

GOVERNMENT OF THE PUNJAB  
DEPARTMENT OF FINANCE  
**THE PUNJAB CIVIL SERVICES RULES**  
**Volume II**  
(Third Edition)  
(Corrected up to 31<sup>st</sup> March, 1984)

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**THE PUNJAB CIVIL SERVICES RULES**

**VOLUME II**

**PART I – PENSIONS**

**A – PRELIMINARY**

**CHAPTER I – Extent of application and definitions**

**SECTION I – Extent of Application**

1.1 (a) Except as provided otherwise in any rule or rules, the rules in this part regulate the grant of pensions of the Government employees to whom the rules in Volume I of these rules apply, - (vide Chapter I of that Volume) .

(b) Subject to the provisions of clause (a) above, a Government employee transferred to a service or post to which the rules in this part apply, from a service or post to which they do not apply, becomes subject to these rules, provided that it shall be open to him, within six months of the date of transfer, or, if he is on leave on that date, within six months of his return from leave, to elect to be governed by the pension rules to which he was subject immediately before the date of transfer. The intention of exercising this option must be specifically declared to the Government. The option once exercised shall be final.

Note - The Administrative authority concerned should clearly bring to the notice of the officer concerned the provision of this clause while issuing the order of confirmation of such a Government employee under the Punjab Government .

(c) Omitted .

- (d) (i) Unless the contrary appears from the context , the provisions of rules 1.5 to 1.8 of Volume I of these rules apply mutatis mutandis to the rules in this part also .
- (ii) In any case in which pension or gratuity is not admissible under any of the specific provision of these rules , a competent authority may grant a pension which shall not , save in the most exceptional circumstances , exceed Rs. 40 a month or a gratuity not exceeding the equivalent value of such pension calculated in accordance with the table prescribed under rule 11.5, provided that the general spirit of the rules is observed .
- (iii) When special circumstances appear to justify a departure from the rules laid down regarding “ordinary pensions” it is generally desirable that the allowance granted should be an arbitrarily fixed sum rather any exact proportion of the amount to which it might be supposed that the rules afford a claim.

Note - A departure from the rules is not justifiable, save in cases of very exceptional and distinguished service. Mere length of service, however faithfully performed is not in itself a sufficient ground for exceptional rewards. Recommendations for relaxation of any rule in favour of individuals should, therefore, be extremely rare and should be restricted to cases of most exceptional merit, in which the service has been of a nature not ordinarily falling within the duty that may be expected from a Government employee who has been promoted to the highest position in his department, i.e., only to cases in which a Government employee, besides having shown very distinguished merit, has discharged successfully duties which while falling to him in the course of his official work were so exceptional and exacting that they could not ordinarily and reasonably be regarded as forming part of the normal duties of his post.

Note 2. Until the orders of the competent authority are received , a recommendation for any special indulgence should never be communicated, directly or indirectly , to the Government employee concerned.

Note3. – See also notes 1 and 2 below rule 8.1.

1.2. Omitted.

1.2-A Except as provided in rule 1.2 – B, the provisions of rules 6.13- A and 6.15- A, replace rules 6.12 to 6.13 and 6.15 , respectively in the case of a Government employee:-

- (1) Who entered Government service on or after the 5<sup>th</sup> June, 1947; or
- (2) Who, having entered such service before 5<sup>th</sup> June, 1947, did not hold a lien or a suspended lien on a permanent pensionable post before that date; or
- (3) Who is transferred on or after the 5<sup>th</sup> June, 1947, permanently from service under the Government of India or a state Government or a Local Fund administered by Government to service under the Punjab Government and did not hold a lien or a suspended lien on a permanent pensionable post under the Government of India or State Government or the local Fund before that date.

### **NEW PENSION RULES**

**1.2-B** (1) The provisions of rules 6.16 to 6.16 – c replace rules 6.11 to 6.15-A in the case of a Government employee other than a class IV Government employee:-

- (1) who entered Government service on or after the 10<sup>th</sup> June , 1951; or
- (2) who, having entered such service before the 10<sup>th</sup> June, 1951, either did not hold a lien or a suspended lien on a permanent pensionable post, before that date, under the Punjab Government or Government of India or a state Government or a Local Fund administered by Government, or who held such lien, but opted to come on to ‘New pension Scheme’

(3) Under the New pension Scheme, a Government employee other than a Class IV Government employee, who held a lien or a suspended lien on a permanent pensionable post under the Punjab government on that date, was allowed the following options:-

- (a) Coming on to the “New Pension Scheme”; or

- (b) Continuing under the existing rules applicable to him before the 10 th June, 1951;
- (c) Drawing pension, including additional pension under the existing rules, applicable to him before the 10 th June, 1951, reduced by the “Pension equivalent” of the gratuity admissible under the New pension Rules, and receiving, in lieu of this reduction the death-cum-retirement gratuity and family pension benefits. The pension equivalent will be determined on the basis of the commutation table applicable to him.

Note 1. In the case of those who did not elect any of the alternatives in clauses ( b ) and ( c ) above , within the prescribed time limit , the New pension Rules become applicable to them automatically.

Note 2. – Persons who were entitled to the right of option under clauses 2 of this rule shall be allowed to exercise the option afresh at the time of retirement while submitting applications for the grant of pension, etc., irrespective of the fact whether they had exercised any option previously or not. The families of such employees who may die while in service may be allowed the benefit of the pension Rules favorable to them.

Note 3.- Omitted.

## **SECTION II --- Definitions**

1.3. The terms defined in chapter II of Volume I of these rules have, unless there is anything repugnant in the subject or context the same meaning and implications , when used in this part.

Note.- unless the contrary appears from the context or subject the term “pay” (defined in rule 2.44 of Volume I of these rules) does not include “special pay” when used in this part.

## ANNEXURE

Omitted

## **B ---- ORDINARY PENSIONS**

### **CHAPTER – II**

#### **General Provisions Relating to Grant of Pensions**

#### **SECTION --- General.**

2.1 Every pension shall be held to have been granted subject to the conditions contained in chapter VII of these rules.

2.2 (a) Future good conduct is an implied condition of every grant of a pension. The Government reserve to themselves the right of withholding or withdrawing a pension or any part of it the pensioner be convicted of serious crime or be guilty of grave misconduct.

In a case where a pensioner is convicted of a serious crime, action shall be taken in the light of the judgment of the court relating to such conviction.

In a case not covered by the preceding paragraph, if the Government considers that the pensioner is prima facie guilty of grave misconduct, it shall before passing an order---

- (i) Serve upon the pensioner a notice specifying the action proposed to be taken against him and the grounds on which it is proposed to be taken and calling upon him to submit, within sixteen days of the receipt of the notice or such further time not exceeding fifteen days ,as may allowed by the pension sanctioning authority , such representation as he may wish to make against the proposal ; and
- (ii) Take into consideration the representation, if any, submitted by the pensioner under sub-clause (i) .

Where a part of pension is withheld or withdrawn the amount of such part of pension shall not ordinarily exceed one- third of the pension originally sanctioned nor shall the amount of pension left to the pensioner be ordinarily reduced to less than forty rupees per month, having regard to the consideration whether the amount of the pension left to the pensioner , in any case, would be adequate for his maintenance.

In a case where an order under clause (i) above is to be passed by the Government, the Public Service Commission shall be consulted before the drawing of the whole or any part of pension under this rule shall be final and conclusive.

**Explanation.-** In this rule, the expression “serious crime” includes crime involving , an offence under the official secrets Act, 1923 ( 19 of 1923 ); and the expression “grave misconduct” includes the communication or disclosure of any secret, official code or pass-word or any sketch , plan, model, article, note, document or information such as is mentioned in section 5 of the official secrets Acts, 1923 ( 19 of 1923 ) ( which was obtained while holding office under the Government ) so as to prejudicially affect the interests of the general public or the security of the state.

Note- A claim against the Government employee may become known and the question of making recovery may arise:-

- (a) When the calculation of pension is being made and before the pension is actually sanctioned; or
- (b) After the pension has been sanctioned.

The claim and the recovery may be one or other of the following categories:-

- (1) Recovery as a punitive measure in order to make good loss caused to Government as a result of negligence or fraud on the part of the person concerned while he was in service.
- (2) Recovery of other Government dues such as over issues of pay, allowances or leave salary, or admitted and obvious dues such as house-rent , postal , Life Insurance premia, outstanding motor car, house building, traveling allowance or other advances.
- (3) Recovery of non- Government dues.

In cases falling under ( a ) above , none of the recoveries mentioned in ( 1 ) to ( 3 ) above may be effected by a reduction of the pension about to be sanctioned except in the following circumstances:-

(i) **Omitted**

( ii ) when the pensioner by request made or consent given has agreed that the recovery may be made . If such request is not made or consent is not given by the pensioner , even sums admittedly due to Government such as house- rent , outstanding advances, etc., may not be recovered from pension. In such cases, however, the executive authorities concerned would have to consider whether they should not try to effect the recovery otherwise than from pension, for example, by going to a court of law, if necessary.

2. In cases falling under ( b ) above, none of the recoveries described in clauses ( I ) to (3) , may be effected by the deduction from a pension already sanctioned except at the request or with the express consent of the pensioner. Under rule 2.2 ( a ) , of this Volume, future good conduct is an implied condition of every grant of a pension and a pension can be withheld or withdrawn in whole or in part if the pensioner is convicted of serious crime or misconduct occurring after the pensioner has retired from service, and the rule would not, therefore , cover a reduction of pension made for the purpose of retrieving loss caused to Government as a result of negligence or fraud on the part of the pensioner occurring before he had retired from service.

In cases where the pensioner does not agree to recovery being made even of sums admittedly due to Government, the concluding remarks made under.] ( ii ) above, will also be applicable.

Heads of offices should see that the last pay or leave salary prior to retirement shall not be paid until it is clear that a retiring Government employee has no outstanding dues Government. Sometimes, it may not be practicable to ascertain in time all the outstanding dues, while sometimes dues may exceed the amount of last pay or leave salary. In such case, it is the duty of the heads of offices ( in consultation with Treasury officers and Accountant General, Punjab. In the case of Gazetted officers), to bring promptly to the notice of the Accountant- General, Punjab, all the outstanding amounts by a separate communication, stating in detail the nature of recovery and why it has not been possible to effect it from last pay or leave salary. The outstanding amounts should also be clearly and completely noted in the last pay certificates in sufficient detail with reference to the previous correspondence with the Accountant-General, Punjab , and if the recovery is to be effected from pension, it should be clearly recorded on the last pay certificate itself that the request or express consent of the pensioner in writing to the recovery from his pension has been obtained.

Note 1.- Although compassionate allowance is of the nature of an ex-gratia payment it is really a form of pension and, therefore, recoveries from it, once it is sanctioned , should be governed by the above orders .

Direct recovery of Government dues form Compassionate Allowance is not permissible, under these orders, but recovery may be made

indirectly (before the allowance is sanctioned) by reducing the allowance either permanently or as a temporary measure .

Note 2.- Strictly speaking under the orders no recovery of amount is permissible from pension but final recovery has been made it need not be refunded to the pensioner concerned .

(b) The Government further reserve to themselves the right of withholding or withdrawing a pension or any part of it, whether permanently or for a specified period and the right of ordering the recovery from a pension of the whole or part of any pecuniary loss caused to Government, if, in a departmental or judicial proceeding, the pensioner is found guilty of grave misconduct or negligence during the period of his service, including service rendered upon re-employment after retirement :

provided that –

(1) Such departmental proceedings, if instituted while the officer was in service , whether before his retirement or during his re-employment , shall after the final retirement of the officer, be deemed to be a proceeding under this article and shall be continued and concluded by the authority by which it was commenced the same manner as if the officer had continued in service ;

(2) Such departmental proceedings, if not instituted while the officer was in service whether before his retirement or during his re-employment-

- (i) shall not be instituted save with the sanction of the Government ;
- (ii) shall not be in respect of any event which took place more than four years before such institution ; and
- (iii) shall be conducted by such authority and in such place as the Government may direct and in accordance with the procedure applicable to departmental proceedings in which an order of dismissal from service could be made in relation to the officer during his service.

1. These rules may be called, the Punjab Civil Services (3<sup>rd</sup> Amendment ) Rules , Volume II , 1986.

2. In the Punjab Civil Services Rules, Volume II , to clause ( c ) ( 1 ) rule 2.2, the following proviso shall be added , namely:-

“Provided that where Departmental Proceedings have been instituted under rule 10 of the Punjab Civil Services (Punishment and Appeal) Rules, 1970 for imposing any of the penalties specified in clauses (i) and ( ii ) & ( iv ) of rule 5 of the said rules , the payment of gratuity or death – cum –retirement gratuity, as the case may be, shall not be withheld.”

3. No such judicial proceedings , if not instituted while the officer was in service, whether before his retirement or during his re-employment shall be instituted in respect of a cause of action which arose or an event which took place more than four years before such institution ; and

The public Service Commission should be consulted before final orders are passed.

Explanation.- For the purpose of this rule—

( a ) a departmental proceeding shall be deemed to be instituted on the date on which the statement of charges is issued to the officer or pensioner, or if the officer has been placed under suspension from an earlier date, on such date ; and

( b ) a judicial proceeding shall be deemed to be instituted-

- (i) in the case of a criminal proceeding, on the date on which the complaint or report of the police officer on which the Magistrate takes cognizance, is made ; and
- (ii) in the case of a civil proceeding, on the date of presentation of the plaint in the court .

Note :- As soon as proceedings of the nature referred to in the above rule are instituted, the authority which institutes such proceedings should without delay intimate the fact to the Accountant-General. The amount of the pension withheld under clauses ( b ) should not ordinarily exceed one – third of pension originally sanctioned , including any amount of pension to be so withheld, regard should be had to the consideration whether the amount of the pension left to the pensioner in any case would be adequate for his maintenance.

( c ) ( 1 ) Where any departmental or judicial proceeding is instituted under clause ( b ) of rule 2.2 or where a departmental proceeding is continued under clause (i) of the proviso thereto against an officer who has retired on attaining the age of compulsory retirement or otherwise, he shall be paid during the period commencing from the date of his retirement to the date on which , upon conclusion of such proceedings , final orders are passed , a provisional pension not exceeding the maximum pension which would have been admissible on the basis of his qualifying service up to the date of retirement or if he was under suspension on the date of retirement up to date immediately proceeding to the date on which he was placed under suspension; but no gratuity or Death–Cum–Retirement Gratuity shall be paid to him until the conclusion of such proceedings and of final orders thereon.

The gratuity, if allowed to be drawn by the competent authority on the conclusion of the proceedings will be deemed to have fallen due on the date of issue of final orders by the competent authority.

( 2 ) Payment of provisional pension made under sub – clause ( I ) shall be adjusted against the final retirement benefits sanctioned to such officer upon conclusion of the aforesaid proceedings but no recovery shall be made where the pension finally sanctioned is less than the provisional pension or the pension is reduced or withheld either permanently or for a specified period.

Note.- The grant of pension under this rule shall not prejudice the operation of rule 6.4 ibid when final pension is sanctioned upon conclusion of the proceedings.

2.2-A In the case of a Government employee who retires from service, while on deputation to Central Government or any other state Government or any other state Government or while on foreign service.

## **SECTION – II**

### **Cases in which claims are Inadmissible**

1.3 A competent authority may rule that the service of any class of Government employees does not qualify for pension.

Note 1. - Service in Dak Banglows and District Garden establishments does not qualify.

Note 2. - Posts of Patwaris have been declared pensionable with effect from 1 st August 1949.

1.4 In the following cases no claim to pension is admitted: -

(a) When a Government employee is appointed for a limited time only , or for a specified duty on the completion of which he is to be discharged .

(b) When a person is employed temporarily on monthly wages without specified limit of time or duty ; but a month's notice of discharge should be given to such a person, and his wages must be paid for any period by which such notice falls short of a month.

(c) When a person's whole – time is not retained for the public service , but he is merely paid for work done, such as Government pleaders and Law officers not debarred from private practice.

(d) When a public employee holds some other pensionable office, he earns no pension in respect of an office of the kind mentioned in clause ( c ) or in respect of duties paid for by a compensatory allowance .

(e) When a Government employee serves under an agreement which contains no stipulation regarding pension, unless the competent authority specially authorizes him to count such service towards pension .

Note – The agreements should be so worded as to preserve inviolate the indefeasible right of Government to modify the rules from time to time, at their discretion, so that no claim may arise to the benefits of the rules as they stood at the date when the agreement was executed.

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### **SECTION III – Misconduct, Insolvency, or Inefficiency.**

2.5. No pension may be granted to a Government employee dismissed or removed for misconduct, insolvency or inefficiency; but to Government employee so dismissed or removed, compassionate allowances may be granted when they are deserving of special consideration: Provided that the allowance granted to any Government employee shall not exceed two-thirds of the pension which would have been admissible to him if he had retired on medical certificate.

Note 1. – This rule vests Government with an absolute discretion to grant or not to grant any compassionate allowance, the only restriction being that if granted, it shall not exceed the maximum of two-thirds of the pension that would be admissible to the officer concerned on retirement on medical certificate. It is practically impossible in view of the wide variations that naturally exist in the circumstances attending each case has, therefore to be considered on its merits and a conclusion has to be reached on the question whether there were any such extenuating features in the case as would make the punishment awarded, though it may have been necessary in the interest of Government, unduly hard on the individual. In considering this question it has been the practice to take into account not only the actual misconduct or course of misconduct which occasioned the dismissal or removal of the officer, but also the kind of service he has rendered. Where the course of misconduct carries with it the legitimate inference that the officer's service has been dishonest there can seldom be any good case for a compassionate allowance, Poverty is not an essential condition precedent to the grant of a compassionate allowance, but special regard is also occasionally paid to the fact that the officer has a wife and children dependent upon him, though this factor by itself, is not, except perhaps in the most exceptional circumstances, sufficient for the grant of a compassionate allowance.-

(See also Note below rule 9.12 and Note 3 below rule 11.1.)

Note 2. – The report of the Accountant – General is required in all cases of grant of the compassionate allowances.

Note 3. – No Government employee even if belonging to a class entitled to commute ordinary pension, is entitled to commute allowance; a commutation to such an allowance may be sanctioned by a competent authority only on proof that the proceeds of the commutation will be invested for the permanent of the commuter's family.

Note 4. – In cases, where it is proposed to grant to a Government employee dismissed or removed from service, a compassionate allowance, the sanctioning authority should not condone deficiencies in service, for the purpose of determining the amount of pension that would have been admissible to him if he had retired on medical certificate on the basis of which the compassionate allowance is calculated.

### **SECTION – IV**

#### **Claims of Window or Heirs**

2.6 Omitted.

2.7 Government may allow ex-gratia grant to the member of the family of a Government employee, including a member of All India Service serving under the Punjab Government who dies while in service as indicated in the

Annexure to this Chapter.

- 2.8 A (1) If a person who in the event of death of a Government employee while in service is eligible to receive ex gratia grant under rule 2.7 is charge with the offence of murdering the Government employee or for abetting in the commission of such an offence, his claim to receive the ex gratia grant shall remain suspended till the conclusion of the criminal proceeding instituted against him.
- (2) If on conclusion of the criminal proceeding referred to in sub-rule (1) the person concerned—
- (a) is convicted for murdering or for abetting in the murder of the Government employee, such a person shall be debarred form receiving the ex gratia grant which shall be payable to the next eligible person ; and
  - (b) is acquitted of the offence of murder or for abetting in the murder of the Government employee, the ex gratia grant shall be payable to him.

## **SECTION – V**

### **Limitation**

2.8. (a) A Government employee cannot earn two pension in the same post at the same time, or by the same continuous service.

(b) Save as provided in rule 3.17, two Government employees may not simultaneously count service in respect of the same post.

## **ANNEXURE**

(Referred to in rule 2.7)

### Rule Regulating the Grant of Ex-gratia Grants

1. The ex-gratia grant is intended for providing relief to the family of a Government employee, paid monthly form the state revenues, whether the rate of pay are fixed on a daily or a monthly basis, who dies while in service.
2. The ex-gratia will be equivalent to twenty the emolument which the deceased employee was receiving immediately before his death, subject to a minimum of ten thousand rupees and maximum of thirty thousand rupees.
3. The term “emoluments” for this purpose shall mean the pay an employee would have drawn had he not been absent form duty or under suspension as defined in rule 2.44 of the Punjab Civil Service Rules, Volume I, Part I, and will also include Dearness Pay. The ex-gratia grant will be payable to the following member of the family of the deceased employee and in the order mentioned below :-
  1. widow or husband, as the case may be
  2. sons and daughters } If they are unemployed and
  3. father } were dependent on the deceased
  4. mother } employee as certified by the Deputy

5. brothers and sister } Commissioner.

4. Necessary information in regard to the deceased employee and the member of his family shall be obtained by the pension sanctioning authority in the following form along with an affidavit, duly attested, and a reasonable proof of title to the ex-gratia grant.
5. The ex-gratia grant will be sanctioned by the pension sanctioning authority, The payment of ex-gratia grant to the families and dependent of deceased Government employees shall be made on the basis of the necessary sanction issued by the appointing authority, regardless of the fact whether the concerned Government employee was gazetted or non-gazetted . The Treasure Officer shall allow payment of the ex-gratia or accordingly on the basis of the sanctions issued by the appointing authority.

The expenditure shall be debitable to the major head “288. – Social Security and Welfare--- E. Other Social Security and welfare Programmes. C--- Other programme.

8.--- Ex-Gratia payment to families of Ministers, Government servants etc. dying in harness”.

6. (i) In case a Government employee while traveling by a Military Aircrafts, or by any other Government aircrafts on duty dies as a result of an accident to that aircraft, the family of such a Government employee shall be entitled to the ex-gratia payment of one lack rupees.
- (i) The exgratia payment specified in sub-para (i) shall also be admissible to the family of a Government employee who dies as a result of occurring in the course of his duty in either of the following air journeys undertaken by him in public interest:-
- (a) air journey on a test flight ;
- (b) air journey by a non-scheduled flight on a chartered plane.

