension is payable in Pakistan likely to retire before his pension can be finally assessed and settled in accordance with the provisions of the preceding Section of this Chapter, the Audit Officer shall sanction the disbursement of pension to which, after the most careful summary investigation that he can make without delay, he believes, the officer to be entitled, provided that such disbursement shall be made only after the declaration specified below has been signed by the retiring officer—

***Whereas the (here state the designation of the officer sanctioning the advance) has consented provisionally, to advance to me @ a pension of Rs.....per month and a lump sum gratuity of Rs.....
in anticipation of the completion of the enquiries necessary to enable the Government to fix the amount of my pension and gratuity. I hereby acknowledge that, in accepting this advance, I fully understand that my pension and gratuity is subject to revision on the completion of the necessary formal enquiries, and I promise to base no objection to such revision on the ground that the provisional pension and gratuity now to be paid to me exceeds the pension and gratuity to which I may be eventually found entitled. I further promise to repay any amount advanced to me in excess of the pension and gratuity to which I may be eventually found entitled.

*Inserted *vide* Finance Division's Notification No. F. 12(18)-Reg. (6)/83 dated 22-2-1984.

**Inserted *vide* Finance Division's Notification No. F. 12(18)-Reg. (6)/83 dated 13-5-1984.

***For latest orders relating to payment of anticipatory pensioner gratuity section 19(4) of Civil Servants Act, 1973, Finance Division O.M. No. F. 10(5)-RS/76 dated 18-2-1976 and Para 1(h) of Finance Division's O.M. No. F. (5) I-Reg. (6)77, dated 24-2-1977, may be seen.

@Substituted *vide* Finance Division Notification No. S.R.O. 130(K)/72, dated 4-1-1972.

Note.— If the sanction to pension under this clause is given by an Audit Officer, other than the Accountant General, he shall send a copy of his order to the Accountant General for the issue of the requisite orders for disbursement from the treasury concerned.

(b) When an officer whose pension is payable in England is likely to retire before his pension can be finally assessed and settled, the Audit Officer shall, after the most careful summary investigation that he can make without delay, report to the Embassy of Pakistan in the United Kingdom, through the authority competent to sanction the pension and the Local Government, the minimum amount to which he believes the officer to be entitled. The Ambassador shall then, on receiving from the officer a declaration similar to that referred to in clause (a), at discretion, sanction the immediate disbursement of the amount reported or such smaller amount as may be deemed proper.

C.S.R. 923. If the Audit Officer considers it likely that in a case contemplated by clause (a) or (b) of the preceding Article, the officer would be entitled to a gratuity only, one sixth of the amount of such probable gratuity should, upon a similar declaration, be disbursed to him monthly until the amount is finally settled.

C.S.R. 924. The payment of the anticipatory pension should be so arranged that it is not delayed beyond the first day of the month following the month in which the officer is due to retire.

C.S.R. 925. If, upon the completion of regular investigation, it be found that pension thus summarily assigned differs from the pension finally settled, the difference must be adjusted in the first subsequent payment:

Provided that, if a gratuity summarily assigned, under Article 923 proves to be larger than the amount found actually due upon completion of the enquiries, the officer shall not be required to refund any excess actually paid to him, except as provided in Chapter XXI of these Regulations.

C.S.R. 926. To enable the Audit Officer to exercise the jurisdiction entrusted to him under Article 922, the authority whose duty it is to sanction the pension, if he sees reason to believe that the pension cannot possibly be sanctioned by the date on which the officer is due to retire; shall furnish to the Audit Officer without delay the fullest information regarding the officer's service, the probable amount of pension, etc., unless the pension papers containing such information are already in the possession of the Audit Officer.

C.S.R. 927—929. Cancelled.

PAYMENT OF PENSIONS

GENERAL RULES

C.S.R. 930. *Apart from special orders, a pension, other than a Wound or Extraordinary pension under Part VI of these Regulations, is payable from the date on which the pensioner ceased to be borne on the establishment.

Note.— The pension of an officer who, under Article 436, has received a gratuity in lieu of notice is not payable for the period in respect of which the gratuity is paid.

C.S.R. 931. The preceding Article applies to ordinary, not to special cases. If, under special circumstances, a pension is granted long after an officer has retired, retrospective effect should not to be given to it without the special orders of the Government which granted it; in the absence of special orders such a pension takes effect only from the date of sanction.

C.S.R. 932. In case where considerable delay has occurred in making application for a Wound or Injury pension, it will be granted only from the date of report by the Medical Board, and no application for a gratuity or pension will be entertained unless submitted within five years of the date of the wound or injury.

C.S.R. 933. Cancelled.

C.S.R. 933-A. When a pension is stated in sterling, it is payable in England, or, at the option of the pensioner, if he be resting in Pakistan, at any treasury in Pakistan, converted into rupees at such rate of exchange as the President may by order prescribe:

Provided that pensioners of the following classes may, at their option, convert their pensions into rupees at the rate of 1s. 4d. to the rupee as long as they are in Pakistan and continue to have their permanent residence there:—

- (i) Pensioners resident in Pakistan, who were on the 1st February, 1921 in receipt of pensions converted at that rate.
- (ii) Pensioners of Pakistan domicile who were, on the 1st February, 1921 temporarily drawing their pensions in sterling.
- (iii) Pensioners who were in Government service on the 1st February, 1921 and who at that date were of Pakistan domicile:

*Substituted *vide* Finance Division Notification No. F 6(7) Reg. (6)/78, dated 26-4-1979.

Provided further that the pension of any pensioner referred to in clause (i), (ii) or (iii), who has commuted any portion of his pension after the 10th day of October, 1928, shall be converted at the rate of exchange prescribed by the Governor-General as hereinbefore provided, and to the resulting pension shall be added, so long as he is in Pakistan and continue to have his permanent residence there, the difference between the values of the full sterling pension *(less any portion commuted before the 11th October, 1928) converted at that rate and at the rate of ls. 4d. respectively.

C.S.R. 934. A pension stated in rupees is payable at any Pakistan Government treasury in or out of Pakistan, or at the option of the pensioner—

- (i) in England, or
- (ii) elsewhere by any of the authorities mentioned in Appendix 15 of these Regulations.

Pension drawn from source (i) or (ii) above are converted into sterling at such rate as the President may prescribe:

Provided that save where a pensioner resides in Pakistan (which term shall for the purpose of this Article and Articles 934-A, 934-B, 934-C, 934-D and 935 shall be deemed to include India, Burma, Ceylon and Nepal) the minimum rate of conversion shall be ls. 9d. per rupee.

C.S.R. 934-A. A pensioner who has been residing in Pakistan and who proceeds to a place outside Pakistan with the object of taking residence there shall be entitled to convert his pension at the minimum rate only from the date when he quits Pakistan.

C.S.R. 934-B. A pensioner who within six months of his retirement leaves Pakistan with the object of taking up residence elsewhere shall be entitled to convert his pension at the minimum rate from the date to which it has been paid in Pakistan or, if no payment has been made there, from the date of its commencement.

C.S.R. 934-C. A pensioner who has been allowed to convert his pension at the minimum rate and who returns to Pakistan and continues to draw his pension in England or from any of the authorities mentioned in Appendix 15, of these Regulations, shall be allowed the benefit of the minimum rate for six months from the date of such return.

C.S.R. 934-D. The pension of any pensioner who is entitled to the minimum rate and who has commuted any portion of his pension after the 4th December, 1928, shall be converted at the rate of exchange prescribed by the Governor-General

*The words in brackets occurring in the second proviso to Article 933-A takes effect from 22-1-1929.

and to the resulting pension shall be added, so long as he remains entitled to the minimum rate, the difference between the values of the full pension (less any portion commuted before the 5th December, 1928) converted at that rate and at the rate of exchange prescribed by the Governor General respectively.

*C.S.R. 934-E. Notwithstanding anything contained in Articles 934, 934-A, 934-B, 934-C and 934-D, the pension of an officer appointed after the 1st January, 1959 shall not be payable otherwise than in rupees in Pakistan.

C.S.R. 934-F. Deleted

“C.S.R. 934-G. Pensions granted under Articles 474B, 474C *[] and 561A shall, when payable in countries outside Pakistan (other than India, Burma, Ceylon and Nepal), be converted into sterling at the official rate of exchange for the time being, in force.”

C.S.R. 935. The minimum rate shall apply to gratuities paid to persons outside Pakistan, but where the service of an officer to whom a gratuity is granted terminates in Pakistan his gratuity shall be paid in Pakistan.

TRANSFERS BETWEEN ENGLAND AND PAKISTAN

C.S.R. 936. Transfer of a pension from a Pakistan treasury to the England and *vice versa* is permitted within reasonable limits whenever desired.

Note.—Frequent transfers of a pension to and from are not permissible, and the Accountant General concerned should report to the Government of Pakistan, for special orders, any case in which it appears to him that undue advantage is being taken of the rule.

C.S.R. 937. Application for transfer of payment from Pakistan to England should be made to the Accountant-General within whose jurisdiction the treasury of payment is, who will grant a last-pay certificate, forwarding a duplicate, with a copy of the first page of the application upon which the pension was originally granted, to the Ambassador for Pakistan in the United Kingdom.

*Inserted *vide* Finance Division Notification No. F. 8(18) RI (i)/58, dated 1-1-1959.

**Inserted *vide* Finance Division Notification No. F. 4(4)-Reg. 68, dated 30-1-1971.

***Omitted *vide* Finance Division Notification No. F. 6(4) Reg. (6)/81, dated 17-2-1983.

PAYMENT IN PAKISTAN

C.S.R. 938. (a) The order granting a pension to be paid in Pakistan should be forwarded with a copy of the first page of the application in Form C.S.R. 25(Revised), or of the whole application if in form 22, to the Audit Officer who submitted the application. He should compare the order with his report and then forward a copy thereof to the Accountant-General of the province in which payment is to be made.

(b) In the case of person for whom the forms referred to in clause (a) are not need, the information required for the Pension Payment Order should be communicated in a separate letter to the Accountant-General of the province where payment is to be made.

(c) In the case of pensions to Police Officers of rank not higher than Head Constable, sanctioned under entry No. 40 of Appendix I, Part III of these Regulations, the order should be forwarded to the Audit Officer who would have reported on the claim had his certificate not been dispensed with. He will exercise the necessary check with reference to Article 920(i) and endorse it as in clause (a) above.

C.S.R. 939. The Accountant-General of the province in which payment is to be made, will then communicate to the officer who is to pay the pension authority to make the payment in the case of a pension such authority will be a pension payment order in Form 27 or 28.

[*Note. (1).*—Form 27 may not be used for pensions chargeable to Local Funds other than those which up to 1st April, 1908 were treated as incorporated (*see* Article 800) or Indian States. The following extract from a letter from the Central Government indicates the form of Pension Payment Order to be used and procedure to be followed when a treasury is authorised to pay a pension on behalf of State which has acceded to Pakistan.

“I am directed to say that if a State desires a periodical payment to be made from a Government Treasury, the amount being recovered from the State there is no objection to the request being granted with the sanction of the Local Government, provided the amount of each payment is not less than Rs. 100, and provided that the treasury at which payment is desired is under the Government. Such payments will be made by Government merely as an agent for the State concerned”.

“When such payments on account of pensions are arranged for, the form of payment order should not be the same as that used for pensions payable from Pakistan Revenues. The order should be of the same kind as the ordinary Pension Payment Order, but should be clearly distinguished in form.”]

[*Note (2).*—Each Pension Payment Order will be accompanied by Form 27-A intended to be delivered by the Disbursing Officer to the pensioner concerned for use as a wallet for the pensioner’s half of the Pension Payment Order.]

PROCEDURE IN PAYING GRATUITY

C.S.R. 940. A gratuity is paid in a single sum, and not by instalments on receipt of the Accountant-General’s authority.

C.S.R. 941. (a) A gratuity may, at the discretion of the Government of Pakistan, or with sanction of the Government of Pakistan on the application of the recipient, be converted either into a life annuity, or into a temporary life annuity or into an annuity payable for a fixed number of years with remaining to the annuitant’s heirs in case of his death. The amount of the life annuity will be determined by the table prescribed by the President under the ‘Civil Pensions (Commutation) Rules’, while that of the temporary life annuity will be determined in each case in consultation with the Actuary to the Government of Pakistan on the assumption of the same rates of interest and mortality on which the table prescribed by the President under the “Civil Pensions (Commutation) Rules” is based.

(b) A Local Government may exercise the power of the Government of Pakistan under clause (a) of this Article in respect of gratuities sanctioned by it or by an authority subordinate to it.

C.S.R. 942. The Government of Pakistan or a Local Government will never insist on the conversion of a gratuity into an annuity, unless the expectation of life of the officer be reported by competent medical authority to be equal to the average.

C.S.R. 943. A pension is payable in Pakistan monthly on and after the first day of the following month under the following rules :—

- (i) On receipt of the Pension Payment Order, the disbursing officer will deliver one-half to the pensioner, and keep the other half carefully in such manner that the pensioner shall not have access thereto.
- (ii) Each payment made is to be entered on the reverse both of the pension’s half and of the disbursing officers half of the Pension Payment

Order, both entries being attested at the time of payment by the signature of the disbursing officer.

(iii) * *Omitted.*

Note.—(The Local Government may delegate its powers under this rule to Commissioners of Divisions and to such other officers as it may desire).

(iv) A pension is payable for the day on which the pensioner dies.

(v) In regard to the liability of pensions to attachment by a Civil Court, *see* section 11 of Act XXIII of 1871, which runs as follows :—

Section II.—“No pension granted or continued by Government on political considerations, or on account of past services or present infirmities or as a compassionate allowance, shall be liable to seizure, attachment or sequestration by process of any Court in Pakistan at the instance of a creditor, for any demand against the pensioner or in satisfaction of a decree or order of any such Court.”

C.S.R. 944. As a rule a pensioner must take payment in person after identification by comparison with the Pension Payment Order.

Note.—[Officers of the classes mentioned in Article 297(c), (d) and (e), as it stood prior to 6th July, 1920, and in Articles 654 and 678, are when pensioned, paid on payment orders in Form 28 which do not contain a full description of the payee. In case of doubt, if such a pensioner is not known to the paying officer, he may be required to produce a life certificate or other evidence of identity.]

C.S.R. 945. A pensioner specially exempted by the Local Government from personal appearance, a female pensioner not accustomed to appear in public, or male pensioner who is unable to appear in consequence of bodily illness or infirmity, may receive his or her pension upon the production of a life certificate signed by a responsible officer of Government or by some other well-known and trust-worthy person.