Note1.- In this Annexure “Government Employee” meant a Government employee who has rendered service qualifying for pension as specified in rule 3.17-A.

Note2.- For other benefit of residential accommodation, free education of children and medical facilities to the member of the family of the deceased employee, see relevant rule and instructions.

Note3.- The term “window or husband” used in the Annexure does not include a spouse who got judicially separated from the deceased employee.

Note 4.- No proposal for the grant of financial assistance for the marriage of the dependent daughter of Government employee shall be entertained.

### FORM

(Referred to in para 4)

Form of application for ex-gratia grant

Application form a member of a family of late Shri/Shrimati \_\_\_\_\_ employee as \_\_\_\_\_ in the Officer/Department of \_\_\_\_\_

1. Name and full address of application:
2. Relationship with deceased Government employee :
3. Circumstances and date of death of the Government employee:
4. Name and ages of surviving relations of deceased:

- |   | Name | Age |
|---|------|-----|
| (a) Window/Husband  |      |     |
| (b) Sons  |      |     |
| (c) Unmarried daughters   |      |     |
| (d) Windowed daughters  |      |     |
| (e) Parents wholly dependent on the<br>deceased Government employee |      |     |
| (f) Window and unmarried sister                                     |      |     |
| (g) Brothers  |      |     |
5. The treasure form which ex-gratia grant is to be drawn.
  6. Any other relevant information.

Place \_\_\_\_\_

Dated \_\_\_\_\_

\_\_\_\_\_

(Signature of application)

**CHAPTER – III**  
**Service Qualifying for Pension**  
**Section I---- General**

3.1 to 3.7 Omitted.

**BEGINNING OF SERVICE**

3.8. Unless it be otherwise provided by special rule or contract, the service of every Government employee being to qualify for pension when he taken charge of the post to which he is first appointed.

Note. – In every contract with Government employee appointed abroad, a clause should be inserted to the effect that service being only form the Government employee joins his post in India.

3.9 Except for compensation gratuity, an officer's service does not qualify till he has completed eighteen years of age, provided that nothing contained in this rule shall apply in the case of person who were in service on the 1st June, 1961 and in whose case a lower age limit had been prescribed.

Note. ---- For a Government employee in class IV service, who held a lien or a suspended lien on a permanent pensionable post under the Government of Punjab, on the 10<sup>th</sup> June, 1951, qualifying service should not being until the Government employee concerned has attained the age of 16 years.

3.10 to 3.11. Omitted.

**SECTION – II**  
**Condition of Qualification**

**A. ----- General**

3.12. The service of a Government employee does not qualify for pension unless it conform to the following three conditions:-

First. ---- The service must be under Government.

Second. ---- The employment must be substantive and permanent.

Third. ---- The service must be paid by Government.

These three condition are fully explained in the following rules.

Note. ---The question whether service in a particular officer or department qualifies for pension or not determined by the rule which were in force at the time such service was rendered ; order subsequently issued declaring the service to be non-qualifying, are not applicable with retrospective effect.

3.13. The competent authority may, however, in the case of service paid form the Government revenues, even though either or both of the first two condition in rule 3.12 are not fulfilled:-

- (1) declare that any specified kind of service rendered in a non-gazetted capacity shall qualify for pension;
- (2) in individual cases, and subject to such condition as it may think fit to impose in each case, direct that service rendered by a Government employee shall count for pension.

Note. ----All service rendered, in additional police if followed without a break by permanent service, shall qualify for pension.

3.14. A competent authority may, when both the first and the second conditions mentioned in rule 3.12 are fulfilled, declare that service paid form funds administered by Government shall, in the event of the provincialisation of such funds, count for pension.

3.15. The following special provisions apply to the Police Department:-

- (a) If the police of a town are wholly supported by, and under the control of a Municipality, the Government has no concern with their pensions.
- (b) But if the Government, being interested in the efficiency of a Police Force, paid wholly or partly by a Municipality or form Cantonment Funds, or form the Government revenues subsidized by a contribution form a Municipality or form Cantonment Funds, undertakes the organization and control of the Force, as connected with an Auxiliary to the Civil Constabulary, service in such a towards the cost of the pension of such Forces are determined in accordance with the orders of Governments.
- ( c) The service of members of the railway Police, appointed and controlled by Government, qualifies, though they may be either wholly or partly paid by the Railway companies.
- (d) Service in superior grades in any other Department rendered before enlistment in the Police Department qualifies.

**B---FIRST CONDITION**

## **SERVICE UNDER GOVERNMENT**

3.16 (A) The service of a Government employee does not qualify unless he is appointed and his duties and pay are regulated by the Government or under condition determined by the Government.

(c) Omitted.

Note 1. ---- The following are example of Government employee excluded form pension by this rule:-

- (1) Employee of a municipality;
- (2) Employee of grant-in-aid schools and institutions;
- (3) Subordinates appointed by Treasure on their own responsibility;
- (4) Service on an established paid form a Contract establishment Allowances, with the detailed distribution of which the Government does not interfere, whether such contract allowance is fixed amount or consists of fees.
- (5) Service on an establishment paid form the House—hold Allowance of the Governor.

Note2. –If a Government employee has served partly in a capacity which would have given him claim to pension if the service had been paid form the Government revenue on the household establishment of the Governor, and partly on establishment paid form the Government revenues, he is entitled form Government revenue to a share of any pension to which he would have been entitled, if his whole service had been paid form the Government proportionate to the length of the service which has been so paid.

### **C. SECOND CONDITION—SUBSTANTIVE AND PERMANENT EMPLOYMENT**

#### **I. --General**

3.16. If an employee was holding substantive a permanent post on the date of his retirement his temporary or officiating service under the State Government, followed without interruption by confirmation in the same or another post, shall count in full as qualifying service except in respect of:-

- (i) period of temporary or officiating service in non-pensionable establishment;
- (ii) period of service in work-charged establishment; and
- (ii) Period of service paid form contingencies.

Note 1. –In case of a Central Government employee who is permanently transferred to the Punjab Government and become subject to these rules, under rule 1.1 (b) of these rules, the term “continuous temporary/officiating service” shall include such service rendered under Central Government.

Note 2. –In case of a purely temporary central Government employee who is permanently transferred to Punjab Government and become subject to these rules the term “continuous temporary service” includes the temporary service under the Central Government. The pensionary liability in respect of such cases shall be allocated on the length of service.

3.1/-A (1) Subject to the provision of rule 4.23 and other rule and except in the cases mentioned below, all service rendered on establishment, interrupted or continuous, shall count as qualifying service:-

(i) Service rendered in work-charged establishment.

(ii) Service paid from contingencies :

Provided that after the 1st January, 1973 half of the service paid from contingencies will be allowed to count towards pension at the time of absorption in regular employment subject to the following conditions:-

(a) Service paid from contingencies should have been in a job involving whole-time employment (and not part-time or for a portion of the day).

(b) Service paid from contingencies should have been in a job for which regular post could have been sanctioned e.g. malis, chowkidars, khalasis, etc.

(c) The service should have been one for which the payment is made either on monthly or daily rates computed and paid on a monthly basis and which though not analogous to the regular scale of pay should bear some relation in the matter of pay to those being paid for similar jobs being performed by staff in regular establishment.

(d) The service paid from contingencies should have been continuous and followed by absorption in regular employment without a break.

(iii) Casual or daily rated service.

(iv) Suspension adjusting as a specific penalty.

Note. –In case where an officer dies or is permitted to retire while under suspension will not be treated as an interruption.

(v) Service preceding resignation except where such resignation is allowed to be withdrawn in public interest by the appointing authority as provided in the relevant rules or where such resignation has been submitted to take up, with proper permission, another appointment whether temporary or permanent under the Government where service qualifies for pension.

(vi) Joining time for which no allowances are admissible under rules 9.1 and 9.15 of C.S.R., Volume I, Part I.

(viii) If any unauthorized leave of absence occurs in continuation of authorized leave of absence and if the post of the absentee has been substantively filled up, the past service in a grant-in-aid school.

(xi) Removal from public service for misconduct, insolvency, inefficiency not due to age, or failure to pass an examination will entail forfeiture of past service.

(2) An interruption in the service of a Government employee caused by willful absence from duty or unauthorized absence without leave, shall entail forfeiture of the past service.

(3) Willful abstinence from performing duties by a Government employee by resort to pen down strike shall be deemed to be willful absence from duty and shall entail forfeiture of the past service ;

Note. –In the case of a Central Government employee who is permanently transferred to the Punjab Government and become subject to these rules, the pensionary benefits admissible for service under Central Government would be that admissible under the Government of India rules and the liability for such benefit shall be allocated in accordance with the prevalent orders.

Clarification (I) . –Even after the introduction of rule 3.17 (A) and deletion of rule 4.21 the following cases do not entail forfeiture of past service :-

(a) authorized leave of absence;

(b) abolition of post or loss of appointment owing to reduction in establishment.

(“Post” or “appointment” means a post or appointment service in which qualifies for pension).

(2) While counting such qualifying service for working out aggregate service, the period of break in service shall be omitted.

3.18. An establishment, the duties of which are not continuous but are limited to certain fixed period in each year, is not a temporary establishment. Service in such an establishment including the period during which the establishment is not employed qualifies, but the concession and counting as service during which the establishment is not employed does not apply to a Government employee, who was not on actual duty when the establishment was discharge after completion of its work, or to a Government employee who was not on actual duty on the first day on which the establishment was re-employed.

3.19, to 3.22. Omitted.

3.23. Service as an apprentice does not qualify, except in the following cases :-

Engineer or Examiner Apprentices.

3.24. to 3.26. Omitted.

(i) Deputation on Special Duty on Abolition of a permanent Post

3.27. If the permanent post held by a Government employee substantively is abolished, within the meaning of rule 5.2, but the Government employee is, at the time, on special duty, or is, on abolition of his post, deputed on special duty, his service on special duty qualifies, but the duty must be special; mere employment, in continuation of permanent employment, in a temporary post which happens at the time to be vacant, does not qualify unless it is followed by confirmation against a permanent post, as contemplated in rule 7.

(ii) Press Employee paid for Piece Work.

3.28. Press employee, who is paid for piece for piece work is treated as having held a permanent a post, if---

(i) he is employed, not casually, but as a member of a fixed establishment; and

(ii) during the last seventy-two months of his actual employment he has been attached to one post uninterruptedly for twenty-four months, or it has not been through his own choice or misconduct that he has not been so attached.

(iii) Service in the Settlement Department on a Quasi-permanent Footing

3.29. (a) The service of a Government employee not merely temporarily engaged in the Settlement Department which is (or was) on a quasi-permanent footing qualifies.

(b) Except in the regular Department and to the extent above specified, service in the Settlement Department does not count unless it is followed, without interruption by qualifying service in the Department or elsewhere. Settlement service followed without interruption, by pensionable service paid form a Patwaris Fund, also qualifies.

Note 1. –The term “Service in the Settlement Department” used in clause (b) includes all settlement service paid form a contingent grant.

Note 2. –Extra Assistant Commissioner and similar gazetted Government employee when not specially

employee for temporary work, are not affected by this rule, as they count service independently of the particular department to which they happen for the time to be attached.

Note 3. –Service of a Kanungo in colony shall be treated as “Service in the Settlement Department”.

#### **D. –THIRD CONDITION-SERVICE PAID BY GOVERNMENT**

##### **(i) Sources of Remuneration**

3.30. Service which satisfies the condition prescribed in sub-section B and C of this section qualifies, or does not qualify according to the source from which it is paid. With reference to this rule, service is classified as follows :-

- (a) Paid form the Government revenues.
- (b) Paid form Funds in respect to which the Government hold the position of Trustee.
- (c) Paid by fees levied by law, or under the authority of the Government, or by Commission.
- (d) Paid by the grant, in accordance with law or custom, of a tenure in land, or of any source of income, or right to collect money.
- (e) Paid form Local Funds.

##### **(ii) Service Paid form Government Revenues**

3.31. Service paid from the Government revenues qualifies. The fact that arrangements are made for the recovery , on the part of the Government, of the whole, or part of the cost of an establishment of Government employee, does not affect the operation of this principle: provided that the establishment or Government employee is appointed, controlled and paid by the Government, e.g., Police Establishment entertained at the cost of individual and corporate bodies.

Note.- In making arrangements for the recovery of the cost of establishment, it should not be forgotten that Government has to bear not only the immediate cost, but also that of leave allowances, and pensions.

##### **(iii) Service paid from Trust Funds**

3.32. Service paid from Funds which Government hold only as a Trustee, such as under a Court of Wards or in an attached Estate, does not qualify.

##### **(iv) Service paid by Fees or Commission**

3.33. Except when fees or commission are drawn in addition to pay from the Government revenues, service in a post paid only by fees, whether levied by law or under the authority of Government, or by commission, does not qualify.

Service as official assignee does not qualify.

Note.- Service paid from fees and commissions in addition to pay from the Government revenues qualifies under this

rule but fees and commissions shall not be taken into account for determining pensionary benefits or gratuity.

**(v) Service paid by Grant of a Tenure in Land, etc.**

3.34. Service paid by the grant, in accordance with law or custom of a tenure in land, or of any other source of income, or right to collect money, does not qualify.

**( vi ) Service paid from Local Funds**

3.35. Apart from any special provisions made under the following rules, service paid for from a Local Fund does not qualify for pension.

3.36. to 3.41. Omitted

3.42. Teachers and other members of the pensionable establishments of Government schools, who are transferred with the schools to which they belong to service under Local Boards, continue to render service qualifying for pension from the Government revenues, and are entitled to the concession even though they may be moved from the school with which they are transferred to another school which was formerly under Government management.

Teachers appointed to schools transferred to the management of Local Boards are entitled to pension from the Government revenues, if the Government makes a part of its contribution to the school in the form of pensions.

3.43. Omitted.

3.44. When a pension is payable partly by Government and partly by a Local Fund, the Local Fund concerned may pay the capitalized value ( calculated on the basis of the Table of Commutation values for pensions applicable to the pensioner, increased by 10 per cent ) of its share of the pension to Government which will thereupon accept liability for payment of the entire pension.

3.45. The Government does not guarantee the solvency of Funds formed by the subscriptions of Local Fund Employees and established to provide pensions for the subscribers thereto.

3.46. (I) These rules may be called the Punjab civil Services ( 3<sup>rd</sup> Amendment ) Rules, Volume II, 1984 .

( ii ) They shall be deemed to have come into force on and with effect from the 2<sup>nd</sup> day of December , 1980 .

In the Punjab civil Services Rules , Volume II, in rule 4.2, after sub-rule ( 4 ) the following sub- rule shall be added, namely:-

( 5 ) A Government employee, who becomes blind, deaf, dumb or otherwise orthopaedically handicapped during the service and is retired from Service as a result thereof, shall also be eligible to add to his Service qualifying for superannuation pension, a period of five years.”

( No. 3-2 ( 2 ) USF ( C ) – 83/6673, dated 1.8.84 ).

**CHAPTER – IV**

**Reckoning of Services for Pension**

**Section I-Introductory**

4.1. The conditions and limitations under which service in a post qualifies for pension are laid down in Chapter III. The rule governing special additions to service qualifying for superannuation pension, and those relating to the counting of Military Service, periods of leave, suspensions, resignations, etc., for pension, and condonation of breaks and deficiencies in service are contained in the succeeding sections of this chapter.

## **SECTION - II**

### **Special Additions to Service Qualifying for Superannuation pension**

4.2. ( I ) A Government employee appointed to a service or post after the twenty- sixth day of October , 1960 , shall be eligible to add to his service qualifying for superannuation pension but not for any other class of pension ) the actual period not exceeding one – forth of the length of his service or the actual period by which his age at the time of recruitment exceeded twenty – five years , or a period of five years, whichever is less, if the service or post to which the Government employee is appointed is one-

( a ) for which post – graduate research or specialist qualification, or experience in scientific, technological or professional fields, is essential; and

( b ) to which candidates of more than twenty – five years of age are normally recruited; provided that this concession shall not be admissible to a Government employee unless his actual qualifying service at the time he quits Government service is not less than ten years :

Provided further that this concession shall be admissible only if the recruitment rules in respect of the said service or post contain a specific provision that the service or post in one which carries the benefit of this rule .

( 2 ) Government employee who is recruited at the age of thirty – five years or more, may within a period of three months from the date of his appointment elect to forego his right to pension whereupon he shall be eligible to subscribe to a Contributory Provident Fund .

( 3 ) The option referred to in sub – rule ( 2 ) once exercised, shall be final .

( 4 ) A Government employee, who is blind, deaf, dumb or otherwise orthopaedically handicapped or widow at the time of his entry into Government service, shall be eligible to add to his service qualifying for sperannuatiion pension a period of five years .

## **SECTION - III**

### **Counting of Military Service Towards Civil Pension**

4.3. ( a ) Service rendered by an employee belonging to one of the classes mentioned in the schedule below after attaining the age of 18 years, which is pensionable under military rules, but which terminates before a pension has been earned in respect of it , may , at the discretion of Government, be allowed to count , when followed by service qualifying for pension under civil rules, as part of such service : Provided that any bonus or gratuity received in lieu of pensions, on or since, discharge form military service, shall be refunded in such number of monthly instalments, not normally exceeding 36 and beginning form such date, as in each case, the Government may decide. Service so allowed to count shall, however, be restricted to service, within or outside the employees unit or department, in India or elsewhere, which has been paid for from India revenue or for which a pensionary contribution has been received by India revenues. In the case of Defence Security Corps personnel re-employed in any civil posts, however, only half of

the service rendered by them in the Defence Security Corps shall count for the purpose of pensionary benefits.

- (b) Service pensionable under military rules which does not terminate before a pension has been earned in respect of it shall not be allowed to count for pension under civil rules without the sanction of the competent authority.

Note 1. –An officer, ex-soldier or ex-airman will not be brought under the operation of this rule, as a matter of course. Each case will be decided on its merits, e.g., there may be case in which it may be open to a claimant for pension to add military service during the Great war to former non-pensionable service in the Army in order to claim the benefit of a military pension. In such cases it may be to the paragraph 574 of the Pay and Allowance Regulation of Army in India, Part II, on the position of soldiers of the India Army who re-entered during the Great War, deserves consideration in this connection.

Note 2. –To be eligible for the concession in the rule, the individual concerned should take his discharge from the Army, Navy or Air Force within 12 months of the date of his confirmation in the post pensionable under civil rules. This limit will be relaxed by competent authority only in special cases.

Note 3. –Employees in the Military Police have the option of counting service under any other rules in these Regulation which give them a similar or more liberal concession.

Note 4. –Omitted .

Note 5. –When an order is passed under this rule allowing previous military service to count as part of the service qualifying for civil pension, it should be taken as carrying with condonation of breaks if any, in the Military service, or the break, if any between the military service and the civil service.

Note 6. –Omitted.

Note 7. –It is permissible under this rule to allow military service interspersed between two period of civil service to count pension: Provided that the conditions laid down in this rule are otherwise fulfilled. The share of pension proportionate to military service in such cases will be born by the Defence Department.

Before orders are passed, in any case, the military service of the individual concerned and the amount of gratuity paid to him should be verified by reference to Defence Accounts Officer concerned.

Note 8. –The sanction regarding the counting of military service should be accorded by the to mention the amount of gratuity or bonus recoverable, the number of monthly instalments in which the bonus or gratuity is to be recovered, and the date from which the recovery is to commence. If, in any cases, the gratuity is not to be recovered, the fact will be specially stated in the sanction. The gratuity once refunded in order to secure the benefit of counting former military service for civil pension cannot be paid back in any circumstances.

Note 9. –The question of the amount of military or War (Great War) service which a Government employee is entitled

to count for civil pension should be considered as soon as he joins a pensionable post, In the case of non-gazetted Government employee the amount should be shown in a certificate to be recorded in the service book or the service roll, as the case may be, the Head of Department who should satisfy himself that the conditions of this rule and rule 4.6 or other relevant rules or instruction for counting military service for civil pension are fulfilled. The military service should in all case be verified after reference to the Defence Account Officer concerned. References to the relevant rule should be quoted in the certificate and attested copies of the records relied upon in support be attached.

Note 10. –See also notes under rule 4.6—A.

Note 11. –The expression ‘gratuity or bonus’ occurring in clause (a) refers to service gratuity or bonus only, and not war gratuity or bonus received as a reward for War Service.

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## SCHEDULE

1. Commissioned Officer and junior Commissioned Officers.
2. Warrant Officers, non-commissioned Officer and other enrolled personnel of the Army, and the corresponding categories of the Navy and Air Force and personnel of the Frontier Constabulary and Militias.
3. Non-combatant departmental and regimental and regimental employees and followers of the supplemental services.
4. Warrant Officers and Departmental Officers of the Commissary and Assistant Surgeon classes.
- 4.4. Omitted.
- 4.5. Omitted.
- 4.6. Omitted.
- 4.6-A. War service rendered by itself or in conjunction with other military service shall count in full towards civil pension subject to the conditions, namely :-
  - (i) the officer concerned should not have earned a pension under the military rules in respect of the service in question ;
  - (ii) in the case of service or posts in respect of which a minimum age is fixed for recruitment to military or war service rendered below that age shall be allowed to count for pension;
  - (iii) 'War Service' rendered in the Armed Forces of India and rendered in similar forces of a Commonwealth Country shall be allowed to count alike for pension and no contribution towards or share of, a pension earned as a result of this concession shall be claimed from the foreign Government concerned;
  - (iv) no refund of bonus or gratuity paid in respect of this 'War Service' shall be demanded from the officer concerned. If, however, the officer has been granted any retirement gratuity for service covering both the war and post war period such gratuity shall be refundable. Also if any portion of service is allowed to count towards civil pension under rule 4.3 ibid, the instruction contained in note 1 below, in regard to refund of gratuity shall mutatis mutandis apply; and
  - (v) break between military/war service and the civil service shall be treated as automatically condoned; provided the period of the break does not exceed one year. Break exceeding one but not exceeding three years may also be condoned in exceptional cases, under special orders of Government.