Note.—(The power to grant exemption under this Article from personal appearance to draw pension may be delegated by a Local Government to any officer of not lower rank than Collector of a District).

*Omitted vide Finance Division's Notification No. F. 12(18)-Reg. (6) dated 22-2-1984.

C.S.R. 946. A pensioner of any description, who produces a life certificate signed by some person exercising the powers of a Magistrate under the Criminal Procedure Code, or by any Registrar or Sub-Registrar under the Registration Act, or by any pensioned officer who before retirement *(held a gazetted appointment or exercised the powers of a Magistrate) or by a Munsiff, or by any person holding a Government title, is also exempted from personal appearance.

C.S.R. 947. (a) In all cases referred to in Article 945 and 946, the disbursing officer must take precautions to prevent imposition, and must, at least once a year, require proof independent of that furnished by the life certificate of the continued existence of the pensioner.

(b) For this purpose he should (save in cases of exemption from personal appearance, granted by the Local Government) require the personal attendance and due identification of all male pensioners who are not incapacitated by bodily illness or infirmity from so attending, and in all cases where such inability may be alleged, he should require proof thereof in addition to the proof submitted of the pensioner's existence.

1. The disbursing officer is personally responsible for any payment wrongly made. In case of doubt, he should consult the Accountant-General.

2. A pensioner of rank may be privately identified by the disbursing officer and need not be required to appear at a public office.

C.S.R. 948. Payment of pensions to Police pensioners are made in accordance with the rules in this Section, but if the disbursing officer entertains any doubt as to the identity of such a pensioner, he may require the Local Inspector of Police to identify him. The Inspector would then be responsible for the correct identification of the pensioner.

PAYMENT TO AGENTS

C.S.R. 949. (a) A pensioner not resident in Pakistan may draw his pension at any treasury in Pakistan through a duly authorised agent, who must either produce a certificate by a Magistrate, a Notary or a Banker **(or the Head of a Pakistan Mission abroad or a gazetted officer duly authorised by him), on each occasion that the pensioner was alive on the date to which his pension is claimed, or execute a bond to refund overpayments and produce such a certificate as aforesaid at least once a year.

*Substituted *vide* Finance Division Notification No. F. 8(10)-RI(I)/59. dated 4-7-1960.

** Inserted *vide* Finance Division Notification No. F. 8(13)-RI/63. dated 26-8-1963.

(b) A pensioner of any description resident in Pakistan is exempted from personal appearance if he draws his pension through a duly authorised agent approved by the Local Government, who must execute a bond to refund over payments and produce at least once a year life certificate signed by any of the persons authorised by Article 946 to sign such certificates.

(c) The pension of an officer drawing his pension through an agent who had executed a bond to refund overpayments should not be paid on account of a period of more than a year after the date of the life certificate last received and the Accountant-General and the disbursing officer should be on the watch for authentic information of the decease of any such pensioner, and on receipt thereof should promptly stop further payments.

TRANSFER IN PAKISTAN

C.S.R. 950. A Local Government or an Accountant-General may, on application and on sufficient cause being shown, permit transfer of payment from a treasury in Pakistan to another. This jurisdiction may be delegated by the Local Government to any Executive Authority not lower than the Collector or other District Officer.

C.S.R. 951. (a) A copy of any order issued by a Local Government or other Executive authority under the preceding Article should be forwarded to the Accountant-General, and the Collector of the district from which the payment is to be transferred should be instructed to return his half of the pension payment order. The Accountant-General will then either issue a new payment order, or enface the payment order for payment at the new treasury and forward it to the Treasury Officer who will in future pay the pension, or, if the treasury is in an other province, will move the Accountant-General of that province to do so.

C.S.R. 952. A Treasury Officer may authorise payment in any of the outlying treasuries subordinate to his district treasury of a pension payable under proper authority at his headquarters, and may transfer the payment of a pension from such subordinate treasury to the district treasury, or from one subordinate treasury to another in the same district.

CERTIFICATE OF NON-EMPLOYMENT

C.S.R. 953. *(a) A pensioner drawing pension in Pakistan or through Pakistan Embassy abroad shall sign the certificate of re-employment set out in Form TR. 37 of the Treasury Rules of the Federal Government.

*Substituted *vide* Finance Division's Notification No. F. 28(7)-Reg. (6)/86. dated 23-6-1986.

(b) A widow drawing pension in Pakistan or through Pakistan Embassy abroad shall sign the certificate of non-marriage set out in Form TR. 37 A of the Treasury Rules of the Federal Government].

(c) In the case of a pensioner drawing his pension through an agent, who has executed a bond of indemnity, as required by Article 42 of the Civil Account Code, the certificate modified accordingly may be signed by the Agent provided that the pensioner shall himself furnish, once a year, a certificate covering the period for which pension has been drawn on the basis of the agent's certificates.

RENEWAL OF PENSION PAYMENT ORDER

C.S.R. 954. When the reverse of a Pension Payment Order is filled up, or when the pensioner's half is found to be worn or torn, both halves may be renewed by the Treasury Officer.

C.S.R. 955. If a pensioner loses his half of the Pension Payment Order, a new Order may be issued by the Treasury Officer, who should see that no payment is made in the half alleged to be lost by a strict observance of Rule 2 under Article 943. The necessary note should be made in the remarks column of the register.

C.S.R. 956 to 961. [Omitted *vide* Finance Division Notification No. SRO 1/83. F-12(18)-Reg. (6)/83 dated 25-6-1983].

*PAYMENT OF PENSION OF NON-ASIATIC DOMICILE SETTLED IN THE UNITED KINGDOM

962. Disbursement of pensions payable to pensioners of non-Asiatic domicile who were immediately before the 2nd January, 1959, in the service of Pakistan and are settled in the United Kingdom, shall be made by the Government of Pakistan through the Ministry of Overseas Development of the Government of the United Kingdom, and an imprest shall be placed at the disposal of the said Ministry of Overseas Development for that purpose.

963. The Accounts Division of the Pakistan Embassy in the United Kingdom shall scrutinize the monthly account of disbursements sent to it by the said Ministry of Overseas Development and shall recoup the amount disbursed to that Ministry out of its main imprest.

964. The Accounts Division of the Pakistan Embassy shall incorporate the expenditure on account of the recuperations made in its Monthly Cash Account, charging the expenditure to the Accounts Officers concerned in Pakistan on whose

*Amended *vide* Finance Division Notification No. F. 12(I)Reg. 6/82, dated 29-12-1983.

authorities payments were made, and shall submit the monthly Cash Account to the Chief Accounts Officer, Ministry of Foreign Affairs, Islamabad, in the SECTION and in SECTION IV referred to as the "Chief Accounts Officer". In the Monthly Cash Account, the allocation portions recoverable from each Provincial Government; in respect of pensions paid to the pensioners of the Provincial Government, and from each Department, in respect of pensions paid to the pensioners of that department, shall be shown distinctly on each voucher sent with the certificate of payment in support thereof alongwith the Monthly Cash Account.

965. On receipt of the Monthly Cash Account, the Chief Accounts Officer shall incorporate the debits in relations to payments of pensions in the Deposit Account, and shall pass on the Deposit Account, along with the supporting vouchers, to the Accountant General, Pakistan Revenues, Islamabad, who shall adjust the debits relating to Federal payments in the books maintained in his Office and pass on the debits relating to Provincial payments to the Accounts Officers concerned through Exchange Account for final adjustment in their respective books.