Note 1. –In the case of a civil employee who has rendered satisfactory paid service in the war in addition to military service pensionable under the military rules before or after such service but who did not earn a pension by his war service in conjunction with his other military service, that portion of the military service which was rendered before or after the War Service should be dealt with in accordance with the provision of rule 4.3 and the amount of gratuity which the Government employee will refund in respect of the later portion should bear the same proportion to the total amount of gratuity received in lieu of pension as the period dealt with under rule 4.3 bears to the total period of military service including the period of War Service.

**Explanation.** –For the purpose of this note, it is immaterial whether or not, there was a break between the War Service and the other military service.

Note 2. –The service rendered in the I.N.A. by the person of the following categories shall also be treated as War Service for the purpose of counting towards pension in terms of this rule :-

- (i) Those who were holding civil posts before joining the Indian National Army and have been reinstated in the same posts;
- (ii) Those who were member of a regular India Armed Forces before joining the India National Army and were subsequently re-employee in some other civil posts.
- (iii) Those who joined the India National Army from the General Public or from the Armed Forces and have subsequently been absorbed in the civil posts.

## **SECTION IV**

### **Period of Leave and other Authority Absence form Duty**

#### **A. –PERIOD OF LEAVE**

- 4.7 The time passed by a Government employee on leave of all kinds except extraordinary leave, other than that extraordinary leave counting towards increment under rule 4.9 (b) of Volume I, shall count as service qualifying for pension.
- 4.8 And 4.9. Omitted.
- 4.10 A period of overstay of leave does not count for pension.
- 4.11. Omitted.

#### **B. –PERIOD OF TRAINING**

- 4.12. A competent authority will decide in the case of a Government employee (including a person in training for, but not actually appointed to, Government service), or any specified class of Government employee who is selected to undergo course of training, whether the time spent in the training shall count as service qualifying for pension.

Note. –General orders for counting the period of training as service under this rule have been issued in respect of the following:-

- (1) Police subordinates and candidates for direct appointment to the Subordinate Police Service while attending a Police Training School.
- (2) Assistance Director of Agriculture and Assistant Professor and Laboratory Assistants while in training at the Pussa Agriculture College.
- (3) Forest Rangers holding permanent substantive posts while under training at the Dehra Dun School.
- (4) All Forest Subordinates while under training at the Punjab Forest school.
- (5) Dispensers sent to the Medical College, Amritsar, to undergo a course of training with a view to qualifying as hospital assistants. (They count a maximum period of one year as service towards pension rendered under the source form which they were paid before training.)
- (6) Teacher and students, who are selected to undergo a course of training in a school, college or other institutions, subject to the sanction of the Director of Public Instruction, Punjab.

(7) Subordinate Judges sent for training in Commercial Law at Bombay.

### **C. –DEPUTATION OUT OF INDIA**

4.13 (a). When a Government employee is deputed out of India on Duty, the whole period of his absence from India count, when a Government employee on leave out of India is employed, or is detained after the termination of leave, on duty, the period of such employment or detention counts:

Provided that where a gratuity is accepted from the foreign Government the service rendered under it will not count towards pension under the State Government. However, in the case of a Government employee deputed to foreign service on the request of Government of India, the period spent in foreign service will be towards pension : provided he pays the usual pension contribution to the Government Punjab.

(b). A Government employee, deputed on foreign service, for a period of five years or more, to the 'United Nation' 'Secretariat or other United Nation' Bodies, the International Monetary Fund, the International Bank of Reconstruction and Development, the Asian Development Bank or the Commonwealth Secretariat, may at his option :-

- (i) pay the pension contributions in respect of his foreign of his foreign service and count such service as qualifying for pension under these rules; or
- (ii) avail of the retirement benefits admissible under the rule of the aforesaid Organisation and not count service as qualifying for pension under these rules: Provided that where a Government employee opts retirement benefits under clause (ii), retirement benefit shall be payable to him in India in rupees form such date and in such manner as the Government may, by order, specify:

Note. –The period of deputation converted into leave should count for pension as leave and not as deputation.

### **D. –DEPUTATION TO THE DEFENCE DEPARTMENT**

4.14. A civil Government employee who was granted civil volunteer terms while service in the India Army Reserve of Officers, during the Great War and who, after having been invalided from military service, was able to return to his civil employment, will be allowed the option of -

- (i) being treated, as regards military pension, as a temporary officer, in which case his military service will count for civil pension under civil rules; or
- (ii) being treated as regards military pension, as an officer of the regular army in which case his military service will not so count.

A civil Government employee serving under the term referred to above, who is invalided both from military service and from his civil appointment, on account of a disability incurred as a result of his military service, will be allowed to draw the military pension admissible to a regular military officer and also to count the period of military service for civil pension.

4.15. Government employee in the Police Department who joined the battalions of the India Army can count service rendered in that capacity as continuous service in the Police Department for purpose of pension.

### **E. –PERIOD OF VOYAGE TO INDIA ON RECALL TO DUTY**

4.16 Time spent on the voyage to India by a Government employee who is recalled to duty before the expiry of any recognized leave out of India counts: Provided his return to duty is compulsory.

**SECTION – V**  
**Suspensions, Resignation, Break and Deficiencies in service**

**A. –PERIOD OF SUSPENSION**

4.17 to 4.19. Omitted.

- 4.20. (a) A Government employee who is dismissed, removed or compulsorily retired or prematurely retired from public service, but reinstated on appeal or revision, is entitled to count his past service.
- (b) The period of break in service between the date of dismissal, removal or compulsory retirement or premature retirement, as the case may be, and the date of reinstatement, and the period of suspension (if any), shall not unless regularized as duty or leave by a specific order of the authority which passed the order of reinstatement.

**INTERRUPTION**

4.21. Omitted.

**4.22.** The authority which sanction the pension may commute retrospectively periods of absence without leave into leave without allowance or extraordinary leave.

Note. –The power under this rule of commuting retrospectively period of absence without leave into leave without allowances is absolute, the purpose of the rule being merely to obviate, for purpose of pension. The forfeiture of past service.

**D. –CONDONATION OF INTERRUPTION AND DEFICIENCIES**

4.23 In the absence of a specific indication to the contrary in the service record, an employee rendered under the State Government shall be treated as automatically condoned, and the pre-interruption service shall be treated as qualifying service for pension purpose, except where resignation has been caused by resignation, dismissal or removal from service or due to participation in a strike, but the period of interruption itself shall, under no circumstances, be reckoned as qualifying service for pension purpose.”

4.24 Omitted.

**CHAPTER – V**  
**Different kind of pension and condition for their grant**

**SECTION I. – Classification Of Pensions**

5.1 Pension are divided into four classes, the rule for which are prescribed in the following section of this Chapter :-

- (a) Compensation Pension (See Section II).

- (b) Invalid pension (See Section III).
- (c) Retiring Pension (See Section V).

Note. –Besides the classes of pension mentioned in this rule, special additional pension are also granted to certain of Government employee under special circumstances (Vide rule 4.14 and 6.15).

## **SECTION II. –Compensation Pension**

### **A. –CONDITION OF GRANT**

5.2. If a Government employee is selected for discharge owing to the abolition of a permanent post, he shall, under he is appointment to another post the conditions of which are deemed by the authority competent to discharge him to be least equal to those of his own, have the option --

- (a) of taking any compensation pension of a gratuity to which he may be entitled for service he has already rendered, or
- (b) of accepting another post or transfer to another establishment even on a lower pay, if offered and continuing to count his prevision service for pension.

Note 1. –The discharge of one Government employee to make room for another better qualified is not the abolition of a post within the meaning of this rule, the abolition must produce a real saving to Government.

Note 2. –See also Note 2 below rule 5 of the Punjab Civil Service (Punishment and Appeal) Rules, --vide Appendix 24 to Punjab Civil Service Rules, Volume I, Part II.

Note 3. –A Government employee in foreign service should be have lost his lies form the date on which his post in Government service was abolished and contribution could be received after that date. He should be regarded as having retired form Government service form that date and he should be permitted to draw the pension to which he is entitled in addition to the pay which he received at the time form his foreign employer.

5.3. (1) When a Government employee is transferred form pensionable Government service to a non-pensionable establishment, he cannot be granted any pension or gratuity admissible to him for the qualifying portion of his service until he actually retires form the non-pensionable establishment to which he is transferred.

(2) A permanent Government employee who may be permitted to be permanently absorbed in a service or post in or under a Corporation or Company wholly or substantially owned or controlled by Government or in or under a body controlled or financed by Government, or Municipality, panchayat Samiti or Zila Parishad, shall, if such absorption is declared by Government to be in the public interest, be deemed to have retired form Government service form the date of such absorption and shall be eligible to receive retirement benefit which he may have elected or deemed to have elected, and form the date of such absorption or the date of his voluntary retirement, whichever is later. Each such Government employee is required to exercise an option within six months of his absorption for either of the alternative indicated below --

- a. received the monthly pension and death cum-retirement gratuity the usual Government arrangement ; or
- b. received the death-cum-retirement gratuity and a lump sum amount in lieu of pension worked out with

reference to the commutation table obtaining on the date from which the commuted value becomes payable.

(3) Where no option is exercised within the specified period the employee will be automatically governed by alternative (b). An employee opting for alternative (a) is entitled to commutation of a portion of the pension admissible to him in accordance with the provision of rule contained in Chapter XI :

Provided that Government shall have no liability for payment of family pension such a cases :

Provided further that no declaration regarding absorption in the public interest in a service or post in or under such Corporation, Company, Municipality, Panchayat Samiti or Parishad shall be required in respect of a Government employee whom Government may, by order, declare to be a scientific employee.

5.3-A. Where a Government employee referred to in rule 5.3 elects the alternative of receiving the death-cum-retirement gratuity and a lump sum amount in lieu of pension, he shall be granted –

(a) on an application made in this behalf a lump sum, amount not exceeding the commuted value of one-third of his pension as may be admissible to him in accordance with the provision of rules for commutation of civil pension contained in Chapter XI, and

(b) a terminal benefit equal to twice the amount of the lump sum referred to in clause (a), subject to the condition that the Government employee surrenders his right of drawing two-third of his pension.

Note 1. –The commuted value of 1/3<sup>rd</sup> of the pension mentioned in clause (a) above will be exempt from income-tax where as the terminal benefit component mentioned in clause (b) will be chargeable to tax as income of the year in which it is due. However, the recipient will be eligible for a relief in tax in respect of the said amount; such relief being calculated by spreading the amount equally over the three preceding years in which the payment is received and subjecting it to tax at the average rates applicable to the total income of these years after adding there to one-third of the amount. The relief in such cases is to be granted by the Central Boards of Direct Taxes and an application for such relief under section 89 (1) of the Income tax Act, 1961, should be made to the Board through the Income-Tax Officer concerned.

Note 2. –The commutation shall become absolute and the title to receive the commuted value shall accrue on the date on which the Medical Board signs the medical certificate. If the Medical Board directs that the age of the employee for the purpose of commutation shall be assumed to be greater than his actual age, the person concerned will have the opportunity to change his option to charge his option his option for receiving a lump sum in lieu of monthly pension to receiving the monthly pension by written notice dispatched within two weeks from the date on which he receives intimation of findings of the Medical Board.

5.4. If it is necessary to discharge a Government employee in consequence of a change in the nature of the duties of his post, the case for the grant of compensation pension or gratuity and notice of discharge should be referred to the competent authority.

5.5. Omitted.

5.6. Compensation pension is not admissible in the following cases, viz :-

- (a) To a Government employee who belongs to the public service and in addition holds charges of a particular local post, on the abolition of that particular local post,
- (b) For the loss of a post on discharge after the completion of a specified term of service.
- (c) For the loss of a special pay or compensatory allowance.
- (d) To a school master or other Government employee who, in addition to his duties, is employed in any capacity in the Postal Department, on being relieved of such duties.

## **B. PROCEDURE**

### **(i) Selection for Discharge.**

5.7. The selection of Government employees to be discharge upon the reduction of an establishment should prima facie be so made that the least charge for compensation pension will be incurred.

5.8. Particular of the saving effected should be fully set forth in every application for compensation pension. The saving should always exceed the cost of the pension; otherwise it may perhaps be better to postpone the reduction of establishment or abolition of post.

Note 1. –In any scheme for reorganizing an establishment, the claim to pension that may arise in consequence of the reorganization should always be considered before a change is made and except in cases of very urgent necessity, no revision of establishment should be carried out which have the effect of giving rise to claims to compensation pension, the cost of which cannot be met out of saving effected by the revision.

Note 2. –The saving referred to in this rule should be calculated with reference to the emoluments actually drawn at the time of the abolition of the post.

### **(ii) Notice of Discharge**

5.9. (a) Reasonable notice should be given to a Government employee in permanent employ before his service are discharge with, on the abolition of his post. If, in any case, notice of at least three months is not given, and the Government employee has not been provided with other employment on the date on which his service are discharge with then with the sanction of the authority competent to discharge with his service, a gratuity not exceeding his emoluments for the period by which the notice actually given to him falls short of three months, may be paid to him, in addition to the pension to which he may be entitled under the rule in chapter VI; but the pension shall not be payable for period in respect of which he receives a gratuity in lieu of notice.

(b) When it is proposed to discharge a person holding a temporary post before the expiry of the term of his appointment or a person employed on monthly wages without specified limit of time or duty, a month's notice of discharge should be given to such a person, and his pay or wages must be paid for any period by which such notice

falls short of a month.

1. The gratuity prescribed in this rule is not granted as compensation for loss of employment but only in lieu of discharge with a view to mitigate the hardship caused to a Government employee by the sudden loss of employment. When, therefore, a Government employee, discharge without notice, is provided with some other employment on the date on which his service are dispensed with, whether that employment be in qualifying or non-qualifying service, he is not entitled to any gratuity.
2. Unless it contain an express statement to the contrary, an order for the abolition of an office or post shall not be brought into operation till the expire of three months after notice has been given to the Government employees whose service are to be dispensed with on such abolition. The immediate head of the office or the Department will be held responsible that there is no unnecessary delay in giving such notice. In the case of a Government employee on leave the order shall not be brought into operation until the leave expires.

**Note 1.** –This rule does not apply to cases where specific provision for notice of discharge already exists in the letters of appointment.

**Note 2.** –“Emoluments” in this rule means the emoluments (or leave salary for partly the one, partly the other) which, the Government employee would be receiving during the period in question, had the notice not been given to him.

**Note 3.** –The gratuity paid in lieu of notice on abolition of a post should be charge to the particular department to which the pay of the post was debited before its abolition.

5.10. Whenever it is found necessary to determine the service of a Government employee serving under the contract within the period of his agreement a specific intimation of the determination of the agreement and of the grounds on which it has been determined shall be furnished to the Government employee in writing.

### **SECTION III –Invalid Pension**

#### **A. –CONDITION OF GRANT**

5.11. An invalid pension is awarded, on his retirement from the Public Service, to a Government employee, who by bodily or mental infirmity is permanently incapacitated for the public service, or for the particular branch of it to which he belongs.

Note. –The amount of invalid pension shall not be less than amount of normal family pension admissible under the family Pension Scheme, 1964.

5.12. In the case of partial incapacity (vide alternative certificate in rule 5.26), a Government employee should, if possible, be employed even on lower pay so that the expense of pensioning him may be avoided. If there be no means of employing him even on lower pay, then, he may be admitted to pension, but it should be considered whether, in view of his capacity for partially earning a living, it is necessary to grant to him the full pension admissible under

the rules.

**Note.** –The amount of invalid pension shall not be less than the amount of normal family pension admissible under the Family Pension Scheme, 1964.

5.13. Omitted.

5.14. A Government employee discharge on other grounds other than those stated in rule 5.11 and 5.12 has no claim to pension under rule 5.11, even though he can produce medical evidence of incapacity for service.

5.15. If the incapacity is directly due to irregular or intemperate habits, no pension can be granted. If it has not been directly caused by such habits, but has been accelerated or aggravated by them it will be for the authority by which the pension is grantable to decide what reduction should be made on this account.

Note 1. –The mere fact that a Government employee has suffered from syphilis taken by itself is not sufficient to bring him under the operation of this rule.

Note 2. –Unsoundness of mind caused by drug habits is a sufficient cause for invaliding a Government employee.

Note 3. –The expression “irregular or intemperate habits” occurring in this rule refers to incapacity on account of drug habit or on account of disease resulting from immoral habits. Cases where incapacity occurs –due to other causes, e.g., work at irregular hours during War and after due to exigencies of service and not due to own volition do not come under the purview of this rule.

5.16. Omitted.

5.17. In the Police Department, Superintendent of Police should be on their guard against endeavors to retire on an invalid pension the Government employees, who are capable of serving longer. See also rule 5.23.

## **B. –PROCEDURE**

5.18. A Government employee, who has submitted a medical certificate of incapacity for further shall, if he is on duty, be invalided from service, from the date of relief of his duties which should be arranged without delay on receipt of the medical certificate or, if he is granted leave under rule 8.18 of Punjab Civil Service Rules, Volume I, Part I, on the expiry of such leave. If he is on leave at time of submission of the medical certificate, he shall be invalided from service on the expiry of that leave or extension of leave, if any, granted to him under rule 8.18 of Punjab Civil service Rules, Volume I, Part I.

Note 1. –The report required by this rule may in the case of head constable and constable of Police be submitted to the Inspector-General of Police instead of the Government.

Note 2. –When a Government employee is retained in service, after he has submitted a medical certificate of invalidment, and is, thereafter, granted leave under rule 8.18 (c) of Volume I of these rules, the maximum period up to which, he can be allowed under this rule to count for pension, the service after the date of medical certificate shall not

exceed six months.

### **C. –RULES REGARDING MEDICAL CERTIFICATE**

#### **(i) General**

5.19. An officer applying for an invalid pension shall submit a medical certificate of incapacity in the manner specified below:-

(a) If the officer submitting the application is on leave elsewhere than in India, then the examination shall be arranged through the Indian Missions abroad by a Medical board consisting of a physician, a Surgeon and an Ophthalmologist, each of them having the status of a consultant. The service of doctor approved for the officer and staff of the Mission concerned, shall be utilized for this purpose, provided they fulfill the above conditions. A lady doctor shall be included as a member of the Medical Board whenever a women candidate is to be examined.

(b) If the officer submitting the application is in India, then the examining medical authority shall be :-

(1) A Medical Board, in this case of all Gazetted Government employes and those non-Gazetted Government employees whose pay, as defined in rule 2.44 of the Punjab Civil Service Rule, Volume I, exceeds Rs. 500 per mensem;

(2) A Civil Surgeon Rules, Volume I, exceeds Rs. 500 per mensem;

(c) Except in the case of the officer on leave elsewhere than in India no medical certificate of incapacity for service may be granted unless the applicant produced a letter to show that the Head of his office or department is aware shall also be supplied by head of the officer or department in which the applicant is employed with a statement of what appears form official records to be the applicant's age. Where the applicant has a service book, the age there recorded should be reported.

5.20. Omitted.

5.21. (a) A succinct statement of the medical case and of the treatment adopted should, if possible, be appended.

(b) If the examining Medical Officer, although unable to discover any specific disease in the Government considers him incapacitated for further service by general debility while still under the age of fifty-five years, should give detailed reason for his opinion, and, if possible, a second medical opinion always a case be obtained.

(c) In a case of kind, special explanation will be expected form the Head of the Office or Department of the grounds on which it is proposed to invalid the Government employee.

Note. –The requirement of this rule need not be insisted upon in the case of class IV Government employee invalid for general debility while his age is less than 55 years and the Medical Officer certifies him to be of over that age.

5.22. A simple certificate that inefficiency is due to old age or natural decay from advancing years, is not sufficient in the case of a Government employee whose recorded age is less than fifty-five years, but a Medical Officer is at liberty, when certifying that the Government employee is incapacitated for further service by general debility, to state his reason for believing the age to be understated.

Note. –Senile Contract, arterial changes consequent on senile decay, general nervous break down, and commencing cataract may be treated as specific disease as they may come before a man reaches the 55<sup>th</sup> year of his age.

5.22. Medical Officer should confine themselves to recommending leave to such policemen as are not likely to benefit by a further stay in Hospital and should not certify that a policemen is incapacitated for further service unless they are officially requested to report upon his incapacity for further service.

The Medical Officer should be specially searching in their examination of the physical unfitness of every applicant for pension, and, whenever the number of applicant for pension is large, the examination should, if possible, be conducted by two Medical Officers.

#### **(ii) Form of Medical Certificate elsewhere than in India**

5.23. The form of medical certificate given by the Medical Board arranged by the India Mission abroad, respecting an officer applying for invalid pension while on leave elsewhere than in India, shall be as follows :-

“We have carefully examined Mr.....taking into account all the facts of case as well as his present condition, we consider, we consider that he is incapable of discharging the duties of his situation, and that such incapability is likely to be permanent. His incapacity does not appear to us to have been caused by irregular or intemperate habits.

Note. –(If the incapacity is obviously the result of intemperance substitute for the last sentence :

“In our opinion his incapacity is the result of irregular or intemperate habits”).

If the incapacity does not appear to be complete and permanent, the certificate should be modified according and the following addition should be made :

“We are of opinion that A/B, is fit for further service of a less laborious character than that which he has been doing (or may, after resting for months, be fit for further service of a less laborious character than that which he has been doing).

5.25. If any doubt arises regarding the validity of a certificate by the Medical Board arranged by India Mission abroad the Accountant-General must not of his own motion reject the certificate as invalid, but submit the matter for the decision of the Government.