PAYMENT OF PENSIONS OF PAKISTANI PENSIONERS THROUGH PAKISTAN MISSIONS ABROAD

966. If a pensioner appointed before 2nd January, 1959 desires to reside or is residing in a country other than Pakistan and wishes to draw his pension in that country, he shall make an application to this effect to the Accounts Officer concerned.

(b) The Accounts Officer shall forward both halves of the P.P.O. of the pensioner to the Chief Accounts Officer with a sealed letter of authority for arranging payment of pension to the pensioner through the Pakistan Embassy / Mission concerned, clearly specifying therein the date from which such payment is to be made.

(c) The Chief Accounts Officer shall record on the P.P.O. an endorsement showing the name of the Pakistan Embassy/Mission to which pension shall be paid and shall forward both halves of the P.P.O. to the Embassy/Mission, advising the pensioner to obtain his copy of the P.P. O. from that Embassy/Mission for receiving monthly payment of pension in that country.

967. In case of any revision of pension payable to a pensioner in a foreign country, the Accounts Officer concerned shall inform the Chief Accounts Officer by a sealed letter of authority for arranging payment of pension to the pensioner at the revised rate.

968. On receipt of the letter of authority in relation to the revision of pension, the Chief Accounts Officer shall inform the pensioner and the Pakistan Embassy/ Mission of such revision, but pension at the revised rate shall not be paid to the

pensioner unless the Embassy/Mission has received intimation to that effect from the Chief Accounts Officer.

969. When a pension is transferred for payment to a pensioner in a foreign country, the Audit Officer concerned shall provide the requisite funds in the Assignment Account of the Ministry of Foreign Affairs together with the necessary foreign exchange component and the Chief Accounts Officer, on receipt of the requisite funds in the Assignment Accounts, shall arrange for the payment of pension through the Pakistan Embassy/Mission concerned.

970. If a pensioner, to whom pension is paid in a foreign country desires to draw his pension in any other foreign country, he shall make such request to the Chief Accounts Officer through the Pakistan Embassy/Mission in the country in which he is drawing his pension.

971. On receipt of the Monthly Cash Account from the Pakistan Embassy/Mission in a foreign country, the Chief Accounts Officer shall incorporate the debits relating to payment of pensions in the Deposit Accounts, and shall pass on the Deposit Account, and shall pass on, alongwith supporting vouchers, the Deposit Account :—

- (a) in case of pensions paid to civil pensioners, to the Accountant General Pakistan Revenues, Islamabad; and
- (b) in case of pensions paid to pensioners of the Armed Services, to the *[Controller of Accounts, Defence Production Projects and Inter Services Organization Rawalpindi].

972. On receipt of the Deposit Account, the Accountant General, Pakistan Revenues, Islamabad shall adjust the debits relating to Federal payments in the books maintained in his Office, and shall pass on the debits relating to Provincial payments to the Accounts Officers concerned through the Exchange Account for final adjustment in their respective books.

973. If any pensioner drawing his pension in a foreign country desires to draw his pension in Pakistan, he shall, on his return to Pakistan, deliver his copy of the P.P.O. of the Audit Officer concerned, and the copy of the P.P.O. so delivered shall serve the purpose of a Last Pay Certificate, and payment of pension in Pakistan to the pensioner in Pakistani rupees shall resume.”

*Substituted *vide* Finance Division Notification No. F (12) (I)-Reg. (6)/82 (A) dated 26-6-1984.

PENSIONS TO MEMBERS OF THE FORMER INDIAN CIVIL SERVICE
APPLICATIONS

C.S.R. 974. ***Retirement while on duty in Pakistan.**—A retiring officer of the former Indian Civil Service shall submit his application for permission to resign the service and for a pension or gratuity to the Government of Pakistan through the Provincial government under which he is employed at the time. If he is employed under a Division of the Government of Pakistan, the application should be sent through such Division. The Government of Pakistan shall on receipt of the application and after scrutiny sanction pension and send the application together with the sanction to the A.G.P.R. who will issue P.P.O.

Note.—*As soon as an officer gives over charge of his office, the Accountant-General Pakistan Revenues should furnish the following information to the Government of Pakistan :—

- (1) Name of officer.
- (2) Date on which he made over charge of his office.
- (3) The amount of leave granted, if any.
- (4) Date upto (and including) which leave allowances have been drawn.
- (5) What demands, if any, are outstanding against the officer.

The pension or gratuity should be sanctioned to the recovery of these outstandings.

C.S. Rs. 975 to 981. Cancelled.

C.S.R. 982. *Pensions are payable in arrear, monthly, and to date of decease.

C.S.Rs. 983 to 986. Cancelled.

C.S.R. 987. Payment of *[pensions] may be made in any country named in Appendix 15 in accordance with the procedure laid down in Article 966 to 973.

C.S.Rs 988 to 994.—Cancelled.

*Amended *vide* Finance Division Notification No. F 4(4)-RS./68, dated 30-1-1971.

Appendix II

TREASURY RULES OF THE FEDERAL GOVERNMENT REGARDING PENSION PAYMENTS—(VOL. I, PART V, CHAPTER- VI)

Section I—Introductory

319.—(1) Subject as hereinafter provided, the rules in this chapter shall regulate the procedure with regard to the payment in Pakistan or at a Federal treasury outside Pakistan, of pensions payable by, or out of the revenues of the Pakistan:

Provided that if in any Province a different procedure has been prescribed for the payment of Provincial pensions, the same procedure may, unless there are any general or special orders of the Government to the contrary, be applied in the making of payments at a treasury of that Province of any pensions payable by, or out of the revenues of the President.

- (2) Nothing contained in this rule shall be taken as affecting—
- (i) the provisions of the Pensions Act (Act XXIII of 1871) or of any rule made thereunder, or the exercise by Provincial Governments of such functions of the Federal Government under the Pensions Act as may be entrusted to them in consequence of a delegation of function under sub-section (I) of section 124 of the Government of India Act, 1935 as adapted by the Pakistan (Provisional Constitution) Order, 1947.
 - (ii) the provisions of any rule contained in the Civil Service Regulations, the Army Regulations, or of any departmental regulations issued by, or under the authority of the President, prescribing the procedure for the payment of any pensions payable by, or out of the revenues of the President.

320. Unless there is anything repugnant in the subject or context, the procedure with regard to the payment at any Federal treasury or other office of disbursement of pensions payable by the Government on behalf, or as an agent, of Central Government, States which have 'acceded to Pakistan, Local Fund or of any other authority shall be regulated by the rules in this chapter unless there are express orders of the Government to the contrary.

321. In this chapter, except where it is expressly otherwise provided or the context otherwise requires :—

“Service pension” means a pension payable to, or in respect of, a person in consideration of past employment under the Crown in India, Burma, Aden, Pakistan and includes a gratuity so payable;

“Political Pension” means a pension, not being a service pension, granted or customarily payable to, or in respect of, a person on political consideration or compassionate grounds, or in consideration of distinguished or meritorious services, or of the surrender of rights or emoluments, and includes assignments or compensations, when payable in the form of fixed allowances or grants.

322. Pensions or any other sums payable in respect of contributions to a family pension fund, and any sums payable under the Workmen’s Compensation Act are not subject to the rules in this chapter.

Section II-Place of Payment

323. Subject as hereinafter provided, service pensions payable in Pakistan may be drawn from any treasury in Pakistan, or from the office of an Accountant General performing the function of a pension disbursing officer with the consent of, and subject to such conditions, as may be laid down by the Auditor General.

NOTE.— The term ‘Treasury’ used in this rule includes a Military Treasure Chest.

324. Political Pensions may be drawn from offices of Political Officers and Agents, and such other special offices as may be authorised to disburse such pensions.

325. Pensioners who retired from the Pakistan Post Office and the Pakistan Telegraph and Telephone Departments may, subject to any general or special order issued by the Government in this behalf, draw their pensions from any Post Office in Pakistan.

326. Pensions due to Military pensioners may be disbursed by one or other of the following agencies :—

- (i) Treasury Officers.
- (ii) Pension Payment Officers of the Defence Department.
- (iii) Such Post Offices as may be nominated in this behalf by the Director General, Pakistan Post Offices.
- (iv) Political Officers and Agents.

327. When a pensioner is a resident to a state which has acceded to . Pakistan, or of a territory adjacent to Pakistan, the payment of his pension may be arranged by the Political Officer concerned under such general or special orders as the Government may issue in this behalf.

Section III.—Authority for Payment

Pension Payment Order

328. (1) Except in the case of Military pensions which are payable on Pension certificates or other authorities issued by the Controller of Military Accounts and Pensions, or unless the Government order otherwise in the case of any particular class of pensions, payment of pensions can be made only upon Pension Payment Orders issued by an Accountant General.

(2) In issuing a Pension Payment Order, the Accountant General will—

- (i) attach to the Order a specimen signature of the pensioner if he can sign his name and, except in the case of pensioners specified in sub-rule (2) of rule 367, his thumb and finger impressions of the left hand, the specimen signature and thumb and finger impressions being duly attested by the head of the office concerned or by some other responsible person; and
- (ii) paste a certified copy of the Pensioner's photograph in passport size on the Disburser's portion as well as on the pensioner's half of the Pension Payment Order.

This requirement will not apply to European or *purdah-nashin* ladies, persons who are in receipt of family pensions granted under the Wound and Extraordinary Pension Rules or the rules made under the Government of Pakistan, Ministry of Finance No. (4) F. 12 (2)RI/53, dated the 24th March, 1954, as amended, persons who retired from gazetted posts, persons who hold Government titles or to any other person specially exempted by the Government from the operation of this rule.

NOTE.—For pensions payable at the office of an Accountant General, the purpose of the Disburser's portion of the Pension Payment Order is served by the Audit Register kept by the Accountant General in which the necessary particulars relating to each pensioner are entered in full.

329. (1) On receipt of a Pension Payment Order at an office of disbursement, the Pensioner's portion shall be made over to the pensioner after proper identification when he appears to receive his pension for the first time. The specimen signature or the thumb impression, as the case may be, of the pensioner shall be taken, where necessary, in the space provided for the purpose in the Disburser's portion of the Pension Payment Order.

(2) The Disburser's portions of the Pension Payment Orders shall be pasted in serial order in separate files, one for each class of pensions, such as Service, Political, Colonial Governments, etc. These files must be kept in the personal

custody of the disbursing officer in such a manner that pensioners shall not have access thereto.

NOTE.—Pension Payment Orders should ordinarily be filed in one series for the whole district circle of disbursement, but the Accountant General may allow filing by sub-treasury or any other series as may be found convenient.

330. When a pensioner is specially exempted from personal appearance, the fact shall be noted by the disbursing officer on his Pension Payment Order, and in all cases of non-appearance of a pensioner, a note shall be made on the Pension Payment Order of the form in which proof was given, within each year, of the pensioner's continued existence, *e.g.*, "appeared in person on _____"; and the initials of the disbursing officer or of the officer verifying the fact shall be put against the note.

331. Disbursing officers are authorised to renew Pension Payment Order without reference to the Accountant General in cases in which Pensioner's portion is lost, worn or torn, or the entries on the reverse of either the Pensioner's or the Disburser's portion are completely filled up. The renewed Pension Payment Orders shall bear the old number, date and facsimile of signature of the issuing officer and the old ones, if available, shall be retained by the disbursing officer for three years and then destroyed. A note of the issue of the new Pension Payment Order shall be made in the Remarks column of the register mentioned in rule 336.

332. On the renewal of a Pension Payment Order, the portion of the original order containing the facsimile of the pensioner's signature, or his thumb impression, as the case may be, and the copy of his photograph where it is kept, shall be cut off from the old and pasted on the renewed Pension Payment Order before the latter is signed by the disbursing officer.

333. After the commuted value of a portion of a pension is paid, both portions of the Pension Payment Order must be returned without delay to the Accountant General, who will issue a fresh Pension. Payment Order authorising payment of the reduced pension in future.

334. If the Pension Payment Order received from an Accountant General's office relates to a pensioner in whose favour an anticipatory Pension Payment Order has been issued, special care shall be taken to return both halves of the anticipatory Payment Order, together with the voucher for the first payment of the final pension, to the Accountant General's Office in a registered cover in advance of the treasury schedule.

Payment at Sub-treasuries

335. When the payment of a pension is authorised at a sub-treasury the sub-treasury Officer shall be furnished by the District Treasury Officer with an

authenticated copy of the Disburser's portion of the Pension Payment Order in English or in the current Pakistan language with the Collectors order for payment at the sub-treasury endorsed thereon. In issuing copies of Pension Payment Orders aforesaid the Treasury Officer shall reproduce the full order of the Accountant General and make the endorsement "Made payable at..... sub-treasury with effect from". A similar endorsement shall be recorded over the Treasury Officer's signature on the Disburser's portion of the Pension Payment Order, so that payment may not be made at the district treasury as well.

Register of Pension Payment Orders

336. Each disbursing officer shall keep a register in Form T.R. 36 of the Pension Payment Orders issued from his office, which will serve as an index to the files of orders referred to in sub-rule (2) of rule 329. After seeing that a new order is correctly entered in this register, the disbursing officer shall put his initials in the column of "Name of pensioner" and rule a red ink line across the page below the entry. The column of remarks will be blank as long as the order of payment is in force; but when *both* portions of the order are returned on account of death of pensioner or application for transfer or otherwise, which causes strike it permanently off the list of pensioners under his payment, the date and cause of return shall be entered under the disbursing officer's initials.

337. On the receipt of an intimation about the death of a pensioner, prompt action shall be taken to record the fact in the register and on the Disburser's portion of the Pension Payment Order.

In the case of pensioners whose pensions are paid by money order under the provisions of rule 360, necessary note shall be made on both portions of the Pension Payment Order.

338. Pensions which are not granted for life but are subject to special conditions, *e.g.*, when they are to cease on marriage, or at a given age or under other specified circumstances, shall not be entered in the same register with other pensions, but shall be recorded in special registers to be kept for the purpose. All Pension Payment Orders of such pensions will bear the letter "S" in addition to the number.

Additional columns shall be opened in such registers to show clearly and precisely the special limitations and conditions attached to each pension of this category.

Section IV.—Manner of Payment

Due Date

339. Pensions fixed at monthly rates are payable monthly on and after the first day of the following month:

Provided that when there is a variation in the rate of a pension consequent on the disbursement of the commuted value of a portion thereof, pension for the broken part of the month at the original rate may be paid before the end of the month.