#### **(iii) Form of Medical Certificate in India**

5.26. The form of the certificate to be given respecting a Government employee applying for pension in India is as follows :

“Certified that I (We) have carefully examined A.B., son of C.D., a.....in the.....His age is by his own statement.....years. I (We) consider A.B., to be completely and permanently incapacitated for further service of any kind (or in the Department to which he belongs) in consequence of (here state disease or cause). His incapacity does not appear to me (us) to have been caused by irregular or intemperate habits.

Note. –If the incapacity is obviously the result of intemperance, substitute for the last sentence; “In my (our) opinion, his incapacity is directly due to irregular or intemperate habits/ has been accelerated or aggravated by the irregular or intemperate habits.”

“(If the incapacity does not appear to be complete and permanent, the certificate should be modified accordingly and the following addition should be made). I am (We are) of opinion that A.B, is fit for further service of less laborious character than that which he has been doing (or may, after resting for.....months, be fit for further service of a laborious character than which he has been doing)”.

**See also Rule 5.12.**

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## **SECTION IV. –Superannuation Pension**

### **A. CONDITION OF GRANT**

5.27. A superannuation pension is granted to a Government employee entitled or required by rule,, to retire at a particular age. See Rule 3.26 of Volume I of these Rules.

No claim to compensation form a Government employee who is required to retire at a particular age under rules will be entertained.

5.26. Omitted.

5.27. Omitted.

### **B. –PROCEDURE**

5.30. Each Government employee’s case should be taken up when he is approaching the age of superannuation and before the expiry of each extension of service.

5.31. Omitted.

5.32. (I) Under rule 4 of the Punjab Civil Service (Premature Retirement) Rules, 1975, a retiring pension is granted to a Government employee who retires or is required to retire under the aforesaid Rules.

(2) (i) A Government employee compulsorily retires form service as a penalty may be granted, by the authority competent to impose such penalty pension or gratuity, or both at a rate not less than two-thirds and not more than full compensation pension or gratuity or both admissible to him on the date of his compulsory retirement:

Provided that in the case of a Government employee to whom rule 6.15 applies, additional pension of not less than the limits mentioned in this sub-rule may also be granted.

(ii) Whenever in this case of a Government employee, the Governor passes an order (whether original, appellate or in exercise of power of review) awarding a pension less than the full compensation pension admissible under these rules, the Punjab Public Service Commission shall be consulted before such order is passed.

**Explanation.** –In this sub-rule, the expression “pension” included gratuity.

(iii) A person granted or awarded under clause (i) or as the case may be, under clause (ii), shall not be less than forty rupees per month.

5.32A. to 5.35. Omitted.

## **CHAPTER – VI**

### ***Amount of Pensions***

#### **SECTION I –General**

6.1. The amount of pension that may be granted is determined by length of service as set forth in the succeeding section of this Chapter. Fraction of a year equal to six months and above shall be treated as a completed six-monthly period for the purpose of calculation of any pension admissible to such an officer.

6.2. Pension fixed in rupees should be rounded off to the next higher rupee. In other words the pension should be calculated up to whole rupee and if there is any remainder, it should be rounded off to next higher rupee.

Note 1. –The rounded off to the next higher rupee is to be done once and at the initial stage.

Note 2. –In case of a person governed by para 1.2-B(2), previously 9(i) (c) of New Pension Rules, the pension is to be rounded off to the next higher rupee at the initial stage and not after deducting the amount of pension equivalent of death-cum-retirement gratuity.

6.3. A Pension is fixed in rupees, and not in Sterling even though it is to be paid in England.

6.4. Omitted.

6.5. If a Government employee who is entitled to compensation pension accepts instead another post in the public service and subsequently become again entitled to receive pension of any class, the amount of such pension shall not be less than that he could have claimed if he had not accepted the post.

## **LIMITATIONS**

6.6. to 6.8. Omitted.

6.9. If a Government employee has held more than one post, 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 is the sum of several pension which would have been admissible to him if he had held, each post separately and alone. The consolidated pension thus admissible is subject to the limitation in section II to III of his Chapter.

6.10. A Government employee is not entitled for service in a post conjointly with another post, to any which would have been admissible to him if he had held the post separately and alone.

## **SECTION II. –Old Pension Rules**

### **A –GRATUITY**

**\*6.11 to 6.15. Omitted.**

6.15.A. To Government employee mentioned in rule 1.2-A, a competent authority may grant special additional pension in accordance with the following provision :-

(1) The special additional pension admissible under this rule is not to be given as a matter of course but only where the service rendered is approved as satisfying the standard of work and conduct required in the special condition of the post or duty hereinafter mentioned.

(2) Government employees who have held posts listed in the Schedule to this rule may be granted an additional pension (a) at rate of Rs. 250 for each completed year of effective service in any post including in the lower grade, and

(b) at the rate of Rs. 400 for each completed year of effective service in any post included in the upper grade, up to a maximum of Rs. 1,250 per annum for service in lower grade appointments and Rs. 2,000 per annum for service in lower and upper grade appointment combined or in upper grade appointment alone : Provided that in the case of a Government employee who has earned an additional pension by service in appointment in both the upper and lower grade, service for broken period of a year in the upper grade may count as service in the lower grade if this pension would be thereby increased.

(3) A Government employee who has held a temporary post which has been declared by the authority competent to create the post as carrying similar duties and responsibilities, and which carries the same rate of pay as a post listing in the Schedule below, may be granted an additional pension in respect of that post at the rate and subject to the conditions prescribed in clause (2) of this rule.

Note. –If in respect of both the condition prescribed in this clause, a temporary post can be held to be comparable with any permanent post listed in the appropriate part of the Schedule to this rule and the “competent authority” given the necessary declaration, the benefit of this rule may be given to a Government employee irrespective of whether the comparable post is a corresponding permanent post or not.

(4) For the purpose of clauses (2) and (3) of this rule, the expression “effective service” includes, besides period of duty in a post mentioned in the said clause,--

(i) Duty performed --

(a) in a post of corresponding rank and responsibility in foreign service; or

(b) on deputation on special duty; or

(c) in a temporary post; or

(d) in a permanent post in an officiating capacity, to which a Government employee is transferred or appointment whilst holding the post mentioned in clause (2) or (3), if, in the case of a Government employee who held a post mentioned in clause (2) in an officiating capacity or of a Government employee who held a post mentioned in clause (2) in an officiating capacity or of a Government employee who held a post mentioned in clause (3), Government certifies that he would, if he had not been so transferred, or appointed, have continued to officiate in or held the post concerned leave with allowances except study leave and special disability leave taken by the Government employee during his service in a post mentioned in clauses (2) and (3) or during the period of duty covered by sub-clause (i) of this clause, if in the case of a Government employee who has held a post mentioned in clause (2) in an officiating capacity or who has held a post mentioned in clause (3), Government certifies that he would, if he had not proceeded on leave, have continued to officiate in the post mentioned in clause (2), or have held a post mentioned in clause (3).

Note.- For the purpose of this sub-clause, leave with allowance except study leave and special disability taken by a Government employee holding substantively the post of a Chief Engineer, Public works Departments, immediately on vacating his office or post during which he is left without a lien on any permanent post shall be regarded as leave taken during service in such a post.

(5) A Government employee of pensionable status who has held a post in foreign service with a state-owned Railway worked by a company, which is certified by the central Government to correspond in rank and responsibility to state Railway appointment listed in the schedule below article 475-A of Civil Service Regulation may be granted a special additional pension in respect of that post at the rates and subject to the conditions prescribed in clause ( 2 ) of this rule : provided that for the purpose of this clause “effective Service” means duty ( including leave with allowances except study leave and special disability leave ) in a foreign service post.

( 6 ) A Government employee who has received under the second proviso to Rule4:13 of volume I of these rules or Rule 10.5 ibid officiating promotion to one of the posts listed in the schedule below or in whose case the Government certifies that he would have received such promotion had he not been on special duty or held a temporary post may be granted an additional pension at the rates and subject to the conditions prescribed in clause ( 2 ), as though he had held during the period for which he officiates or would have officiated, a post listed in the schedule.

For the purpose of this clause the period of officiating promotion includes any leave with allowances except study leave and special disability leave for the purpose of calculating service for pension taken during the period, if Government certifies that had the Government employee not been on leave, he would have continued in the same capacity.

Note.- when a Government employee officiating in a post qualifying for special additional pension is transferred to another such post in an officiating capacity, the period of joining time spent in proceeding from one post to the other counts as service in post qualifying for special additional pension only if the Government certifies that had he not been on joining time, he would have held either the new or the old qualifying post.

( 7 ) The grant of additional pension to a Government employee is subject to the condition that he must in the event of voluntary retirement have completed 28 years of qualifying service. Voluntary retirement for the purpose of this rule should be taken as retirement under Punjab Civil services (Premature Retirement ) Rules, 1975 .

## **SCHEDULE OF POSTS CARRYING ADDITIONAL PENSIONS**

### **A- UPPER GRADE**

- ( 1 ) Director of public Instruction.
- ( 2 ) Chief Conservator of Forests.
- ( 3 ) Chief Engineers, P.W.D.
- ( 4 ) Director of Agriculture.

### **B- LOWER GRADE**

- ( 1 ) Members of P.E.S.P.A.S., and P . A . S. , holding posts the minimum substantive pay of which is not less than Rs. 1,250 a month, exclusive of overseas pay.
- ( 2 ) Conservator of Forests.
- ( 3 ) Superintending Engineers, P . W . D.
- ( 4 ) Any pensionable post in a Department , other than that to which the posts included in this schedule appertain, the minimum pay of which excluding overseas pay is not less than Rs. 1,250 a month, or if no overseas pay is attached to

it . Rs. 1500 a month.

(5) A Government employees holding a post carrying overseas pay, who is not himself entitled to overseas pay is nevertheless qualified this entry.

### SECTION III. –NEW PENSION RULES

#### A. –GRATUITY AND PENSION

6.16. For Government employees referred to in rule 1.2-B, the amount of superannuation, retiring and compensation gratuity and pension will be the appropriate amount, set out in the table below, and no additional or special Additional pension will be granted :

Completed six-monthly period of Scale of gratuity Maximum pension  
Qualifying service or pension (in rupees per Annum)

1 2 3 4

(a) Gratuity Rs. Rs.

- 1 Half month's emoluments
- 2 I month's emoluments
- 3 I ½ month's emoluments
- 4 2 month's emoluments
- 5 2 ½ month's emoluments
- 6 3 month's emoluments
- 7 3 ½ month's emoluments
- 8 4 month's emoluments
- 9 4 ¾ month's emoluments
- 10 4 ¾ month's emoluments
- 11 5 ½ month's emoluments
- 12 5 ½ month's emoluments
- 13 5 7/8 month's emoluments
- 14 6 ¼ month's emoluments
- 15 6 5/8 month's emoluments
- 16 7 month's emoluments
- 17 7 3/8 month's emoluments
- 18 7 ¾ month's emoluments
- 19 8 1/8 month's emoluments

#### (b) Pension

- |    |  |         |
|----|--|---------|
| 20 | 10/80 <sup>th</sup> of average emoluments    | 3750.00 |
| 21 | 10 ½ /80 <sup>th</sup> of average emoluments | 3937.50 |
| 22 | 11/80 <sup>th</sup> of average emoluments    | 4125.00 |
| 23 | 11 ½/80 <sup>th</sup> of average emoluments  | 4312.50 |

24	12/80 <sup>th</sup> of average emoluments	4500.00
25	12 ½/80 <sup>th</sup> of average emoluments	4687.50
26	13/80 <sup>th</sup> of average emoluments	4875.00
27	13 ½/80 <sup>th</sup> of average emoluments	5062.50
28	14/80 <sup>th</sup> of average emoluments	5250.00
29	14 ½/80 <sup>th</sup> of average emoluments	5437.50
30	15/80 <sup>th</sup> of average emoluments	5625.00
31	15 ½/80 <sup>th</sup> of average emoluments	5812.50
32	16/80 <sup>th</sup> of average emoluments	6000.00
33	16 ½/80 <sup>th</sup> of average emoluments	6187.50
34	17/80 <sup>th</sup> of average emoluments	6375.00
35	17 ½/80 <sup>th</sup> of average emoluments	6562.50
36	18/80 <sup>th</sup> of average emoluments	6750.00
37	18 ½/80 <sup>th</sup> of average emoluments	6937.50
38	19/80 <sup>th</sup> of average emoluments	7125.00
39	19 ½/80 <sup>th</sup> of average emoluments	7312.50
40	20/80 <sup>th</sup> of average emoluments	7500.00
41	20 ½/80 <sup>th</sup> of average emoluments	7687.50
42	21/80 <sup>th</sup> of average emoluments	7875.00
43	21 ½/80 <sup>th</sup> of average emoluments	8062.50
44	22/80 <sup>th</sup> of average emoluments	8250.00
45	22 ½/80 <sup>th</sup> of average emoluments	8437.50
46	23/80 <sup>th</sup> of average emoluments	8625.00
47	23 ½/80 <sup>th</sup> of average emoluments	8812.50
48	24/80 <sup>th</sup> of average emoluments	9000.00
49	24 ½/80 <sup>th</sup> of average emoluments	9187.50
50	25/80 <sup>th</sup> of average emoluments	9375.00
51	25 ½/80 <sup>th</sup> of average emoluments	9562.50
52	26/80 <sup>th</sup> of average emoluments	9750.00
53	26 ½/80 <sup>th</sup> of average emoluments	9937.50
54	27/80 <sup>th</sup> of average emoluments	10,125.00
55	27 ½/80 <sup>th</sup> of average emoluments	10,312.50
56	28/80 <sup>th</sup> of average emoluments	10,500.00

57	28 ½/80	of average emoluments	10,687.50
58	29/80 <sup>th</sup>	of average emoluments	10,875.00
59	29 ½/80 <sup>th</sup>	of average emoluments	11,062.50
60	30/80	of average emoluments	11,250.00
61	30 ½/80 <sup>th</sup>	of average emoluments	11,437.50
62	31/80 <sup>th</sup>	of average emoluments	11,625.00
63	31 ½/80 <sup>th</sup>	of average emoluments	11,812.50
64	32/80 <sup>th</sup>	of average emoluments	12,000.00
65	32 ½/80 <sup>th</sup>	of average emoluments	12,000.00
66	33/80 <sup>th</sup>	of average emoluments	12,000.00
67	33 ½/80 <sup>th</sup>	of average emoluments	12,000.00}
68	34/80 <sup>th</sup>	of average emoluments	12,000.00}see
69	34 ½/80 <sup>th</sup>	of average emoluments	12,000.00 note
70	35/80 <sup>th</sup>	of average emoluments	70 12,000.00

Note 1. –Serial Nos. 67to70 of the above table are application to only IV employees.

Note 2. –The benefit of qualifying service in excess of 30 years shall be admissible to employees who retire form service on or after 1<sup>st</sup> December, 1968.

### **B. –DEATH-CUM-RETIREMENT GRATUITY**

6.16-A. (1) An officer who has become eligible for pension or gratuity under the rule applicable to him and has completed five year’s qualifying service, may, on his retirement form service, be granted an additional gratuity not exceeding the amount specified is sub-rule (3).

(2) (a) If an officer, who has completed five year’s qualifying service, dies while in service, a gratuity, not exceeding the amount specified in sub-rule(3), may be paid to the person or person on whom the right to receive the gratuity is conferred under rule 6.16-B or if there is no such person, it shall be paid in equal shares to those surviving member of a Government employee’s family as detailed in rule 6.16-B who belong to categories (i) to (iv), mentioned therein except widowed daughters. Where there are no such surviving member, but there is/are surviving widowed daughter and/or one or more member of the family of the Government employee who belong to categories (iv) to (ix), in the definition, the gratuity may be paid to all such person in equal shares. In case where the qualifying service, is less than the prescribed minimum (viz. 5 years), the deficiency should not be condoned.

(b) The family of a permanent pension able employee who dies before completing five year’s qualifying service will also be eligible for gratuity equal to six months’ emoluments of a Government employee at the time of his death except in case in which death occurs in the first year of service where the gratuity admissible will be equal to

two month's emoluments.

(3) The amount of gratuity will be one-fourth of the 'emoluments' of the officer for each completed six-monthly period of qualifying service subject to a maximum of 15 times to 'emoluments'. In the case of those 'emoluments' of the officer for each completed six monthly period qualifying service subject to 16 ½ (sixteen and a half) times the 'emoluments' in the case Class I, II and III Services and 17 ½ (seventeen and a half) times the 'emoluments' in the case of Class IV employees, provided that in no case gratuity shall exceed Rs. Rs. 50,000. In event of death of an officer at the time of his death; provided that in no case shall it exceed Rs. 50,000.

Provided that in the case of person governed under the Family Pension Scheme, a deduction of two month's emoluments, subject to a maximum of Rs. 5,000 will be made from the gratuity admissible under this rule as laid down in the said Scheme.

(4) If an officer who has become eligible for pension or gratuity under the rules applicable to him, dies after he has retired from service, and the sum actually received by him at the time of death on account of such gratuity or pension together with the gratuity granted under sub-rule (1), and the commuted value of any portion of pension commuted by him are less than the amount equal to twelve times his 'emoluments' a gratuity equal to the deficiency may be granted to the person or person specified in sub-rule (2).

(4a) If a person who in the event of death of a Government employee while in service is eligible to receive gratuity in terms of the preceding sub-rule read with rule 6.16-B is charged with the offence of murdering the Government employee or for abetting the commission of such an offence, his claim to receive his share of gratuity shall remain suspended till the conclusion of the criminal proceeding instituted against him.

(4b) If on the conclusion of the criminal proceeding referred to in sub-rule (4a), the person concerned –

- (i) is convicted for the murder or for abetting in the murder of the Government employee, he shall be debarred from receiving his share of gratuity which shall be payable to other eligible member of the family, if any;
- (ii) is acquitted of the charge of murdering or for abetting in the murder of the Government employee, his share of gratuity shall be payable to him.

(4c) The provision of sub-rule (4a) and (4b) shall also apply to the undisbursed gratuity referred to in sub-rule (4).

Note 1. –The residuary gratuity mentioned in sub-rule (4) is admissible only if the death of the Government employee takes place within five years from the date of his retirement.

Note 2. –The words sums actually received under this rule will also include the amount of temporary increase in pension for determining the amount of residuary gratuity payable to the nominee/legal heirs of the deceased Government employee.

- (1) The 'emoluments' for the purpose of this Section, will be subject to a maximum of Rs. 2,500 and these shall be reckoned in accordance with rule 6.19-C of this Volume.

Note 2. –In the case of a Government employee who during the currency of –

- (i) leave preparatory to retirement up to 180 days on full pay; or
- (ii) earned leave not exceeding 120 days; or
- (iii) first 120 days of any period of earned leave on full pay exceeding 120 days, earn an increment which is not withheld, he is entitled to court the pay which he would have drawn had he remained on duty, as “emoluments” for the purpose of death-cum-retirement gratuity under this sub-rule, even though the increase in pay is not actually drawn during leave.

(6) Recoveries from gratuities or pension. –Government will have the right to effect recoveries from a gratuity sanctioned under this rule, in the circumstances as recoveries can be effected from an ordinary pension under rule 2.2 (b).

(7) Dismissal or removal for misconduct, insolvency or inefficiency. –No gratuity may be granted under this rule, if the officer was dismissed or removed for misconduct, insolvency or inefficiency.

(8) General. –A gratuity shall be sanctioned under this rule, after giving due regard to the provision of rule 6.4 The existing rules, which apply to the grant of an ordinary pension, will also apply in respect of a gratuity that may be sanctioned under this rule in so far as such rules, are not inconsistent with the provision of rules 6.16-A to 6.16-B.

- (1) If the amount of gratuity is not paid to the officer within three months from the date of becoming the same due an interest at the rate of five percent per annum or at such rate as may be specified by the Government from time to time, may be allowed to be paid by the competent authority for the period beyond the period of three months to the end of the months preceding the month in which the payment is actually made, if such payment was delayed because of administrative lapse or reason beyond the control of the officer concerned. In all such cases where interest has to be paid, action should be taken to fix responsibility for the delay and disciplinary action should be taken against the officer responsible for it.

Note. –Nothing contained in this sub-rule will apply to the payment of arrears which may become due as a result of enhancement of the emoluments after retirement or liberalization of the Pension rules from a date prior to the date of retirement of Government employee”.

6.16-B. (1) For the purpose of this rule :-

(a) “family “ shall include the following relative of this officer :-

- (i) wife or wives including judicially separated wife or wives. In the case of male officer;
- (ii) husband including judicially husband, in the case of female officer;
- (iii) sons; } (including step-children and adopted children)
- (iv) unmarried and widowed daughter
- (v) brother below the age of 18 years and unmarried and widowed sister, including step brother and sister;
- (vi) father; } including adopted parents in case of individuals whose
- (vii) mother; } law permit adoption.
- (viii) Married daughter ; and
- (ix) Children of a predeceased son;

(b) “persons” for the purpose of this rules shall include any company or association or body of individuals, whether incorporated or not.

(2) An officer shall, at any time after confirmation, make a nomination conferring on one or more persons, the right to receive any gratuity; that may be sanctioned under sub-rules (2) and (4) of rule 6.16-A and any gratuity which having become admissible to him under sub-rule (1) of that rule and rule 6.16 has been paid to him before death:

Provided that if at the time of making the nomination the officer has a family the nomination shall not be in favour of any person or person other than the members of his family.

(3) If an officer nominates more than one person under sub-rule (2), he shall specify in the nomination the amount or share payable to each of the nominees, in such manner as to cover the whole amount of the gratuity.

(4) An officer may provide in a nomination --

- (a) in respect of any specified nominee, that in the event of his predeceasing the officer, the right conferred upon that nominee shall pass to such other person as may be specified in the information, provided that if at time of making the nomination the officer has a family consisting of more than one member, the person so specified shall not be a person other than a member of his family;
- (b) that the nomination shall become invalid in the event of the happening of the contingency specified therein.

(5) The nomination made by an officer who has no family at the time of making it, or a provision made in nomination under clause (a) of sub-rule(4) by an officer whose family consists, at the date of making the nomination of only one member, shall become invalid in the event of the officer subsequently acquiring a family or an additional member in the family as the case may be.

(2) (a) Every nomination shall be in such one of the forms pen. I-C to Pen. I-F as may be appropriate in the circumstances of the case.

Notes. –The forms provided for only one alternate nominee and it is not open to a Government employee to nominate more than one alternate nominee against any original nominee.

(b) An officer may at any time cancel nomination, by sending a notice in writing to the appropriate authority; provided that the officer shall, along with such notice, spend a fresh nomination made in accordance with this rule.

(7) Immediately on the death of a nominee, in respect of whom no special provision has been made in the nomination under clause (a) of sub rule (4), or on the occurrence of any event, by reason of which the nomination becomes invalid, in pursuance of clause (b) of that sub-rule or sub-rule (5), the officer shall spend to the appropriate authority a notice in writing formally canceling the nomination, together with a fresh nomination made in accordance with this rule.

(8) Every nomination made, and every notice of cancellation given, by an officer under this rule, shall, be sent by him to Accountant General, Punjab in the case of a gazetted officer, and to the Head of his office in the case of non-gazetted officer. Immediately on receipt of a nomination form non-gazetted officer the Head of the office shall countersign it, indicating the date of receipt, and keep it in safe custody.

(2) Every nomination made, and every notice of cancellation given by an officer, shall, to the extent that it is

valid, take effect on the date on which it is received by the authority mentioned in sub-rule (8).

Note. –While a nomination as also any change therein will normally be an officer during his service, he may be allowed to make a fresh nomination after retirement if such a contingency arises.

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**C. DEATH/RETIREMENT/TERMINAL BENEFIT FOR TEMPORARY  
GOVERNMENT EMPLOYEES.**

6.16-C (a) The following benefit are permissible in respect of temporary Government employees:

(1) Terminal Gratuity. –A temporary Government employee who is discharge on account of retrenchment or is declared invalid for further service, will be eligible for a gratuity at the rate of 1/3<sup>rd</sup> of a month's pay for each completed years of service provided he has completed not less than years' continuous service at the time of retirement/discharge/ invalidment .

(2) Death-Gratuity. –The family of a temporary Government employee who dies while in service will be eligible for death gratuity on the scale subject to the conditions specified below:-

( a ) On death after completion of one year's service but before completion of three years service , a gratuity equal to one months pay ;

( b ) On death after completion of three years' service but before completion of five years, a gratuity equal to two months' pay ;

( c ) On death after completion of five years' service or more, a gratuity equal to three months' pay or the amount of the terminal gratuity mentioned in clause ( I ) if it is greater.

Note.- 'pay' for the purpose of determining the amount of terminal / death gratuity under this rule with mean only basic pay and also dearness pay at the time of relinquishing service or of death as the case may be It will not include special pay personal pay , and other emoluments classed as 'pay' . In case the person concerned was on 'leave' with or without allowances immediately before retirement / discharge/invalidment/ death pay for this purpose will be pay which he drew before proceeding on such leave provided that the benefits of increase in pay not actually drawn due to increment or promotion to a post carrying a higher rate of pay falling during leave not exceeding 120 days of earned leave or the first 120 days of such earned leave exceeding 120 days only will also be taken into account .

“ Government service” means temporary service under the Government of punjab and includes temporary service rendered in erstwhile pepsu before its merger with punjab.

“Temporary service” means officiating and substantive service in a temporary post and officiating service in a permanent post under the Government of punjab and such service rendered in erstwhile pepsu before its merger with punjab.

( 3 ) General .- The grant of gratuity under this rule will be subject to the service rendered by the Government employee concerned being held by the authority competent to appoint him to be approved and satisfactory . No gratuity will be admissible:-

( a ) In a case where the employee concerned resigns his post or is removed/dismissed from public service ;

( b ) to a probationer or other Government employee discharged for failure to pass the prescribed test or examination;

( c ) to a re – employed pensioner .

( d ) The temporary and quasi- permanent employees who die while in service or retire except on superannuation or under rule 5.32 or are discharged for reasons other than by way of disciplinary measure or resignation, after rendering continuous service of not less than ten years, shall be granted a gratuity at the rate of one month's pay for each completed year of service subject to a maximum of Rs. 12, 000 provided that in the event of death of such a Government employee, the maximum amount of gratuity admissible shall be 12 month's pay or Rs. 12,000 whichever is less. The gratuity shall be calculated on the basic of the average of last twelve month's pay and for this purpose the pay shall mean "pay" as defined in rule 2.44 of the Punjab Civil Service Rules, Volume I.

This is further to the conditions that:-

- (1) The grant of gratuity under this rule shall be subject to service rendered by the Government employee being held by the authority competent to appoint him to be satisfactory.
- (2) The gratuity admissible under this rules will be payable to the quasi-permanent employees of erstwhile Pepsu in accordance with the provision contained in the Pespu Civil Service/temporary service Rules, 1955 and the relevant orders and instructions issued there under.
- ( 3 ) Service rendered on re – employment basis after attaining the age of superannuation will not qualify for gratuity admissible.
- ( 4 ) A person who received terminal/death gratuity will cease to be eligible for any other gratuity .

Note1.- The gratuity under this rule will be payable to the family of a deceased Government employee under of preference below :

- ( 1 ) eldest surviving widow in the case of a male officer/official :
- ( 2 ) husband in the case of a female officer / official ;
- ( 3 ) eldest surviving son ;
- ( 4 ) eldest surviving unmarried daughter ;
- ( 5 ) eldest widowed daughter ;
- ( 6 ) father ;
- ( 7 ) mother ;
- ( 8 ) eldest surviving brother below the age of 18 years ;
- ( 9 ) eldest surviving unmarried sister ;
- ( 10 ) eldest surviving widowed sister .

Note 2.- A deduction of two months' pay will be made from the gratuity admissible under this rule in lieu of family pension benefits available under the family pension scheme, 1964 ( rule 6.17 to 6.19 ) . But see sub – rule ( 5 ) of rule 6.17 .

Note 3.- For the purpose of determining last 12 months' pay the provision of rule 6.24 ibid will apply .

( c ) A temporary employee who may retire at the age of superannuation or under the provisions of rule 5.32 , without confirmation on any post shall be entitled to retiring / superannuation pension and death – cum retirement gratuity on the scale admissible to permanent employees .

6.16-D. Omitted .

## **FAMILY PENSION SCHEME**

6.17 . The provision of this rule shall apply :

- ( a ) to a regular employee of Punjab Government in a pensionable establishment on or after the 1 st July , 1964 ; and
- ( b ) to a Punjab Government employee who was in service on the 30 th June , 1964 and came to be governed by the provision of Family pension scheme , 1964 , for Punjab Government employees .

Note.- In the case of a Government employee who retired from service or died at any time before the publication of this rule , the provisions of Family pension scheme , 1964 as in force on the date that Government employee retired or died shall apply .

( I ) The following family pension benefits are admissible to the family of a deceased employee :-

Pay of the Government employees	Monthly pension of widow / widower / children
( a ) Below Rs . 400	... 30 % of pay subject to minimum of Rs. 60 and maximum of Rs . 100
( b ) Rs . 400 and above but below Rs. 1200	... 15 % of pay subject to a minimum of Rs . 100 and maximum of Rs. 160
( c ) Rs . 1,200 and above	... 12 % of pay subject to a minimum of Rs . 160 and a maximum of Rs. 250 ;

‘pay’ for this purpose means the pay as defined in rule 2.44 of Punjab Civil Services Rules, Volume I , part I , which the person was drawing on the date of his death while in service or immediately before his retirement . If on the date of his death while in service or immediately before his retirement, a person has been absent from duty on leave( including extraordinary leave ) or under suspension , ‘pay’ means the pay which he drew immediately before proceeding on such leave or suspension . The term ‘pay’ shall also include ‘dearness pay’

The amount of family pension shall be fixed at monthly rates and be expressed in whole rupee and where the pension contains a fraction of a rupee it shall be rounded off to the next higher rupee :

Provided that in no case a family pension in excess of the maximum determined under this rule shall be allowed .

( 2 ) The scheme will be administered as below :-

- (i) The family pension will be admissible in case of death while in service or after retirement if at the time of death the retired Government employee was in receipt of a compensation , invalid , retiring or superannuation pension . In case of death while in service , the Government employee should have completed a minimum period of one year of continuous service , without break . The family pension will not be admissible in cases of death after retirement , if the retired employee at the time of death was in receipt of gratuity only .
- (ii) Provided that the condition of completing a minimum period of one year of continuous service will not be applicable in the case of Government employee who has been medically examined and declared fit for entry into Government service .
- (iii) The term “ one year continuous service” used in clause (i) is inclusive of permanent and temporary service in a pensionable establishment and any period of leave including Extraordinary leave but does not include Boy service and suspension period unless that is regularised by the competent authority .
- (iv) In the cases of persons who are transferred to punjab state from the Central Government or other state Government and in whose case it has been agreed to count their previous service for pension the Family pension Scheme would be applicable in the event of their death / retirement without putting in one year

continuous service under the state Government , if their total service at the time of death ( inclusive of service rendered under the previous Government ) exceeds one year .

( 3 ) “Family” for purposes of this scheme will include the following relatives of the Government employee :-

- (a) wife in the case of a male Government employee and husband in the case of a female Government employee;
- (b) a judicially separated wife or husband such separation not being granted on the ground of adultery, provided the marriage took place before the retirement of the Government employee and the person surviving was not held guilty of committing adultery; and
- (c) minor sons; and
- (d) unmarried daughter below the age of 21 years.

Note 1. –(c) and (d) will include children adopted legally before retirement.

Note 2. –Marriage after retirement will not be recognized for purpose of this Scheme.

(4) The pension will be admissible--

- (i) (a) in the case of widow or widower up to the date of death or remarriage whichever is earlier.
- (b) In the case of minor son, until he attains the age of 18 years.
- (c) in the case of a unmarried daughter until she attains the age of 21years or is married, whichever is earlier.

Provided that if the son or daughter of a Government employee is suffering form any disorder or disability of mind or is physically crippled or disabled so as to render him or her unable to earn a living even after attaining the age of 18 years in the case of son and 21 years in the case of daughter, the family pension shall be payable to such son or daughter for life subject, to the following condition, namely:-

- (i) If such son or daughter is one among two or more children of the Government employee, the family pension shall be initially payable to the minor children in the order set out in the sub rule (3) until the last minor child attains the age of 18 or 21, as the case may be, and thereafter the family pension shall be resumed in favour of the son or daughter suffering form disorder or disability of mind or who is physically crippled or disabled and shall be payable to him or her as the case may be, for life;
- (ii) If there are more than one such son or daughter suffering form disorder or disability of mind or they are physically crippled or disabled, the family pension shall be paid in the following order, namely:-
  - (a) firstly to there son, and if there are more than one son, the younger of them will get the family pension only after the life time of the elder;
  - (b) secondly, to the daughter, and if there are more than one daughter, the younger of them will get the family pension only after the life time of the elder;
- (iii) the family pension shall be paid to such son or daughter through the guardian as if he or she were a minor;
- (iv) before allowing the family pension for life to any such son or daughter, the sanctioning authority shall satisfy that the handicap is of such a nature as to prevent him or her form earning his or her livelihood and the same shall be evidences by a certification obtained form a medical officer not below the rank of a Civil Surgeon setting out as far as possible, the exact mental or physical condition of the child.

- (iv) the person receiving the family pension as guardian of such son or daughter shall produce every three years a certificate from a medical officer not below the rank of a Civil Surgeon to the effect that he or she continued to suffer disorder or disability of mind or continues to be physically crippled or disabled.

*Explanations, --(a) Only that disability which manifests itself before the*

The retirement or death of the Government employee while in service shall

Be taken into account for the purpose for the purpose of grant of family pension under this sub – rule .

( b ) A daughter shall become ineligible for family pension under this sub – rule from the date she gets married .

( c ) The family pension payable to such a son or daughter shall be stopped if he or she starts earning his/ her livelihood .

( d ) In such cases it shall be the duty of the guardian to furnish a certificate to the Treasury or Bank , as the case may be every month that (i) he or she has not started earning his/her livelihood ; ( ii ) in case of daughter , that she has not yet married .

Note 1.- When a Government employee is survived by more than one widow , the pension will be paid to them in equal shares . On the death of a widow , her share of the pension will become payable to her eligible minor child , if at the time of her death , a widow leaves no eligible minor child , the payment of her share of the pension will cease .

Note 2.- Where a Government employee is survived by a widow but has left behind an eligible minor child from another wife , the eligible minor child will be paid the share of pension which the mother would have received if she had been alive at the time of the death of the Government employee .

Note 3. – Except as provided in Note 1, pension awarded under this scheme will not be payable to more than one member of the family of a Government employee at the time . It will first be admissible to the widow or widower and thereafter to the eligible minor children .

Note 4.- In the event of remarriage or death of the widow or widower , the pension will be granted to the minor children including the posthumous child through their natural guardian , if any otherwise through their defacto guardian on production of indemnity bond in Form ‘A’ . In disputed cases , however , payment will be made through a legal guardian ( i.e ., guardian , appointed by a court of law . )

Note 5.- The ad hoc increase in pension will not be admissible on the family pension granted under scheme .

( 5 ) Omitted .

( 6 ) Except as provided in sub – rule ( 7 ) , Government employee in service on the 30 th June , 1964 , who were governed by the New pension Rules , wholly or partially , had been given an option to elect family pension scheme , 1964 , in substitution of the existing family pension benefits as admissible under the New pension Rules or retain their existing benefits . The Family pension scheme , 1964 , automatically applied to those persons who failed to exercise their option for the retention of the existing Family pension benefits up to the 30 th September , 1965 asadmissible under the New pension Rules .

( 7 ) Government employee retiring from service on or after the 1 st November . 1968 ,

In the said rules , in rules – 6.17 , :-

( b ) in sub – clause ( II ) , in each of the items (i) and ( ii ) , for the words “five hundred” the words eight hundred “

shall respectively be substituted .

No . 3 – 2 ( 23 ) 2FCD-85 / 10815 dated 23 rd September , 1987 . Who were eligible to the right of option as referred to in sub – rule ( 6 ) , shall be entitled to exercise their option afresh while submitting their applications for the grant of pension , etc . at the time of retirement , irrespective of the fact whether they had previously exercised any option or not . The members of the families of such Government employees who may die while in service may be allowed the benefits of the rules favourable to them .

( 8 ) Widows or widower of such Government employees as are governed by this Scheme will not be entitled to family pension under any other rules .

( 9 ) This scheme is not applicable to –

( a ) Staff paid from contingencies ;

( b ) work – charged staff ;

( c ) Casual labour ;

( d ) Contract employees; and

( e ) Employees without a minimum service of one year .

( 10 ) The commutation of pension has no effect on the quantum of family pension as the rate of family pension is based on the pay which the Government employee was drawing immediately before his retirement and not on the pension sanctioned to him .

( 11 ) In case both the wife and the husband are Government employees and are governed by the provisions of this scheme and one of them dies while in service or after retirement , the family pension in respect of the deceased employee shall become payable to the surviving husband or wife , as the case may be , and in the event of the death of the surviving husband or wife , the surviving child or children shall be granted two family pensions in respect of the deceased parents subject to the limits specified below , namely:-

(i) If the surviving child or children is or are eligible to draw two family pensions at the rate mentioned in rule 6.18 , the amount of both the pensions shall be limited to ( five hundred rupees per mensem .

(ii) If one of the family pensions ceases to be payable at the rate mentioned in rule 6.18 and in lieu thereof the pension at the rate mentioned in sub – rule ( I ) of rule 6.17 becomes payable , the amount of both the pensions shall also be limited to five hundred rupees per mensum .

( 12 ) Where a female Government employee or a male Government employee dies leaving behind a judicially separated husband or wife and no child , the family pension in respect of the deceased employee shall be payable to the surviving person .

( 13 ) ( a ) where a female government employee or a male Government employee dies leaving behind a judicially separated husband or wife with a child or children , the family pension payable in respect of the deceased employee shall be payable to the surviving person provided he or she is the guardian of such a child or children .

( b ) Where the surviving person has ceased to be the guardian of such a child or children , such family pension shall be payable to the person who is the actual guardian of such a child or children provided that where in a case the judicial separation is granted on the ground of adultery and the death of the Government employee takes place during the period of such judicial separation , the family pension shall not be payable to the person surviving .

( 13-a ) If a person who is the event of death of a Government employee while in service , is eligible to receive family pension under this rule , is charged with the offence of murdering the Government employee or for abetting the commission of such an offence , the claim of such a person , including that of other members of the family

eligible to receive the family pension shall remain suspended till the conclusion of the criminal proceedings instituted against him .

( 13-b ) If on the conclusion of the criminal proceedings referred to in sub – rule

( 13-a ) , the person concerned –

- (i) is convicted for the murder or for abetting the murder of the Government employee , such a person shall be debarred from receiving the family pension which shall be payable to other eligible members of the family , from the date death of the Government employee .
- (ii) is acquitted of the charge of murder or for abetting the murder of the Government employee , the family pension shall be payable to such a person from the date of death of the Government employee .

( 13-c ) The provisions of sub – rules ( 13-a ) and ( 13-b ) shall also apply for the family pension becoming due on the death of a Government employee after his retirement .

( 14 ) (i) Government employees who were otherwise declared eligible to come on the pensionary scheme on the day their services were provincialised but who retained the contributory Provident Fund benefits were allowed another opportunity to opt up to the 31 st March, 1965 , for the New Pension Rules , including the benefit of the Family Pension Scheme , 1964 . The option exercised was to a final . They had, however, no option to elect the New Pension Rules without the benefit of the Family Pension Scheme , 1964 .

( ii ) In the case of an employee who elects to be governed by the New Pension Rules , the Government contribution with interest there on standing to his credit in the Contributory Provident Fund shall be credited to the State Government . The Government employee’s subscriptions, together with interest thereon in that Fund shall be transferred to his General Provident Fund Account which he shall be asked to open and to which he shall subscribe under the rules of the Fund .

( iii ) A Government employee who does not exercise an option within the prescribed period or who quits service without exercising option or whose option is incomplete or conditional or ambiguous shall be deemed to have opted to remain under the existing contributory Provident Fund benefits.

6.17-A. ( I ) The families of Government employees governed by the Family Pension Scheme , 1964 , as well as the Punjab Civil Services ( Extraordinary Pension) Rules , who die as a result of “ Risk of office” or “ Special Risk of Office” as defined in the aforesaid rules, would be paid family pension under the Punjab Civil Services ( Extraordinary Pension ) Rules the family pension scheme , in addition .

( a ) The existing rates of Extraordinary Family Pension payable to the widows and motherless children under the Punjab Civil Services ( Extraordinary Pension ) Rules , in their application to the Government employees governed by the Family Pension Scheme , 1964 , will be as under :-

( I ) Widow Pension

<u>Pay of the Government employee</u>	<u>Monthly Pension</u>
Below Rs . 400	... 45 per cent of pay subject to a maximum of Rs , 125 and minimum of Rs , 96 .
R s . 400 and above but below 1,200	... 25 per cent of pay subject to a maximum Rs . of Rs . 250 and minimum of Rs . 125 .
Rs . 1,200 and above	... 20 per cent of pay subject to a maximum Of Rs . 460 and minimum of Rs . 270 .

Provided that as laid down in rule 6.18 ibid , the Pension payable for a period of seven years following the date of death or till the date on which the Government employee would have attained the age of sixty – five years had he survived , whichever period is shorter , the pension payable will be at the rate of fifty per cent of the pay last drawn subject to a maximum of twice the Pension mentioned above .

( ii ) Pension to motherless children :-

<u>Pay of Government employee</u>	<u>Monthly Pension Per Child</u>
( a ) Below Rs . 400	... 15 per cent of pay
( b ) Rs. 400 and above but below Rs . 1,200	Rs . 65
( c ) Rs . 1,200 and above	... Rs . 100

Note .- These rates are subject to the condition that the pension payable to a child or children will in no case be less than the amount of Pension which would have been admissible to him or them had the provisions of the Family Pension Scheme , 1964 , been applied .

( b ) In addition to the Family Pension at the rates mentioned above, the gratuity where admissible , under the Punjab Civil Services ( Extraordinary Pension ) Rules , will continue to be paid at the existing rates provided therein .

(3) (a) The widow of these female Government employees who may be governed by the Family Pension Scheme, 1964, as well as the Punjab Civil Services (Extraordinary Pension) Rules and who die as a result of “risk/ special risk of office” shall be paid a family pension till death or remarriage, at the rate provided in sub-rule (2) (a). This pension will be payable in addition to children’s pension, in any, admissible under the Punjab Civil Service (Extraordinary Pension) Rules.

(b) The benefit of ‘motherless’ rates will not be available to Children where the father is the recipient of family pension under clause (a), ‘Motherless’ rates will be admissible only in case where both husband and wife are dead.

Note : --See note below rule 6.17 also.

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6.18 In the case of Government employees governed under the Family Pension Scheme, 1964, who die while in service on or after 1<sup>st</sup> January, 1966, the rates of pension as admissible under sub-rule (1) of rule 6.17 and sub-rule (2) (a) of rule 6.17-A as the case may be, will be liberalized to the following extent:--

- (i) For a period of seven years the date following the date of death or till the date on which the Government employee would have attained the age of sixty-five years had he survived, whichever period is shorter, the pension payable will be at fifty per cent of the pay last drawn, subject to a maximum of twice the pension admissible under sub-rule (1) of rule 6.17:

Provided that where a Government employee who is governed by the workmen's Compensation Act, 1923 (Act 8 of 1923) dies while in service after having rendered not less than seven years' continuous service, including any period of extraordinary leave the rate of family pension payable to the family shall be equal to fifty per cent of the pay last drawn or one and half times pension admissible under sub rule (1) of rule 6.17, whichever is less, The family pension so determined shall be payable for the period mentioned in this clauses:

Provided further that where compensation is not payable under the aforesaid Act, the pension sanctioning authority shall send a certificate to the audit officer to the effect that the family of the deceased Government employee is not eligible for any compensation under the aforesaid Act, and the family shall be paid family on the scale and for the period mentioned in this clause.