340. If the first six days of a month are public holidays on which pensions are not disbursed at the treasury, the Head of the Local Administration may, if he thinks fit, direct the payment on the last working day before the holidays of pension bills of pensioners drawing pension of Rs. 100 or less.

The Government may in special cases relax any of the condition specified in this rule.

Payment of Claims

341. Save as hereinafter provided, a pensioner must take payment in person after identification by comparison with the Pension Payment Order.

342. A pensioner specially exempted by the orders of competent authority from personal appearance, a female pensioner not accustomed to appear in public, or a pensioner who is unable to appear in consequence of bodily illness or infirmity, may receive his or her pension through a representative upon the production of a life certificate signed by a responsible Government officer or by some other well known and trustworthy person.

343. A pensioner of any description, who produces a life certificate signed by some person exercising the powers of a Magistrate under the Criminal Procedure Code, or by any Registrar or Sub-registrar appointed under the Registration Act, 1908, or by any pensioned officer who, before retirement, held a Gazetted appointment or exercised the powers of a Magistrate or any Gazetted officer, or by a Munsiff, or by Members of the Central or Provincial Legislature Assemblies, or by Manager of the Bank in cases where the against is a scheduled bank and the pensioner is a resident of Pakistan is exempted from personal appearance.

344. Payment of pensions to police pensioners may be made in accordance under the rules in this section, but if the disbursing officer entertains any doubt as to

the identity of such a pensioner, he may require the local Inspector of Police to identify him. The Inspector would then be responsible for the correct identification of the pensioner.

345. A pensioner not resident in Pakistan may draw his pension in Pakistan through a duly authorised agent, who must produce a certificate by a Magistrate, Notary or a Banker, on each occasion, that the pensioner was alive on the date up to which his pension is claimed, unless the agent has executed a bond to refund overpayments and produce such a certificate as aforesaid at least once a year.

346. A pensioner of any description resident in Pakistan is exempted from personal appearance if he draws his pension through an agent who has executed a bond to refund overpayments and produce at least once a year a life certificate signed by a person authorised under rule 343 to sign such certificates.

347. The pension of a person drawing his pension through an authorised agent who has executed a bond to refund overpayments, shall not be paid on account of a period of more than a year after the date of the life certificate last received, and the disbursing officer shall be on the watch for authentic information of the decease of any such pensioner, and on receipt thereof, shall promptly stop further payments.

348. When a pensioner is a minor, or is for any other reason incapable of managing his own affairs, and has no regularly appointed manager or guardian, or when no such manager or guardian is nominated by the sanctioning authority, the Collector may on application by, or on behalf of the pensioner, and subject to such conditions as he may, impose, declare any suitable person to be the manager or guardian for the purpose of receiving, on behalf of the pensioner, the pension due to him, and payment of pension may be made to such manager or guardian in the same way as the original holder, provided that sufficient proofs are forthcoming at the time of each payment of the original holder being alive and eligible to receive the pension for the period covered by the payment. Such declaration may, at any time, be revoked or altered at the discretion of the Collector.

Forms of Pension Bills and connected Certificates

349. (1) Save as hereinafter provided in this rule, claims for payment of pensions shall be presented on bills in a form similar to Form T.R. 37, a copy of which will be supplied by the disbursing officer to each pensioner or his agent or representative. The bill must be duly receipted by the pensioner or by some other person authorised to give legal acquittance on his behalf, and if the pensioner cannot sign his name his thumb impression shall be taken on the bill.

Save as provided in sub-rule (2) of rule 356, the pensioner's portion of the Pension Payment Order must invariably be presented with the bill.

In the case of illiterate pensioners and *pardanashin* ladies, quittance by seal mark attested by some well known and respectable person may be accepted in lieu of thumb impressions.

(2) Instead of requiring each individual pensioner to present a separate bill in Form T.R. 37, the disbursing officer may, subject to such general or special instructions as the Accountant General may issue in this behalf prepare a single bill in Form T.R. 38 for all on account of each class of pensions. On this plan the receipt of each pensioner appearing personally shall be taken in the column provided for that purpose, while separate receipts shall be appended to the bill in support of payments, if any, made at the subtresury, or on life certificates, not being made in the latter case on the separate receipts of the names of the person actually receiving the money. On all such documents shall be entered the number of the entry in the bill.

Note.—Separate receipts with their copies (unstamped) duly certified by the disbursing officer are required for Hong Kong, Mauritius, Ceylon (now Sri Lanka) and Singapore pensioners, they must not be included in a consolidated receipt.

(3) Military pensioners shall present their claims in special forms of bills prescribed by departmental regulations.

350. A life certificate must accompany every claim which is not personally presented, except in the cases specified in rules 345 and 346. When payment is made on a life certificate, it can be made only for periods completed on or before the date of the certificate. The life certificates must be signed by a person authorised under these rules to sign such certificates.

351. When a pensioner draws his pension through an agent or representative the claim must be supported by the written authority of the pensioner to pay the pension to the agent or the representative nominated by him to receive payment on his behalf. In such cases, the endorsement “Received payment” must be signed by the pensioner and a separate receipt which need not be stamped shall be endorsed by the agent or the nominee, as the case may be, in token of having actually received the payment.

352. Where the determination of a pension cannot be fixed for a precise date the pensioner’s bill must be accompanied by a certificate in Form T.R.39.

353. A declaration in Form T.R. 40 shall be obtained half-yearly from female pensioners whose pension is terminable by their marriage or remarriage, and shall be attached to the bills for pension paid for December and June.

354. (1) A certificate of non-employment as printed on the forms of bills (namely, Forms T.R. 37 and 38) shall be obtained from all pensioners in receipt of

service pensions, other than *ex-class IV* servants and *ex-policemen* who are in receipt of pensions of not more than Rs. 10 a month. If a pensioner who is required to sign the certificate is, during the period for which pension is claimed re-employed either permanently or temporarily in a Government establishment, or in an establishment paid by a Provincial Government or by a Local Fund, or is employed either permanently or temporarily in a commercial establishment within two years from the date of his retirement, or under a foreign Government or a foreign agency, he must furnish the necessary particulars in the certificate and the disbursing officer shall ascertain and report whether any law or the rules regarding such re-employment or, as the case may be, employment have been duly observed.

In the case of a pensioner permitted under rules of the Government to draw pension after re-employment, the certificate must be modified according to facts.

(2) When a pensioner draws his pension through an agent who has executed a bond of indemnity under rule 247, the certificate modified suitably may be signed by the agent, provided that the pensioner himself furnishes once a year a certificate concerning the period for which the pension has been drawn on the basis of the agent's certificates.

Rates of Exchange for Conversion of Pension fixed in another Currency

355. The payment in rupees of pensions fixed in sterling or in other foreign currency shall be regulated by such general or special instructions as may be issued by the Government in this behalf. In issuing Pension Payment Orders for such pensions, the Accountant General will either mention the exact amount to be paid in rupees, or indicate the rate at which the amount stated in sterling or in any other currency shall be paid.

Checks to be applied by the Disbursing Officer

356. (1) On appearance of a pensioner claiming payment of pension, his personal marks shall be checked by the disbursing officer and the signature to the receipt shall be compared with the facsimile of the signature taken on the Disburser's portion of the Pension Payment Order. If the pensioner cannot sign his name, his thumb impression on the receipt shall be compared with the original impression taken on the Order. In cases of doubt, payment may be made on the strength of the resemblance between the pensioner and his photograph, where one is pasted on the Disburser's portion of the Pension Payment Order, pending final settlement of any question which may arise about identification marks, signature or finger impressions.