- (ii) The pension payable thereafter will be at the normal rates laid down in the respect five schemes.
- (iii) These benefit will not be applicable if the Government employee had put in less than seven year's continuous service prior to his death.
- (iv) The other provision of the scheme will continue to operate.
- (v) In the event of death of the employee after retirement the family pension at the enhanced rates shall be payable up to the dates on which the pension would have attained the age of sixty-five years or for seven years, whichever period is less, but in no case the amount of family pension shall exceed the pension sanctioned to the employee at the time of his retirement, However, in case where the amount of family pension as admissible under sub rule (1) of rule 6.17, exceed the pension sanctioned at the time of retirement, inclusive of the part of the pension commuted, if any, before death, the amount of family pension sanctioned under this clause shall not be less than that amount.

Note1. –In this case of widow or windows governed by the provision of rule 6.17-A child allowance, if any will be paid in addition.

Note2. –The family pension in the case of an employee who dies after retirement shall be payable to the family as defined in sub-rule (3) of rule 6.17, and declared as such by him before retirement.

Note3. –See note below rule 6.17 also.

6.18-A. The procedure to be followed in respect of claims arising out of this scheme is as under:--

Furnishing of 'Family' details—

- (i) All employee entitled to the benefit of this Scheme shall be required to furnish details of their 'family' as defined in sub-rule (3) of rule 6.17, i.e., the dates of birth of each member with his or her relationship with the Government employee. This statement shall be countersigned by the Head of Office and pasted in the service book of the Government employee. Government employee will thereafter be required to keep this statement up-to-date. Additions and alterations in this statement will be made by the Head of Office from time on respect of information form the Government employee concerned.

Cases where death occurs while in service—

- (ii) On receiving information of death of a Government employee while in service, the administrative authority will send a letter as prescribed in Form PEN—16 to the family of the deceased and ask for the necessary documents mentioned therein.
- (iii) On receiving the documents referred to in Form PEN—17 and send all these document along with the service book of the Government employee to the Accountant—General, Punjab who will then issue the Pension Payment Order to the beneficiary.
- (iii—A) In the case of a Government employee who dies while on deputation to central or any other State Government or while on foreign service, action to authorize the payment of family pension and Death—cum—retirement gratuity, in accordance with the provisions of this scheme, shall be taken by the Audit Officer or head of the office, as the case may be, of the Cadre authority which sanctioned the deputation of the Government employee to the Central or any other State Government or to foreign service.

Cases where death occurs after retirement—

- (iv) In order to facilitate quick payment of family pension to the widow/widower of the pensioner, Pension Payment Order, as amended, provides for the admissibility of the family pension to her/him under the same Pension Payment Order under which the pensioner was drawing his pension. While applying for the grant of pension, the Government employee would furnish three copies of his joint photograph with wife/husband; one of which will after having been attested by the pension sanctioning authority be henceforth pasted in the pension in the pension payment order, pensioner's portion. The amount of family pension admissible will be mentioned in the pension payment order. The Treasury Officer will start paying family pension to the widow or widow on receipt of death certificate of the pensioner and the Form of application in Form PEN—16 (a) for grant of family pension to her or him intimating the charge to the Accountant—General, Punjab. In the Form PEN—18. If the widow or widower is also not the family pension is payable to the minor children with two copies of his photograph and the other necessary documents to the administrative authority on surrendering the First Pension Payment Order. Fresh Pension Payment Order will have to be issued in such cases.

6.19. In cases where the Pensionary liability is required to be allocated between two or more Government only the net amount of gratuity (after deducting an amount equal to two month's emoluments or pay form the gross amount in terms of sub-rule (5) of rule 6.17, payable, should be allocated between the different Governments.

#### **FORM 'A'**

**[Referred to in Note4, sub—rule (4) of Rule 6—17]**

**KNOW ALL MEN by these present that we—**

(a)------(b) the widow/son/brother, etc., of deceased, resident of-----  
------(c)-----, (thereinafter called “the Obligor”)  
and (d)-----, son/wife/daughter of-----,  
resident of-----and-----,  
son/wife/daughter of-----,resident of-----  
-----, the sureties for and on behalf of the Obligor (hereinafter called “the Sureties”) are held and firmly bound to the Governor of Punjab (hereinafter called “Government”) in the sum of Rs.----- (Rupees-----) only well and truly to be paid to the Government on demand and without a demur for which payment we bind ourselves and our respective heirs, executors, administration, legal representatives, successors and assigns by these presents.

Signed this-----day of-----one thousand nine hundred and-----.

**WHEREAS (C)-----** Was at time of his death in the employment of the Government/receiving a pension at the rate of Rs------(Rupees-----) only per month from the Government.

**AND WHEREEAS** the said (c)-----died on the -----day of-----  
-----19-----and there was due to him at the time of his death the sum of Rs.-----  
------(Rupees-----) for and towards share of his minor son/daughter in the death—  
cum—retirement gratuity.

**AND WHEREAS** the obligor claims to be entitled to the said sum as de facto guardian of the minor son or daughter of the said (c)-----but has not obtained till the date of these present the certificate of guardianship from any competent court of law in respect of the said minor(s).

**AND WHEREAS** the Obligor has satisfied the (c)-----that he/she is entitled to the aforesaid sum and that it would cause undue delay and hardship if the Obligor be required to produce the certificate of guardianship form the competent court of law before payment to him of the said sum of Rs.-----.

**AND WHEREAS** the Government has no objection to the payment of the said sum to the Obligor but under Government rules and orders it is necessary for the Obligor to first execute a bond with one surety/two sureties to indemnify the Government against all claims to the amount so due as aforesaid to the said (c)-----before the said sum can be paid to the Obligor.

**AND WHEREAS** the Obligor and at his/her request the surety/sureties have agreed to execute the bond in the term and manner hereinafter contained.

**NOW THE CONDITION OF THIS BOND** is such that if after payment has been made to the Obligor, the Obligor and/or the surety/sureties shall in the event of a claim being made by any other person against the Government

with respect to the aforesaid sum of Rs.-----refund to the Government the said sum of Rs.----  
-----and shall otherwise indemnify and keep the Government harmless and indemnified  
against and form all liabilities in respect of the aforesaid sum and all costs incurred in consequence of the claim  
thereto. THEN the above—written bond or obligation shall be void and of no effect but otherwise it shall remain in  
full force, effect and virtue.

**AND THESE PRESENTS ALSO WITNESS** that the liability of the sureties hereunder shall not be impaired or  
discharge by reason of time being granted by or any for bearance act or omission of the Government whether with or  
without the knowledge or consent of the surety/sureties in respect of or in relation to the obligation or conditions to be  
performed or discharge by the Obligor or by any other method or thing whatsoever which under the law relating to  
sureties, shall but for this provision have the effect of so releasing the surety/sureties form such liability nor shall it be  
necessary for the Government to sue the Obligor before suing the surety/sureties or either of them for the amount due  
hereunder, and the Government agrees to bear the stamp duty, if any, chargeable on these presents.

**IN WITNESS WHEREOF** the Obligor and the surety/sureties hereto have set and subscribed their respective  
hands hereunto on the day, month and years above—written .

Signed by the above – named ‘ obligor’ in the presence of –

1. -----
2. -----

Signed by the above – named ‘surety/ sureties’-

1. -----
2. -----

Accepted for and on behalf of the Government of Punjab by -----  
----- ( Name and designation of the officer directed or authorised , in pursuance of Article 299 ( 1 ) of  
the constitution , to accept the bond for and on behalf of the Governed ) in the presence of ----- (   
Name and designation of witness ) .

Note.1—

- ( a ) Full name of the claimant referred to as the ‘Obligor’ .
- ( b ) State relationship of the Obligor to the deceased .
- ( c ) Name of the deceased Government employee .
- ( d ) Full name or names of the surcties with name or names of the father ( s ) / husbands ( s ) and place of  
residence .
- ( e ) Designation of the officer responsible for payment .

Note II .- The obligor as well as the sureties should have attained majority so that the bond may have legal effect  
or force .

SECTION V .- Emoluments and Average Emoluments

A .- EMOLUMENTS RECKONING FOR PENSION

6.19- A. Omitted .

6.19- B. Omitted .

6.19- C. The term 'emoluments' when used for this purpose shall mean 'pay' as defined in rule 2.44 of the Punjab Civil Services Rules , Volume I , Part I . including dearness pay as determined by the orders of the Government issued from time to time, which the employee was receiving immediately before his retirement , or the date of his death .

Note 1.- If a Government employee immediately before his retirement or death , while in service , has been absent from duty on leave with allowances , for which leave salary is payable or having been suspended had been reinstated without forfeiture of service his emoluments for the purpose of calculating service gratuity for death cum – retirement gratuity shall be taken at what they would have been absent from duty or suspended .

Note 2 – Pay drawn in tenure appointment ( s ) shall count provided the service in tenure appointment ( s ) does not qualify for grant of special additional pension .

Note 3.- There shall be no change in the existing principle of reckoning those emoluments for pension which are paid by Government . In other words , the entire amount drawn as emoluments by a Government employee while on foreign service shall not count for pension and gratuity . In such a case , the pay which the Government employee would have drawn under the Government had he not been sent on foreign service , shall alone be taken into account .

Note 4.- If a Government employee immediately before his retirement or death , while in service had been absent from duty on extraordinary leave , or had been under suspension the period whereof does not count as service , the emoluments which he drew immediately before proceeding on such leave or being placed under suspension, shall be the emoluments for the purpose of this rule

Note 5.- If a Government employee immediately before his retirement or death while in service was on earned leave and earned an increment, which was not withheld, during the currency of the earned leave not exceeding one hundred and twenty days , or during the currency of leave preparatory to retirement up to one hundred eighty days on full pay or during the first one hundred and twenty days of any period of earned leave exceeding one hundred and twenty days, such an increment , though not actually drawn shall form part of his emoluments .

6.25 , Time table for the work .- ( 1 ) As soon as the Head of Office receives intimation regarding death of a gazetted or non gazetted Government employee while in service , he shall initiate immediate . action for obtaining claims for family Pension and death – cum – retirement gratuity from the beneficiary or beneficiaries as provided in rule 6.18 – A ( ii ) .

( 2 ) ( I ) The Head of Office shall go through the service book or service record of the deceased Government employee and satisfy himself as to whether annual certificates of verification of Service for the entire service are recorded therein .

( ii ) If there are any periods of unverified service the Head of Office shall accept the unverified portion of service as verified on the basis of valid entries in the service book or service record , For this purpose , the Head of Office may rely on any other relevant material to which he may have ready access . While accepting the unverified portion of Service , the Head of Office shall ensure that Service was continuous and was not forfeited on account of dismissal , removal or resignation from service .

( iii ) a) For the purpose of determination of emoluments for family pension and death – cum – retirement gratuity , the Head of Office shall normally confine the verification of the correct one year preceding the date of the Government employee .

b) In case , the Government employee was on an extraordinary leave on the date of death , the correctness of the emoluments for a maximum period of one year which drew preceding the date of the commencement of the extraordinary leave shall be verified .

(iv) The process of determination of qualifying service and qualifying service and qualifying emoluments shall be completed within one month of the receipt of the intimation regarding the date of death of the Government employee and the amount of family pension and death – cum – retirement gratuity shall be calculated accordingly .

6.26 . Determination of the amount of family pension and gratuity where service records are incomplete .- If in any particular case the service book or service record has not been maintained properly despite the Government orders on the subject , and it is not possible for the Head of Office to accept the unverified portion of Service book or service record , the Head of Office shall not proceed with the verification of the entire spell of service . The verification of service in such a case shall be confined to the following spells of service :-

( A ) For the purpose of Family Pension Scheme , 1964 ,-

( I ) If the deceased Government employee at the time of death had rendered more than one year of service but less than seven years service , the service and the emoluments for the last years of service shall be verified and accepted by the Head of Office and the amount of family pension determined under rule 6.17 .

( ii ) If the deceased Government employee at the time of his death had rendered more than seven years of service , the service for the last seven years and emoluments for service rendered in the last year shall be verified and accepted by the Head of Office and the amount of Family Pension and the period of its tenability determined under rule 6.18 .

( iii ) ( a ) If the deceased Government employee at the time of death had rendered more than seven years service and the service of last seven years is not capable of being verified and accepted by the Head of Office but the Service rendered during the last year is capable of being verified and accepted , the Head of office , pending the verification of Service for seven years , shall calculate the amount of family pension under rule 6.17 .

(b) The service for the last seven years shall be verified and accepted within the next two months and the amount of family pension at the enhanced rates and the period if its tenability determined under rule 6.18.

(iv) The determination of the amount of family pension in term of sub—clauses (i),(ii) and (iii) (a) shall be done within one month of the receipt of intimation of the date of death of the Government employee.

(b) For the purpose of death—cum—retirement gratuity,--

(i) If the deceased Government employee had, at the time of death, rendered more than four years qualifying service, and the spell of last five years service has been verified and accepted by the Head of Office under clause (a), the amount of death—cum—retirement gratuity shall be equal to twenty times of the deceased Government employee's emoluments as indicated in rule 6.16—(A) (3). Where the verified and accepted service is less than five years of qualifying service, the amount of death—cum—retirement gratuity shall be equal to twice or six times of his emoluments as indicated in clause (b) of sub—rule (2) of rule 6.16(A).

(ii) If the deceased Government employee had rendered more than twenty four years of service and the entire service is not capable of being verified and accepted, but the service for the last five years has been verified and accepted under sub—clause (i), two family of the deceased Government employee shall be allowed, on provisional basis, the death, the death—cum—retirement gratuity equal to twenty times of the emoluments, Final amount of the gratuity shall be determined by the Head of Office on the basic of the entire spell of service which may be verified and accepted by the Head of Office within a period of six months from the date on which the authority for the payment of provisional gratuity was issued, The balance, if any, be coming payable as a result of determination on of the final amount of death—cum—retirement gratuity shall then be authority to the beneficiary or beneficiaries.

(C) For the purpose of Family Pension 1950,--

Since the Family Pension on,1950 is related to Superannuation pension, it shall be necessary to verify the entire spell of service as laid down in rule.

6.27. Forwarding the papers to the Accountant General, Punjab.—(1) On receipt of claims or claims along with necessary documents mentioned in rule 6.18—A the pension as in form Pen. 17 and send all these documents to the Accountant—General, Punjab, with a covering letters along with the Government employees service book on service record duty completed up—to—date and any other documents relied upon for the verification of the service claimed in such a manner that they can be conveniently consulted This shall be done not later than one month of the receipt of the claims by the Head of Office.

(2) The pension sanctioning authority shall draw the particular attention of the Accountant General, Punjab regarding the details of Government a use outs tending against the deceased Government employee, namely:--

(a) government dues as intinated and assessed in term of rule 6.30 and recoverable out of the gratuity before payment is authorized.

(b) Amount of gratuity to be held over partly for adjustment of Government dues which have not been assessed so far and partly as margin for adjustment in the light of the final determination of the gratuity.

6.28—Sanction, drawl and disbursement of provisional family pension and gratuity. —(1) After the documents referred to in rule 6.27 have been sent to the Accountant General, Punjab, the Head of office shall draw provisional family pension on not exceeding the maximum family pension and hundred per cent of the gratuity as determined under clauses (iv) of the sub—rule (2) of rule 6.25 and Head of Office shall adopt the following procedure, namely:-

- (a) he shall issue a sanction on letter in favour of the claimant or claimants end orsing copies there of to the amount of hundred percent of provisional family pension and gratuity as determined;
- (b) he shall indicate in the sanction letter the amount recoverable out of the gratuity in terms of sub—rule (2) of rule 6.27;
- (c) after issue of the sanction letter he shall draw:-
  - (i) the amount of provisional family person; and
  - (ii) The amount of hundred percent of the gratuity and deduct there form the dues mentioned in clauses (b) in the same manner as pay and allowance of the establishment are drawn by him.

2. The Hand of Office shall disburse,--

- (a) the provisional family pension to the claimant on or after the first day of the month following the month in which the Government employee died;
- (b) the amount of the death—cum—retirement gratuity to the claimant or claimants immediately after the same has been drawn under clauses (B) of rule 6.26.

(1) The payment of provisional family pension shall contain for a period of six month form the date following the date of death of the Government employee unless the period is extended by the Accountant, General, Punjab, under the proviso to sub—rule (1) of rule 6.29.

(2) The Head of Office shall inform the Accountant General, Punjab.

- (a) as soon as the gratuity has been paid to the claimants; and
- (b) as soon as the provisional family pension has been paid for a period of six months or for the period extended under the proviso to sub—rule (1) of rule 6.29, as the case may be.

5. If the claimants desires the payment of provisional family pension or of gratuity or of both through money order or banked raft, the same shall be remitted to him through money order or bank draft at this cost:

Provided that in the case of any claimant who is sanctioned a provisional family pension not exceeding one hundred rupees per mensem, the amount of pension shall at the request of the claimant, be remitted to him by money order at Government expense.

6.29 Authorization of final pension and balance of the gratuity in respect of the deceased Government employee.

—(1) On receipt of the document referred to in rule 6.27, the Accountant General Punjab, shall within a period of these non the form the date checks, and assess the amount of family pension and gratuity, and issue pension order and gratuity payment orders:

Provided that if the Accountant General, Punjab, is for any reason, unable to assess the amount of both the

family pension and gratuity within a period aforesaid, he shall communicate the fact to the Head of Office to continue to disburse the provisional family pension to the claimant for such period as may be specified by the Accountant General, Punjab.

1 (a) The payment of family pension shall effective from the date following the date on which the payment of provisional family pension ceased.

(b) Arrears of family pension, if any, in respect of the period for which family pension was drawn and disbursed by the Head of Office shall also be authorized by the Accountant General, Punjab.

(2) (a) The Accountant General, Punjab, shall authorize the payment of balance of the gratuity after adjusting the amount if any, outstanding against the deceased Government employee;

Provided that the release of the gratuity shall not be withheld on account any delay in connection with or for want of sanction of the competent authority required under rule 10.16(v) of the Punjab Financial Rules, Volume I, in respect of writing off of the loans, any part thereof, or interest accrued thereon which remains unpaid at the time of death of the Government employee concerned. The release of the gratuity shall, however, be withheld to the case falls in any of the following categories:

(a) if the deceased Government employee is not survived by,--

(b) his wife or husband, as the case may be, or

(c) his sons, daughter, father, mother, minor brother and sister who are unemployed and were entirely dependent on the deceased Government employee as certificate by the Deputy Commissioner Concerned.

(d) The amount of gratuity withheld under clauses (vi) of sub—rule (1) of rule 6.30 shall be adjusted by the Accountant General, Punjab, against the out standing licence fee mentioned in clause (ix) of sub—rule (1) of the said rule and the balance, if any, refunded to the person or person to whom the gratuity has been paid.

(4) The fact of the issue of the pension payment order and order for the payment of balance of gratuity shall be promptly reported to the Head of Office and the document which are no longer required shall be returned to him.

(3) The Accountant General, Punjab, may authorize the payment of balance of gratuity even during the period of the currency of provisional family pension:

Provide that the amount of gratuity has been finally assessed and no recovery of Government dues is outstanding against the deceased Government employee.

(5) If the amount of provisional family pension as disbursed by the Head of Office is found to be in excess of the final family pension as assessed by the Accountant General, Punjab it shall be open to the Accountant General, Punjab to adjust the amount of pension payable in further.

(7)(a) If the amount of gratuity discharge by the Head of Office proves to be larger than the amount finally assessed by the Accountant General, Punjab, the beneficiary shall not be required to refund the excess.

(8) if the Licence fee has not been recovered up to the date of death and the family inter to retain Government accommodation for the permissible period of one years beyond the date of death of the Government employee, details

of the:-

- (a) period for which licence fee still remains to be recovered.
  - (b) The amount of licence fee in respect of the period mentioned in sub—clauses (a) above to be determined on the basic of the standard rent bill;
  - (c) The amount of licence fee the retention of Government accommodation by the family of the deceased Government employee for the concessional period of one years beyond the date of death of the Government employee to be determined on the basic of the standard rent bill.
    - (i) The amount of licence fee mentioned in sub—clauses (b) and (c) proposed to be recovered out of death—cum—retirement gratuity.
    - (iii) The Head of Office shall recover form the death—cum—retirement gratuity the amount of licence fe as intimated by the Account officer or Assistant Accountant Officer (Pents) under clauses(i).
    - (ii) The recovery of licence fee the occupation of Government occupation of Government accommodation beyond the permissible period of one years shall be the responsibility of Accountant Officer or Assistant Accountant Officer (Pents).
    - (iii) The Amounts Officer or Assistant Accountant officer (Rents) shall scrutinize their record with a view to determine if the licence fee other than the licence fee referred to in clauses (i) was outstanding against the deceased Government employee. If any outstanding recovery is found, the amount and period or periods to which the recovery or recoveries relate shall be communicated to the Head of Office within a period of these months of the receipt of intimation regarding the death of the Government employee under clauses (i) (c),
    - (iv) Pending receipt of information under clauses (v) the Head of Office shall withhold ten percent of the death—cum—retirement gratuity or one thousand rupees whichever is less.
    - (v) If no intimation is received by the Head of office within the period specified under clauses (v) regarding the recovery of the licence fee, it shall be presumed that nothing was recoverable form the deceased Government employee and the withheld amount of gratuity shall be refunded to the person of person to whom the amount of death—cum—retirement gratuity was paid.
    - (vi) If the Head of Office has received intimation from the Accountant officer or Assistant Accountant Officer or Assistant Accountant Officer (Rent) under clauses (v) regarding licence fee outstanding against the deceased Government employee, the Head of Office shall verify form the acquitance rolls if the outstanding amount of licence fee was recovered form the pay and allowances of the deceased Government employee. If as a result of verification it is revealed that the amount of licence fee shown as outstanding by the Account Officer or Assistant Accounts officer (Rent) had already been recovered, the Head of Office shall draw the attention of the Accounts Officer or Assistant Account Officer (Rent) to the pay bills, under which the necessary recovery of the licence fee was made and take steps to refund the withheld amount of the gratuity to the person or person to whom the death-cum-; retirement gratuity was paid.
    - (vii) If the outstanding amount of license fee was not recovered form the pay and allowance of the deceased Government employee, the outstanding amount shall be adjusted against the amount of the gratuity withheld under clauses (vi) and the balance, if any, refunded to the person or person to whom the amount of death—cum—retirement gratuity was paid.
- (2) Dues other than those referred to in sub—rule (1).—On receiving an intimation regarding the death

of the Government employee, the Head of Office shall take steps to ascertain if any dues as referred to in rule 9.2—A, excluding the dues pertaining to occupation of Government accommodation were recoverable from the deceased Government employee. Such ascertainable dues shall be recovered from the amount of death—cum—retirement gratuity becoming payable to the family of the deceased Government employee.”