(2) A pensioner drawing pension for the first time shall be required to produce the copy of the order by which the sanction to his pension was communicated

to him, and his signature or thumb impression on the bill shall be compared with the specimen signature or thumb impression received with the Pension Payment Order.

357. When a pensioner draws his pension through another person, the disbursing officer must take special precautions against fraudulent presentation of claims and satisfy himself of the existence of the pensioner and of the identity of the payee before any payment is ordered, and if he feels any suspicion, shall refer it to the pensioner before payment.

358. In view of the special risk of fraud involved in the payment of pension of women who do not appear in public, special care shall be taken in the identification of such pensioners. The descriptive rolls, when originally prepared, and the periodical certificates of the continued existence of such women shall be attested by two or more persons of respectability in the town, village, or pargana.

Record of Payment

359. Every payment must be entered on the reverse of *both* portions of the Pension Payment Order and attested by the signature of the disbursing officer. In the case of pensions paid at a sub-treasury to which only a copy of the Order with the Collector's order thereon is supplied under rule 335, the sub-treasury Officer shall make the entry on the Pensioner's portion of the Order and on his copy, while the Treasury Officer at the headquarters treasury shall, from the connected voucher, make the necessary note on his original of the Order.

Payment of Pensions by Postal Money Order

360. The payment of pension not exceeding Rs. 500 a month may be made by Postal Money Order at the option of the pensioner and at his expense where the amount of the pension exceeds Rs. 30. When this mode of payment is adopted the following rules shall be observed :—

- (i) A pensioner who elects to have his pension paid by money order, should present in person to the Treasury Officer a declaration to that effect with his copy of the Pension Payment Order. The Treasury Officer should then identify the pensioner as laid down in rule 356. After this has been done he should paste the declaration and *both* portions of the Pension Payment Order in a separate file headed "Pensions Payable by Money Order". On a date not later than the 10th of each month, the Treasury Office should arrange to make out a money order form for each pension recorded in the file mentioned above, less money order commission, where the pension exceeds Rs. 30 and make corresponding payment entries in the table on the

Pension Payment Orders. The Treasury Officer should sign the money order form and initial the entries on the Pension Payment Orders after carefully comparing the three documents.

- (ii) In order to minimise the risk of fraud, the Treasury Officer should compare the signature on the money order receipt every month with the pensioner's signature on the Disburser's portion of the Pension Payment Order. The Treasury Officer should also satisfy himself once in every six months, in such manner as he thinks desirable, that the pensioner is actually alive. In token of having done so, he must endorse on the schedules of payments for the months of April and October each year a certificate to the effect that he has satisfied himself that the pensioners were actually alive on the dates on which the pensions were remitted to them.
- (iii) In the case of female pensioners whose pensions are terminable on their marriage or re-marriage, the Treasury Officer should, before remitting the pensions for December and June, obtain the half-yearly declarations prescribed in rule 353.
- (iv) The Collector should arrange with some village official or other suitable subordinate agency, such as the police, for reporting promptly to the Treasury Officer the death of a pensioner whose pension is paid by money order.
- (v) It will not be necessary to prepare separate pension bill for such payments. The payments should be shown in a separate schedule which will serve as voucher. A certificate in the following form in the hand-writing of the Treasury Officer should be endorsed on the schedule:—

“Certified that I have satisfied myself that all payments noted in the schedule have actually been remitted by money order”.

- (vi) In the schedules for January and July each year, an additional certificate in the following form should be added :—

“Certified (1) that I have obtained, where necessary, from each pensioner declaration that he has not received any remuneration for serving in any capacity under the Federal Government or any Provincial Government or under a Local Fund during the past six months, and (2) that I have obtained from each female pensioner whose pension is terminable on her marriage or remarriage, a declaration in Form T.R. 40 that she is not married and that she has not been married during the past half year”.

- (vii) In the schedule for the month following the month of payment, the Treasury Officer should furnish the following certificate :—

“Certified that I have satisfied myself that all pensions included in the schedule for the previous month have been paid to the proper persons and that I have obtained all money order receipts in support of these payments and filed them in my office”.

- (viii) The amount to be remitted by money order should be adjusted by transfer credit to the Post Office in accordance with the procedure prescribed in rule 198.

Note.—The procedure authorised in this rule may be applied *mutatis mutandis* to pensions payable at a sub-treasury or any other disbursing office.

361. (1) Where, owing to old age or infirmity, or in consequence of some physical disability, it is not possible for a pensioner to present in person to the Treasury Officer a declaration electing to have his pension paid by money order, the Treasury Officer may accept instead a written declaration signed by the pensioner, which is duly verified by a gazetted officer, a Magistrate or a Justice of the Peace. The officer verifying the declaration shall specify the circumstances in which he holds that it is not possible for the pensioner to present the declaration in person to the Treasury Officer.

(2) Should the pensioner be physically incapable of signing the declaration the Treasury Officer may authorise payment on production of a certificate from the Civil Surgeon of the district or a registered medical practitioner to the effect that the pensioner is alive but is unable to sign the required declaration. In such a case, the pension may be paid to the heir, not being a minor, who would receive payment of the arrears of pension in the event of the pensioner's death, provided it is certified by the Collector that the person claiming to be the heir is in fact the heir and continues to be the heir throughout the period for which he draws the pensions.

Special Rules applicable to Political Pensions

362. Every disbursing officer shall maintain a register of political pensions payable by himself, showing for each pension separately:—

- (i) origin and nature of the pension and the ground on which it was sanctioned;
- (ii) the amount and period of payment;
- (iii) the orders of competent authority sanctioning its payment;
- (iv) the name and residence of the pensioner, with specification of shares, if any;

- (v) reference to the Register of Pension Payment Orders;
- (vi) whether tenable for life only; or if it is heritable, the manner and extent to which it will descend, with quotations of orders affecting it;
- (vii) any special condition attached to the grant of the pension;
- (viii) any other matter worthy of note in connection with the pension.

363. With the special sanction of the Accountant General in each case, the following procedure may be employed in the case of groups of political pensioners who are paid by, and are in charge of, a Political Officer :—

- (a) In lieu of a Pension Payment Order for each pensioner, an order for the payment of the whole group will be issued by the Accountant General in Form T. R. 36; each entry having a number in the form 330/1, 330/2 and so on, where 330 is the register number of whole document.
- (b) The officer in charge of the pensioners should draw up a monthly bill, in the following form,, in which all the names should be entered in their proper order, even though nothing is drawn for the pensioner entered:—
 - (i) Number of pensioner.
 - (ii) Name.
 - (iii) Monthly pension.
 - (iv) Amount of arrears drawn:
 - (1) month.
 - (2) amount.
 - (v) Amount drawn for current month.
 - (vi) Income-tax deductions.
 - (vii) Net amount payable to each pensioner.
 - (viii) Remarks; this space will be used for acquittance in the Political Officer's own copy of the bill.

(c) The following certificate should be appended to the bill :

“Certified that all amounts drawn in last month’s bill have been duly disbursed and receipt taken, with due precautions as to the identification of the payees, with the exception of the following, amounts, now refunded:—

No.	Name	Amount refunded	Remarks

(d) The total to be paid will be made up as follows:—

	Rs.	Ps.
Arrears, as per item (iv) (2).		
Current month as per item (v).		