Note 7. —Where a pensioner who is reemployed in Government service elects in term of rule 7.13 and rule 7.19 to retain his pension for earlier service and whom pay on reemployment, has been reduced by the amount not exceeding his pension, the element of pension by which his pay is reduced shall be treated as emoluments for the purpose of pension and gratuity.

**6.20 & 6.21.** Omitted.

### **B. —EMOLUMENTS NOT RECKONING FOR PENSION**

**6.22 & 6.23.** Omitted.

### **C. —AVERAGE EMOLUMENTS**

6.24. (i) The term “average emoluments” means the average calculated upon the last ten\* months of qualifying service.

Note. —Average emoluments should be worked out wholly in rupees by converting sterling over sea’s pay into rupees at the rate of 5.27 new pence. To the rupees of the rate in force from time to time.

(2) If during the last ten month of his service a Government employee has been event form duty on leave with leave salary, and also on extraordinary leave which counts for pension 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 had he not been absent form duty or suspended: provided always that, except as provided in Note 1, his pension must not be increased on account of increase in pay not actually drawn.

Note. —In the case of a Government employee who during the currency of leave preparatory to retirement up to 180 days on full pay was on earned leave during the last ten months of service had earned an increment which was not withheld during the currency of the earned leave not exceeding one hundred and twenty days, or during the first one hundred and twenty days of any period of earned leave exceeding one hundred and twenty days, such increments, through not actually drawn, shall be including in the average emoluments.

(3) If, during the last ten months of his service, a Government employee has been absent form duty on leave without leave salary (not counting for pension), or has been in class IV service, or has been suspended under such circumstance that the period of suspension does not count as service, the period so passed should be disregarded in the calculation of the average emoluments, and an equal period before the ten months should be included.

(4) In the case of Government employee who are allowed to count their Military service for civil pension under

rule 4.3 the average emoluments should be calculated on the basis of pay drawn in the Civil the Military Department during the last ten\*months of service and the break, if any, between the Military service and the Civil service should be disregarded and an equal period before the ten\*months should be included.

(5) Period of joining time which fall within the last ten\*months of a Government employee's service should form part of ten\*months for the purpose of "average emoluments".

In case of joining time falling under clauses (a) and (b) of rule 9.15 of Volume I of these rules, where the pay of a particular post is drawn, the actual 'emoluments' (not the actual joining time allowances) drawn should be taken for the purpose of average emoluments In case of joining time falling under clauses (b) of the said rule, the emoluments for calculation of average emoluments should be taken at what they would have been had the Government employee not been on joining time.

(6) Omitted.

(7) Except as provided in clauses (2) to (6) above, only emoluments actually received can be including in the calculation. For example, When a Government employee is allowed to count time retrospectively towards increase of pay, but does not receive intermediate are not reckoned in the calculations.

(8) In the case of section writers whose service has been allowed to count for pension and Press employees whose service qualifies under rule 3.28 "average emoluments" means the average earnings of the seventy—two months in superior service.

Note 1. —This clause applies in the case of Press employee remunerated by a fixed rate of pay if hit Pay is met form the grant for piece—work .

Note 2. —Overtime earning of Press employees paid at piece—work rates may be taken in to account in calculating average emoluments under this clauses; but such earnings must be excluded in reckoning the average emoluments of Press employees (who draw pay at fixed rates).

If during the last 72 months of service a Press employee has been for some period on fixed pay and for other period a piece—work employee overtime earning may be taken into account in calculating pension only for the period during which he was remunerated at piece work rates.

(9) Basic for calculation of pension in respect of seasonal establishment governed by rule 3.18. For purpose of calculating of average emoluments for pension, in respect of seasonal establishments, the whole of the last ten\*months of service including the period which count but during which no emoluments were drawn should enter into calculating and not merely the periods during which emoluments were drawn. The emoluments that should be taken into account under clauses (7) above be those actually during that period.



## CHAPTER – VII

### *Re-Employment Of Pensioners*

#### SECTION I. - General

- 7.1. No Government employee, civil or military, may retire with a view to being re-employed, and drawing pension in addition to pay, whether in Government service or in the service of any Local Fund.
- 7.2. When a person who was formerly in the civil or military employment of any Government in India obtains re-employment, whether, temporarily or permanently, in Government service or in the service of a Local Fund, it shall be incumbent on him to declare to the appointing authority the

Note:- The principle of this rule applies in the case of continued employment on retirement from Government service. The amount of the pension to be declared is that sanctioned originally, i.e., it shall be inclusive of any amount that may have been commuted (vide rules 7.5 and 7.6).

- 7.3. The attention of every Government employee who is re-employed should be specially called to the provisions of this Chapter by the authority re-employing him and whenever he becomes aware of such an appointment by the Accountant – General ; but the failure of such authority to do this will not be admitted as a ground for condoning any breach of the rules contained in this Chapter.
- 7.4. Notwithstanding anything contained in the rules in this Chapter, a wound or other extraordinary pension sanctioned under Chapter VIII of these rules and a wound or injury or disability pension or a disability addition to pension awarded under the Military rules shall continue to be drawn by a retired Government employee, civil or military, during re-employment or continued employment, and shall be subject only to the conditions of its award.

Note:- When the military pension is consolidated and service and disability elements are not explicitly differentiated, the total pension may be split up in the following manner. The service portion of the pension will be represented by the service pension earned, or, if no service pension has been earned, by the proportionate service pension calculated with reference to the minimum ordinary pension admissible for the rank and the actual length of service rendered. In calculating this service element an amount of fifty paise and over shall be taken as a whole rupee, amounts of less than fifty paise being ignored. The disability portion of the pension will be the balance.

- 7.5. In the case of a pensioner who is re-employed in Government service or in the service of a Local Fund and who commutes a portion of his pension after such re-employment, the amount of pension which the pensioner is entitled to draw under the rules in Section II of this Chapter shall be the amount to which he would have been entitled had there been no commutation, less the amount commuted.

In the case of a pensioner whose pension is held wholly in abeyance during such re-employment and who commuted a portion of his pension during this period, his pay, during re-employment shall be reduced by the amount of pension commuted, with effect from the date on which the commutation becomes absolute. In the case of a pensioner whose pension is held partly in abeyance during such re-employment and who during this period commutes a portion of his pension in excess of the portion actually drawn, his pay during re-employment shall be reduced, with effect from the date on which the commutation becomes absolute, by an amount representing the difference between the portion of pension commuted and the portion of pension drawn until the commutation.

7.6. In the case of a pensioner a portion of whose pension has been commuted before re-employment, the original amount of the pension should be taken in to consideration in fixing the total receipt during re-employment or continued employment and not merely the un-commuted pension.

## **SECTION - II**

### **Re-Employment of Civil Pensioners**

#### **A- GENERAL**

7.7 The rules in this Section do not apply to pensioners re-employed under the Court of Wards.

7.8 Omitted.

7.9. Omitted.

#### **B- AFTER COMPENSATION OR INVALID GRATUITY**

7.10. A Government employee who has retired from Government service with a compensation gratuity or who has retired with an invalid gratuity but is sufficiently restored to health, if re-employed, in qualifying service, may either retain his gratuity, in which case his former service will not count for future pension, or refund it and count his former service.

7.11. The intention to refund gratuity must be stated immediately on re-employment; but the refund may be made by monthly instalments of not less than one –third of his pay, and also not less than the whole gratuity divided by the number of months which have elapsed since the end of the service for which the gratuity was given. The right to count previous service shall not revive till the whole gratuity is refunded. He need not refund a gratuity given under rule 5.9 in lieu of notice of discharge unless the period of unemployment falls short of three months. In the latter case he may retain a portion of the gratuity equal to the proportion which the period of unemployment bears to three months. If the Government employee is re-employed only temporarily he need refund no part of his gratuity; but if such temporary employment is foreseen the gratuity should be proportionately reduced.

Note:- The equity of this rule is based upon the consideration that so long as the refund of the gratuity is postponed,

the Government employee avoids risk and the Government loses the possibility of the gratuity lapsing absolutely to the public treasury by the death or dismissal of the Government employee. A subsequent refund of a gratuity, even with compound interest does not compensate the Government for the loss of this possibility meanwhile.

7.12. Omitted.

### C- AFTER COMPENSATION PENSION

7.13. A Government employee who has obtained a compensation pension, if re-employed, may retain his pension in addition to his pay : provided that if he is re-employed in a post paid from the Government revenue, the pension shall remain wholly or partly in abeyance, if the sum of the pension and the initial pay on re employment exceeds his substantive pay immediately before retirement, that is, a Government employee can draw so much of pension only as will make his initial pay plus pension equal to his substantive pay at the time of his retirement. Once the amount of the pension has been fixed in conformity with the above conditions the Government employee shall be entitled to receive the benefit of increments in his new scale or promotion to another scale or post without a further corresponding reduction in pension; nor shall the amount of pension so fixed be varied during leave. In the case, however of a pensioner re-employed in either a permanent or a temporary post, for bona fide temporary duty lasting for not more than a year, the Government or, in cases where the pension does not exceed Rs. 40 a month, the authority which controls the establishment on which the pensioner is to be employed may allow the pension to be drawn in whole or in part even though the sum total pay and pension exceeds his substantive pay at the time of his retirement.

Note 1: In the case of a section-writer whose service has been allowed to qualify the pension under special orders of the competent authority or of a Press servant (see rule 3.28) re-employed, the substantive pay at the time of discharge is taken at the average earnings of the last six months of employment.

Note 2. - This rule applies to the re-employment on all establishments paid from the Government revenues, whether paid by fixed pay or by fluctuating monthly allowances, but it does not apply to pensioners employed on work as coolies on daily wages.

Note 3. - In the case of re-employment under a Local Fund, no deduction is made from a compensation pension.

Note 4. - The competent authority may permit a Government employee who had obtained a compensation pension and is afterwards re-employed in a permanent or temporary post duty sanctioned by competent authority, to draw his full pension in addition to the pay and allowances of the post irrespective of the period of such re-employment.

Note 5.- The restrictions in this rule do not apply to ex-policemen whose pension does not exceed Rs. 40 a month.

Note 6. - A re-employed Government employee is a new entrant and is therefore, not entitled to Sterling Overseas Pay unless it is admissible in similar circumstances if a new entrant is recruited. As regards the fixation of initial pay on re-employment, there are two limiting conditions :-

- (a) The pay of the post in which a Government employee is re-employed, and
- (b) The substantive pay of the Government employee at the time of retirement.

Substantive pay has to be interpreted in terms of rule 2.55 of the Punjab Civil Services Rules, Volume I, Part I.

While there is no obligation to give a Government employee re-employed, pay (including pension) equal to substantive pay (including overseas pay) drawn by him before retirement the rules permit a Government employee being allowed so much of pension as will, with initial pay, equal to substantive, pay, the fixation of pay being a matter fully within the discretion of the competent authority.

7.14. If the re-employment is in qualifying service, the Government employee may either retain his pension (subject to the proviso stated in rule 7.13) in which case his former service will not count for future pension, or cease to draw any part of his pension and count his previous service. Pension intermediately drawn need not be refunded.

Note. - A Government employee counts his previous service under this rule if on re-employment his pension remains wholly in abeyance under the proviso to rule 7.13.

7.15. If a Government employee does not within three months from the date of his re-employment, exercise the option conceded by rule 7.14, of ceasing to draw pension and counting his former service, he can not, thereafter, do so without the permission of the competent authority.

#### D – AFTER INVALID PENSION

7.16 There is no bar to the re-employment of a Government employee who has regained health after obtaining Invalid Pension, or if a Government employee is invalidated as being incapacitated for employment in a particular branch of the service, to his-re-employment, in some other branch of the service. The rules in such a case as to refunding gratuity, drawing pension, and counting service, are the same as in the case of re-employment after compensation pension.

Note. Omitted.

#### E - AFTER SUPERANNUATION OR RETIRING PENSION

7.17 A Government employee who is in receipt of a superannuation or retiring pension shall not be re-employed or continue to be employed in service paid from the Government revenues or from a Local Fund, except on public grounds and in a purely temporary capacity with the sanction of the competent authority.

**Note.** -A competent authority may declare that the restrictions contained in this rule shall not apply to any particular local fund or to Local Funds of any particular class or that they shall apply subject to such modifications as it may direct.

7.18 The authority competent to fix the pay and allowances of the post in which the pensioner is re-employed shall determine whether his pension shall be held wholly or partly in abeyance. If the pension is drawn wholly or in part, such authority shall take the fact into account in fixing the pay to be allowed to him.

7.18 (a) Pay on re-employment of civil pensioner will be fixed as per pay last drawn subject to the maximum of the pay scale in which re-employed. Original pension he will continue to draw his pension separately.

(b) Pay on re-employment of Military Pensioner will be fixed at the minimum of the scale of pay of the post in which he re-employed. He will continue pension separately.

Note 1. - A Head of Department when delegated powers under rule 7.17, may not allow the pensioner to draw full pension in addition to the full pay of the post except when the re-employment or continued employment is for bonafide temporary duty lasting for not more than one year or the pension does not exceed Rs. 50 a month. When the power is delegated to any other subordinate authority such authority may not allow the pensioner to draw in full a pension of more than Rs. 50 a month, in addition to the full pay of the post. Where the pension exceeds Rs. 50 a month such authority may also the pensioner to draw a pension of Rs. 50 a month in addition to the full pay of the post.

Note 2. - Where the employment is in service paid from a Local Fund authority determining whether the pension shall be, wholly or partly, held in abeyance shall be either :-

(i) The authority administering the Local Fund, if so empowered by the competent authority by special or general orders in this behalf ; or

(ii) In any other case such other authority as the competent authority may prescribe.

(iii) The provisions of Note 4 below apply mutatis mutandis to retired Government employees re employed under Local Funds.

Note 3. - (a) In determining the pay of a re-employed pensioner the following principles shall be observed namely:-

- (i) the pay must not exceed the substantive pay drawn immediately before retirement or the maximum of the scale applicable to the post in which the Government employee is re-employed whichever is less and pension which is non-effective pay, shall not ordinarily be allowed in addition :

Provided that if the pension does not exceed Rs. 50 p.m. the entire amount of pension and where it exceeds Rs. 50 per month the first Rs. 50 shall not be taken into account in fixing the pay on re-employment.

- (ii) if in any case pension is allowed in addition to pay, the pay plus pension including commuted portion, if any, shall not exceed the substantive pay drawn immediately before retirement or the maximum of the post in which he is re-employed, whichever is less.

- (b) In fixing the pay in accordance with the above principle, the pension 'equivalent' of the death-cum-retirement gratuity should always be taken into account, in case of retirement Government employees who before re-employment were governed by the New Pension Rules or had opted for the modified pension rules,

The pension equivalent of the death-cum-retirement gratuity will be determined on the basis of the commutation table applicable to the Government employee at the time of retirement:-

Provided that in cases where death-cum-retirement gratuity or anticipatory death-cum-retirement gratuity can not actually paid to the retired Government employee during the period of re-employment or a part thereof, 'the pension equivalent' to that unpaid amount of death-cum-retirement gratuity will not be accounted for and will not be deducted from the pay admissible to the retired Government employee during that period of re-employment or a part thereof, as the case may be, provided no delay is caused in the authorization of the amount of death-cum-retirement gratuity because of the failure on the part of the employee to comply with procedure for furnishing such information and such particulars to the Head of office in the absence of which it is not possible to issue an authority for payment of gratuity.

Provided further that if a Government employee while holding a permanent post in a substantive capacity has officiated in a higher post or has held a higher temporary post continuously for not less than ten months, prior to his retirement, the pay drawn by him in an officiating capacity at the time of retirement will be treated as substantive pay for the purpose of determining his pay on re-employment.

Note 4. - It is permissible to allow commutation of a portion of pension, within admissible limits, even when the pension is held wholly in abeyance and even if, in cases where it is held partly in abeyance, the amount of pension desired to be commuted exceeds the amount of pension actually drawn. If a pensioner, whose pension is held wholly in abeyance commutes his pension, his pay during re-employment will be reduced from the date the commutation becomes effective, by the amount of pension commuted. If, however, the commutation is in respect of a pension partly held in abeyance, that portion of the pension which is actually drawn during re-employment, will first be set off against commutation and if

the pension drawn is not sufficient to cover the amount to be commuted, the different will be set off against the portion held in abeyance, a corresponding reduction being made in the pay during re-employment with effect from the date the commutation becomes effective.

Note 5. - In the case of a Government employee retiring under Contributory Provident Fund benefits, the pension equivalent of the total contribution payable by Government along with the interest due thereon should be taken into account for the purpose of determining his pay during re-employment. The pension equivalent in such cases should also be determined by applying the current Table of Commutation of Pension as in the case of Death-cum-Retirement Gratuity.

### **SECTION III - Re-Employment of Military Pensioners**

Substituted vide Notification No.6/287/IFPH/5305 dated 8/21 July, 1993.

7.19 Omitted.

7.20 Omitted.

### **SECTION IV - Pension For New Service**

7.21 Except as provided in Section III, a Government employee who, having been discharged with a pension, is subsequently re-employed, may not count his new service for a separate pension. Pension (if any) is admissible only for the new service combined with the old, the whole being counted as one service.

7.22 If a Government employee who has obtained a compensation or invalid pension is re-employed in pensionable service and retains the pension (see rules 7.13, 7.14 and 7.16), the pension or gratuity admissible for his subsequent service is subject to the following limitation, namely, that the gratuity or the capital value of the pension shall not be greater than the difference between the value of the pension that would be admissible at the time of the Government employee's final retirement, if the two periods of service were combined and the value of the pension already granted for the previous service.

Note. - The capital value of the pension granted for the previous service should be calculated on the basis of the age of the Government employee on the date of the final retirement from service.

7.23 (a) If a gratuity received for the earlier service has not been refunded, gratuity or pension (as the case may be) may be allowed for the subsequent service, on the condition that the amount of such gratuity or the present value of such pension plus the amount of the previous gratuity shall not exceed the amount of gratuity or the present value of the pension that would have been admissible had the gratuity received for the earlier service been refunded.

(b) If the amount of such gratuity or the present value of such pension, plus the amount of the previous

gratuity, exceed the amount of gratuity or the present value of the pension that would have been admissible if the gratuity received for the earlier service had been refunded, the excess must be disallowed.

7.24 For the purpose of rules 7.23 and 7.24, the capital or present value of a pension shall be calculated in accordance with the Tables under the rules in Chapter XI.

## SECTION V - Commercial Employment After Retirement

7.24.1 (1) If a pensioner who immediately before his retirement was a member of the State Services Class I, wishes to accept any commercial employment before the expiry of two years from the date of his retirement, he shall obtain the previous sanction of the Government to such acceptance by submitting an application in Form Pen. 19 :

Provided that a Government employee who was permitted by the Government, and in the of Vidhan Sabha Secretariat employee excluding the Secretary Vidhan Sabha, by the Speaker, to take up a particular form of commercial employment during his leave preparatory to retirement or during the period of refused leave shall not be required to obtain subsequent permission for his continuance in such employment after retirement.

(2) Subject to the provisions of sub-rule(3) the Government may, by order in writing, on an application made under sub-rule (1) by a pensioner, grant, subject to such conditions, if any, as it may deem necessary, permission, or refuse for reasons to be recorded in the order, permission, to such pensioner to take up the commercial employment specified in the application.

(3) In granting or refusing permission under sub-rule (2), to a pensioner for taking up any commercial employment, the Government shall have regard to the following factors, namely :-

- (a) the nature of the employment proposed to be taken up and the antecedents of the employer ;
- (b) whether his duties in the employment which he proposes to take up might be such as to bring into conflict with Government;
- (c) whether the pensioner while in service had any such dealing with the employer under whom he proposes to seek employment as might afford a reasonable basis for the suspicion that such pensioner has shown favours to such employer;
- (d) whether the duties of the commercial employment proposed involve liaison or contact work with Government department;

- (e) whether his commercial duties will be such that his previous official position or knowledge of experience under Government could be used to give the proposed employer an unfair advantage;
  - (f) the emoluments offered by the proposed employer; and
  - (g) any other relevant factor.
- (4) Whether the Government grants the permission applied for subject to any conditions or refuses such permission, the applicant may, within thirty days of the receipt of the order of the Government to that effect, make a representation against any such condition or refusal as the case may be, and the Government may make such orders thereon as it deems fit :

Provided that no order other than an order canceling such condition or granting such permission without any conditions shall be made under this sub-rule without giving the pensioner making the representation a reasonable opportunity to show cause against the order proposed to be made.