	Total:	_____
<i>Less</i> Income-tax.		
<i>Less</i> undisbursed amounts now refunded.		

Net amount to be paid.		_____

Any refunded amount can be drawn at any time upon quotation of the month’s bill in which the amount was refunded.

(e) If any alterations have been made in the list of pensioners during the past month, the Political Officer should append a statement showing :—

No. of Pensioner	Name	Nature of Alteration or lapse	Reason or quotation of order

- (f) No new name can be brought on the list and no new pension drawn until the Accountant General has registered and given a number to the new name, and communicated it to the Political Officer in charge.
- (g) If there have been no alterations, the Political officer should append to his bill a statement that “there have been no alterations in the list of pensioners under my charge in the past month.”

364. In cases in which political pensioners are exempted, from personal attendance, the disbursing officer, if he entertains any doubt which he has no convenient means of removing, shall refer the case to the Government through his immediate superior for orders, but payment of the pension may not be suspended pending the result of such reference.

Payment of Commutation Money

365. The payment of the commuted value of a portion of a pension can be made upon the authority issued by the Accountant General only to, and upon the receipt of, the person legally entitled to receive it, and not otherwise.

Gratuities

366. (1) Gratuities shall be paid on the authority received from the Accountant General, to whom the sanction is communicated by the sanctioning authority or by another Audit Officer. The payee must be required to produce the copy of the order by which the sanction to the gratuity was communicated to him; and the disbursing officer shall record the fact of payment having been made on the copy of the order so produced.

(2) Gratuities may be paid only to, and upon the receipt of, the persons legally entitled to receive them and not to, or upon the receipt of, the head of the office or department in which the grantees formerly served.

Section V.—Periodical Identification of Pensioners

General Rule

367. (1) On the first appearance of a pensioner on or after the first of April each year, the disbursing officer shall, except in the case of pensioners mentioned in sub-rule (2) below, take an impression of the thumb and all the fingers of the pensioner’s left hand on the pension bill. The pensioner shall then be identified from the particulars given in the Disburser’s portion of the Pension Payment Order or in the Audit Register, as the case may be. Identification shall also be made by an examination of the impressions given on the bill with those attached to the Pension

Payment Order or kept in the Audit Register, or by reference to the pensioner photograph where one is pasted on the Disburser's portion of the Pension Payment Order; if he cannot be identified by other means with absolute certainty.

The provisions of this sub-rule with regard to the taking of the thumb and finger impressions of pensioners and the examination of such impressions for purposes of identification may be relaxed or modified by the head of the Local Administration.

(2) Except Princes of States which have acceded to Pakistan, European ladies and persons who have been gazetted officers, Members of the Central or Provincial Legislative Assemblies and persons who have been specially exempted by the Government on the ground that there can be no difficulty in future identification, all pensioners shall be liable to the operation of this rule.

(3) *Purdahnashin* ladies and illiterate pensioners must give a thumb impression on their bills in the presence of the person who grants the life certificate, or, in the case of illiterate pensioners who personally attend the paying office, before the disbursing officer.

368. In all cases referred to in rules 342, 343 and 348, the disbursing officer must take special precautions to prevent impositions and must, at least once a year, receive proof independent of that furnished by the life certificate of the continued existence of the pensioner. For this purpose the disbursing officer shall, save in cases of exemptions from personal appearance allowed by orders of competent authority, require the personal attendance and due identification of all male pensioners who are not incapacitated by bodily illness or infirmity from so attending and in all cases where such inability may be alleged, he shall require proof thereof in addition to the proof submitted of the pensioner's existence. The disbursing officer is personally responsible for any payment wrongly made and in all cases of doubt, he must consult the Accountant General.

Note.—A pensioner of rank may be privately identified by the disbursing officer and need not be required to appear at the disbursing office.

Section VI.—Undrawn Pensions and Arrears

General

369. (1) Unless the Government by general or special orders direct otherwise a pension remaining undrawn for more than one year shall cease to be payable by the disbursing officer. If the pensioner afterwards appears, or a claim is presented

on his behalf, the disbursing officer may make the payment, but the arrears cannot be paid without the previous sanction of competent authority—

- (i) if the pension in arrears is to be paid for the first time; or
- (ii) if the amount in arrears exceeds Rs. 1,000:

Provided that, if in any case a pension remains undrawn for three years in the case of a service pension, or six years in the case of a political pension, it cannot be paid without the authority of the Accountant General.

Note.—If the suspension of payment is attributed to error or neglect by any Government office the Accountant General may direct payment of the arrears on his own authority.

(2) A gratuity payment order shall remain in force for one year only, and no such order shall be retained in a disbursing office if payment has not been made on it within a year of its issue.

Death of Pensioners

370. (1) Subject to any rule or order made by the Government in this behalf, the payment of arrears of pension due in respect of a deceased pensioner shall be regulated by the following rules:—

- (a) Pension can be drawn for the day of man's death; the hour at which death takes place has no effect on the claim.
- (b) On the death of a pensioner, payment of any arrears actually due may be made to his heirs, provided that they apply within one year of his death. They cannot be paid thereafter without the sanction of competent authority to be obtained through the Accountant General:

Provided that, if the arrears do not exceed Rs. 100 and the case presents no peculiar features, the Accountant General may pass the arrears on his own authority.

- (c) Subject as provided in the preceding clauses, the provisions of rule 234 shall apply to payment of arrears of pensions due in respect of a deceased pensioner, as they apply to payment of arrears of pay and allowances due in respect of a deceased Government servant.

(2) Any person claiming as the heir of a deceased pensioner shall be required to produce the pensioner's portion of the Pension Payment Order or if no Pension Payment Order has been issued, the copy of the order in which the sanction to the pension was communicated to the pensioner or the heir.

(3) After payment of the arrears of pension, both portions of the Pension Payment Order shall be returned to the Accountant General, with a report of the date of the death of the pensioner.

Reports to the Accountant General

371. Every pension disbursing officer shall submit to the Accountant General concerned every six months a statement of cases of failure to draw pensions. The statement shall be prepared in two parts, one part showing the names of all pensioners who have not drawn their pensions for six years or for three years, according as the pensions are classed as political pensions or other pensions, and the other part showing the names of pensioners other than those included in the former part, who have not drawn their pensions for more than one year. The reason for the non-drawal, if known, shall be stated against each name.

The Disburser's portions of the Pension Payment Orders of all pensioners whose names are included in Part I of the statement, as also of deceased pensioners, where the arrears of pensions due are not claimed within one year of the pensioners' death, shall be returned to the Accountant General alongwith the statement. The disbursing officer shall sort out such cases by examining the file of Pension Payment Orders every month.

Special Annual Enquiries

372. The Accountant General will, by the 15th November each year make out lists of pensioners paid from each treasury or disbursing officer under his jurisdiction, whose age, according to records maintained by him, is known to be over 70 years, and send such lists to the disbursing officer concerned, in order that the continued existence of the pensioner may be tested by special enquiry. The disbursing officers are required to see that this special enquiry is carefully made and a report is furnished to the Accountant General without undue delay.

Purdahnashin ladies must be actually recognised by some respectable persons living in the same town, village or pargana, with whom the verifying authorities are personally acquainted.

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