- (5) If any pensioner takes up any commercial employment at any time before the expiry of two years from the date of his retirement without the prior permission of the Government or commits a breach of any condition subject to which permission to take up any commercial employment has been granted to him under this rule, it shall be competent for the Government to declare by order in writing and for reasons to be recorded therein that he shall not be entitled to the whole or such part of the pension and for such period as may be specified in the order :

Provided that no such order shall be made without giving the pensioner concerned a reasonable opportunity of showing cause against such declaration :

Provided further that in making any order under this sub-rule, the Government shall have regard to the following factors, namely :-

- (i) the financial circumstances of the pensioner concerned;
  - (ii) the nature of and the emoluments from, the commercial employment taken up by the Pensioner concerned ; and
  - (iii) any other relevant factor.
- (6) Every order passed by the Government under this rule shall be communicated to the pensioner concerned ;

(7) In this rule. -

(a) the expression commercial employment means :-

(i) an employment in any capacity including that of an agent, under a company, co-operative Society, firm or individual engaged in trading, commercial, industrial, financial or professional business and includes also a directorship of such company and partnership of such firm, but does not include employment under a body corporate, wholly or substantially owned or controlled by the State Government ;

(ii) setting up practice, either independently or as a partner of a firm, as adviser or consultant in matters in respect of which the pensioner -

(1) has no professional qualifications and the matters in respect of which the practice is to be set up, is carried on are relatable to his official knowledge or experience, or

(2) has professional qualifications but the matters in respect of which such practice is to be set up are such as are likely to give his clients an unfair advantage by reasons of his previous official position ; or

(3) has to undertake work involving liaison or contact with the offices or officers of the Government. For the purpose of this clause the expression 'employment under a co-operative society' includes the holding of any office, whether elective or otherwise, such as that of President, Chairman, Manager. Secretary, Treasurer and the like, by whatever name called in such society ;

(b) the expression 'date of retirement' in relation to a, Government employee re-employed after retirement, without any break, either in the same or in another class I post or in any other equivalent post under a State Government, means the date on which such Government employee finally ceases to be so re-employed in Government service."

3. In the said rules, after Form Pen. 18, the following Form shall be added namely :-

**"Form Pension 19"**

**[Referred to in rule 7.26 (1)]**

**Form of application for permission to accept commercial employment within a period of two years after retirement**

1. Name of the official

(in block letters)

2. Date of retirement
3. Particulars of the Department/ Offices in which the official served during the last 5 years preceding retirement (with duration) -

Name of Department / Office	Post held	Duration	
		From	To

4. Post held at the time of retirement and period for which held
5. Pay scale of the post and pay drawn by the official at the time of retirement.
6. Pensionary benefits

Pension expected/ sanctioned (commutation, if any, Gratuity, if any, should be mentioned)

7. Details regarding commercial employment proposed to be taken up.
  - (a) Name of the firm/ company/ co-operative society, etc.
  - (b) Products being manufactured by the firm/ type of business carried out by the firm, etc.
  - (c) Whether the official had during his official career, any dealings with the firm, etc.
  - (d) Duration and nature of the official dealings with the firm
  - (e) Name of the Job/ post offered.
  - (f) Whether post was advertised, if not, how was offer made (attach newspaper cutting of the advertisement, and a copy of the offer of appointment, if any)
  - (g) Description of the duties of the job/ post.

- (h) Remuneration offered for post/ job
- (i) If proposing to set up a practice, indicate --
  - (a) Professional qualification in the field of practice
  - (b) Nature of proposed practice.

8. Any information which the applicant desired to furnish in support of his request

9. Declaration :

I hereby declare that --

- (i) the employment which I propose to take up will not bring me into conflict with Government ;
- (ii) my commercial duties will not be such that my previous official positions or knowledge or experience under Government could be used to give my proposed employer and unfair advantage ;
- (iii) my commercial duties will not involve liaison or contact with the Government departments.

Signature of the Applicant

Dated:

Address \_\_\_\_\_

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## SECTION VI. - Employment Under Government Outside India After Retirement

- 7.27 (a) If a pensioner to whom this rule applies wishes to accept any employment under a Government outside India he should obtain the previous sanction of competent authority to such acceptance. No pension shall be payable to a pensioner who accepts such an employment without proper permission, in respect of any period for which he is so employed or such longer period as the competent authority may direct :

Provided that a Government employee permitted by the competent authority to take up a particular form of employment under a Government outside India during his leave preparatory to retirement shall not be required to obtain subsequent permission for his continuance in such employment after retirement.

- (b) This rule shall apply to every pensioner, who immediately before retirement was a member of the Provincial Service, Class I.
- (c) For the purpose of this rule "employment under a Government outside India" shall include employment under a Local authority or Corporation or any other Institution or Organisation which functions under the supervision or control of a Government outside India.

### CHAPTER-VIII

#### Wound and other Extraordinary Pensions

##### SECTION- 1

##### Extent Of Application

- 8.1 Pay for the purposes of this Chapter means pay as defined in rule 2.44 of the Punjab C.S.R., Vol. I (Part I), which a person was drawing on the date of his death or injury : provided that in the case of persons remunerated by piece-work rates, pay means average earnings of the last six months of service ending with the date of his death or injury.

Note 1. - Article 320 of the Constitution of India provides that the Public Service Commission should be consulted on claims for the award of injury pensions and as to the amount of such awards. It is, therefore, necessary to consult the Commission on every claim by or in respect of a person, who is or was under the rule making control of the Punjab Government for the award of a pension or gratuity under the rules in this Chapter. The following supplementary instructions should be observed when the Punjab Public Service Commission is consulted in respect to claims for the award of injury pension :-

- (i) the Commission should be consulted after the departments concerned have expressed their views on a case;
- (ii) the point of reference to the Commission should inter alia be, whether in their opinion the award of any pension, gratuity, etc., is admissible, and, if so, the amount thereof;

- (iii) any such reference to the Commission should be in the form of an official letter with which the relevant papers should be forwarded and except as stated in Note 2 below, the convention regarding the acceptance of the advice of the Commission should apply in these cases.

Note 2. -All cases of ex-gratia awards of extraordinary pension shall be referred to the Punjab Public Service Commission. If the Commission considers that a claim is covered by rules and recommend an award it will be open to the competent authority to examine the position before accepting the recommendation. If the competent authorities are satisfied that the case is covered by the rules, it will accept the Commission's recommendations as to the amount of the award. In cases when the Commission are satisfied that the award is admissible under the rules, but would recommend as ex-gratia payment, they will not make any recommendation about the amount of payment. The competent authority will in that case retain discretion after giving all due weight to the Commission's recommendations whether or not to make any ex gratia payment and to determine the amount of such payment.

## SECTION 2

### General

8.2 to 8.24. Omitted.

8.25 The rules in this section shall apply to all persons paid from Civil estimates, other than those to whom the Workmen's Compensation Act, 1923 (VIII of 1923), applies whether their appointment is permanent or temporary, on time scale of pay or fixed pay of piece-work rates.

Note . -No ward shall be made under these rules in respect of Civilian Officer who is deputed on foreign service under United Nations bodies on or after 1<sup>st</sup> January, 1958, and who is allowed to join the United Nations Joint Staff Pension Fund as an "Associate Member".

8.26 For the purposes of the rules in this Section unless there is anything repugnant in the subject or context --

(1) "accident" means --

(i) a sudden and unavoidable mishap ; or

(ii) a mishap due to an act of devotion to duty in an emergency arising otherwise than by violence out of and in course of service ;

(2) "date of injury" means --

- (i) in the case of accident or violence, the actual date on which the injury is suffered or such date, not being later than the date of the report of the Medical Board, as the competent authority may fix ; and
- (ii) in the case of disease, the date on which the Medical Board reports or such earlier date as may be fixed by the competent authority with due regard to the opinion of the Medical Board;

(3) "disease" means --

- (i) venereal disease or septicemia where such disease or septicemia is contracted by a medical officer as a result of attendance in the course of his official duty on an infected patient or of conducting a post-mortem examination in the course of that duty; or
  - (ii) disease solely and directly attributable to an accident ; or
  - (iii) an epidemic disease contracted by an officer in consequence of his being ordered on duty to an area in which such disease is prevalent, or in consequence of his attending voluntarily, out of humanitarian motives, upon any patient suffering from any such disease in any area where he happens to be in the performance of his duties ;

(4) "injury" means bodily injury resulting from violence, accident or disease assessed by a Medical Board as being not less than severe ;

*Note. - Examples of injuries of certain categories are given in Schedule I to this section.*

(5) "Pay" means the pay as defined in rule 2.44 in Volume I of these rules which a person was drawing on the date of his death or injury.

Provided that in the case of a person remunerated by piece-work rate, "pay" means the average earnings of the last six months of service ending with the date of his death or injury.

(6) "risk of office" means any risk, not being a special risk, or accident or disease to which a Government employee is exposed in the course of and as a consequence of his duties, but nothing shall be deemed to be a risk of office which is a risk common to human existence in modern conditions in India unless such risk is definitely enhanced in kind or degree by the nature, condition, obligations or incidents of Government service;

A reference is invited to the subject noted above and to say that the matter regarding the revision of procedure and rates for the grant of Extraordinary Pension/ awards as laid down in Chapter VIII of Punjab Civil Services Rules, Volume II has been considered by the Government in the light of the recommendations of the Third Punjab Pay Commission. The President of India is pleased to revise the various provisions relating to the grant of benefits /

awards under the extraordinary pension Rules are as follows:-

(7) The salient features of revised extra-ordinary pension rules with effect from 1.1.86 are as under:-

(i) the existing classification of 'Risk of Office' and 'Special Risks' and determination of the quantum of award on this basis is abolished. The basic criteria under these rules shall be whether death or disability is attributable to service or aggravated by service. The existing classification of injuries has been abolished and the disabilities as mentioned in the Workmen's Compensation Act shall be taken into account and the same have been explained in the Annexure.

(ii) Instead of sanctioning separate family pensions under the extraordinary pension rules, to widow/ widower, children pension, one consolidated pension to the senior most beneficiary at a time on the basis of normal family pension rules (rule 6.17 of Punjab C.S.R. Vol.II) shall be granted. The rates of consolidated family pension under these rules inclusive of the element of children pension/ children education allowance shall be as follows irrespective of the service rendered by the deceased :-

(A) Where the deceased Government employee does not hold a pensionable post :-

<b><u>Pay in the revised scale</u></b>	<b><u>Rate of Family Pension</u></b>
Upto 1500/-	48% of pay subject to a minimum of Rs.375/-
From Rs.1501 to Rs.3000/-	30% of pay subject to a minimum of Rs.600/-
Above Rs.3000/-	20% of pay subject to a minimum of Rs.900/- p.m. and maximum of Rs.1500/- p,m.

(B) Where the deceased Government employee holds a pensionable post :-

<b><u>Pay in the revised scales</u></b>	<b><u>Rate of Family Pension</u></b>
Upto Rs.1500/-	60% of pay subject to a minimum of Rs.750/-
From Rs.1501/- to Rs.3000/-	40% of pay subject to a minimum of Rs.900/-

Above Rs.3000/-

30% of pay subject to a minimum of Rs.1200/- and a maximum of Rs.2500/-.

- (iii) The procedure for payment of family pension under these rules to the members of the families of the deceased shall be the same as is in vogue in the case of normal family pension under rule 6.17 of Punjab CSR Vol. II. Where the deceased has left neither widow nor child, total pension at one-half rate of the pension admissible to the family of the deceased shall be paid to the dependent parents, sisters and brothers jointly or individually on production of a certificate of dependence issued by the Deputy Commissioner concerned.
- (iv) If the disability due to cause attributable to service is 60% and above, and the employee is permanently incapacitated, he may be given the option to have his pension determined in the manner provided in either of the following two alternatives :--

**Pay in the revised scales**

**Rate of Family Pension**

- |                                  |  |
|----------------------------------|--|
| (i) Upto Rs.1500/-               | 60% of pay subject to a minimum of Rs.750/-                              |
| (ii) From Rs.1501/- to Rs.3000/- | 40% of pay subject to a minimum of Rs.900/-                              |
| (iii) Above Rs.3000/-.           | 30% of pay subject to a minimum of Rs.1200/- and a maximum of Rs.2500/-. |

OR

Invalid pension under normal rules, (Rule 5.11 of Pb. CSR Vol. II) and in addition one time compensation of Rs.20,000/- for the injury.

Where an employee with a disability of 60% and above is retained in service, he should only be paid one time compensation of Rs.20,000/- for the disability. However, he shall be entitled to usual pensionary benefits under the normal rules.

- (v) If the disability due to cause attributable to service is 60% one time compensation shall be granted at the following rates, which shall be in addition to usual pensionary benefits admissible under the rules :-

- (a) Where disability is between 20% to 40% the amount of compensation shall be Rs. 5000/-.
- (b) Where disability is above 40% and below 60% the amount of compensation shall be Rs. 10,000/-.

(vi) The rate of family pension to the dependents of private individuals, under the extraordinary pension rules, in the case of death and disability pension for a disability of 60% and above shall be Rs. 375/- p.m. If the disability caused to a private individual is between 20% to 40% one time compensation of Rs. 5000/- and for the disability above 40% but below 60% one time compensation of Rs. 10,000/- shall be paid. The provisions under the Workman's Compensation Act, as adopted in the annexure, shall form the basis for determining the percentage of disability caused to a private individual.

(vii) The rates of Special family pension to the family of Government employee who, while performing his duties, dies as a result of attack by or during action against extremists, dacoits, smugglers and anti-social elements etc. shall be as under:-

(i) From the day Last pay drawn by the deceased employee at following the date of the time of his / her death death to the notional date of superannuation.

(ii) From beyond the notional date of superannuation.

**Pay of the Govt. Employee**

**Rate of Special Family Pension**

(a) Upto Rs.1500/-

60% of pay subject to a minimum of Rs.750/-

(b) From Rs.1501/- to Rs.3000/-.

40% of pay subject to a minimum of Rs.900/-

(c) Above Rs.3000/-.

30% of pay subject to a minimum of Rs.1200/- and a maximum of Rs.2500/-.

(viii) Where a pensioner is killed by extremists or anti-social elements etc., as a retaliation for some action taken by him against such extremists or anti-social elements etc., in the performance of his duty while in service, his family shall be granted special ex-gratia grant and special family pension at the same rates as are applicable to

the Government employees. The pay drawn by him at the time of retirement shall be reckoned for this purpose.

The Deputy Commissioner at the district where death has occurred shall certify that he has been killed by extremists or anti-social elements by way of retaliation.

- (ix) If a close relation of a Government employee or a pensioner i.e. wife/ husband, son, daughter, brother, sister, father or mother is killed/ disabled by extremists or anti-social elements etc., as a retaliation for any action taken by Government employee or pensioner in the performance of his duties while in service, the family of the deceased and in case disability is 60% and above, if he is not a State Government employee shall be granted family pension at one and a half times the rates applicable to private individuals mentioned in (vi) above. The Deputy Commissioner concerned of the district where death has taken place will certify that death has been caused by extremists or anti-social elements as a retaliation.
3. These orders take effect from 1<sup>st</sup> January, 1986.
4. Action in the matter may be taken according to the above mentioned decisions of the Government and the extraordinary pensions of the concerned persons may be fixed/ re-fixed in consultation with the Accountant-General, Punjab.
5. The relevant provisions of Punjab C.S.R. Volume-II shall be deemed to have been modified to this extent. Formal amendment to the relevant rules shall be made in due course.

(No.1/15/89-1FPIII/1261, dated, Chandigarh, the 13<sup>th</sup> February, 1990)

- 8.27 (i) Notwithstanding anything contained in these rules the degree of default or contributory negligence on the part of a Government employee may be taken into consideration in making an award under these rules in favour of such Government employee, but, shall not be taken into account where such award is made in favour of the family of such Government employee.
- (ii) No award shall be made under these rules except with the sanction of the competent authority.
- 8.28. Except as otherwise provided, an award made under these rules in this Section, shall not affect any other pension or gratuity for which the Government employee concerned or his family may be eligible under any other rules for the time being in force ; and the pension granted under the provisions of these rules shall not be taken into account in fixing the pay of pensioner on his continued employment or re-employment in Government service.
- 8.29. No award shall be made in respect of --

- (i) an injury sustained more than five years before the date of application ; or
- (ii) death which occurred more than seven years (a) after the injury due to violence or accident was sustained, or (b) after the Government employee was medically reported as unfit for duty on account of the disease of which he died.

8.30. All awards under these rules shall be made in India in rupees.

8.31. For the purpose of these rules injuries shall be classified as follows :-

Class A. - Injuries caused as a result of special risk of office which have resulted in the permanent loss of an eye or a limb or are of a more serious nature.

Class B. - Injuries caused as a result of special risk of office and equivalent, in respect of the degree of disablement which they cause to the loss of a limb or are very severe; or injuries caused as a result of risk of office which have resulted in the permanent loss of an eye or a limb, or are of more serious nature.

Class C. - Injuries caused as a result of special risk of office which are severe, but not very severe, and likely to be permanent or injuries caused as a result of risk of office which are equivalent, in respect of the degree of disablement which they cause, to the loss of a limb or which are very severe or severe and likely to be permanent.

*Example. - A rifleman was required by his Commanding Officer to cut down branches for fuel and had to climb a tree to reach branches. He fell down and was injured. He was exposed to greater risk by nature of the duties he was asked to do. The injury falls under clause (c) of this rule. Therefore under the provisions of rule 8.32 (3) read with clause 2(1) and 4(1) of that rule the rifleman is entitled to injury pension with effect from the date of injury.*

8.32. (1) If a Government employee sustains an injury which falls within a Class A of rule 8.31, he shall be awarded -

- (a) a gratuity of the applicable amount specified in Schedule II to this Section ; and
- (b) with effect from the date following the expiry of one year from the date of the injury --
  - (i) if the injury has resulted in the permanent loss of more than one limb or one eye, a permanent pension of the applicable amount specified in Schedule II for a higher scale pension : and
  - (ii) in other cases, a permanent pension the amount of which shall not exceed the applicable amount specified in Schedule II for a higher scale pension and shall not be less than half that amount.

- (2) If a Government employee sustains an injury which falls within Class B of rule 8.31, he shall be awarded --
- (i) if the injury has resulted in the permanent loss of an eye or a limb or is of more serious nature, a permanent pension, with effect from the date of the injury of an amount which shall not exceed the applicable amount specified in Schedule II for a lower scale pension and shall not be less than half that amount ;
  - (ii) in other cases --
    - (a) for a period of one year with effect from the date of the injury a temporary pension the amount of which shall not exceed the applicable amount specified in Schedule II for a lower scale pension and shall not be less than half that amount ; and thereafter
    - (b) pension within the limit specified in sub-clause (a) if the Medical Board from year to year certifies that the injury continues to be very severe.
- (3) If a Government employee sustains an injury which falls within Class C of rule 8.31, he shall be awarded a gratuity of the applicable amount specified in Schedule II, if the Medical Board certifies that the Government employee is likely to be unfit for service for a year, or a proportionate amount subject to a minimum of one quarter of the amount so specified if he is certified to be likely to be unfit for less than a year :

Provided that in cases where the injury is equivalent in respect of the degree of disablement which it causes to the loss of a limb the competent authority may award, if it thinks fit, in lieu of the gratuity a pension not exceeding the amount admissible under sub-clause (ii) of clause (2) of this rule.

- (4) A temporary pension awarded under this rule may be converted into a permanent injury pension --
- (i) when a Government employee is invalided out of the service on account of the injury in respect of which the temporary pension was awarded ; or
  - (ii) when the temporary pension has been drawn for not less than five years ; or
  - (iii) at any time, if the Medical Board certifies that it sees no reason to believe that there will ever be perceptible decrease in the degree of disablement.

8.33. Subject to the provision contained in Note 2 below rule 8.34(2) award shall be made to the widow and children of a Government employee as follows:--

- (i) if a Government employee is killed or dies of injury received as a result of special risk of office --
  - (a) a gratuity of the applicable amount specified in Schedule II to this Section ; and
  - (b) a pension the amount of which shall not exceed the applicable amount specified in Schedule III;
- (ii) If the Government employee is killed or dies of injuries received as a result of risk of office a pension the amount of which shall not exceed the applicable amount specified in Schedule III.

*Note 1. - The amount of pension is fixed separately for each member of a Government employee's family. If one member ceases to be entitled to it by any subsequent event, for example, marriage, etc., the pensions of the other members are not affected. In other words the provision to this rule comes into operation only at the time of announcing the compensation of the amount of pension and can not be revived again to bring the total amount to the maximum limits.*

*Note 2. - If Government employee dies leaving behind two or more widows the pension or gratuity admissible under this rule to the widow shall be divided equally among all the widows.*

*Note 3. - If a Government employee who dies as a result of special risk of office does not leave behind a widow eligible for pension under these rules, his children shall be granted the same amount of gratuity in equal shares as would have been admissible to the widow if she were alive.*

- 8.34. (1) If the deceased Government employee has left neither a widow nor a child, an award may be made to his father and his mother individually or jointly and in the absence of the father and the mother, to minor brothers and sisters, individually or collectively, if they were largely dependent on the Government employee for support and are in pecuniary need :

Provided that the total amount of the awards shall not exceed one-half of the pension that would have been admissible to widow under rule 8.33 :

Provided further that each minor brother's and sister's share shall not exceed the amount of pension specified in Schedule III for a 'child' who is not motherless.

- (2) Any award made under clause (1) of this rule will, in the event of an improvement in the pecuniary circumstances of the pensioner, be subject to review in such manner as the competent authority may by order prescribe.

*Note 1. - In sanctioning pensions to parents of deceased Government employees the sanctioning authorities should attach the following conditions :-*

- (i) *that the award is subject to review should the pecuniary circumstances of the pensioner change, and*
- (ii) *that any such change of circumstances is to be promptly reported by the pensioner to the sanctioning authority.*

*Note 2. - If any of the widows, children, father, mother or minor brothers or sisters is denied any share in the property of the Government employee under, a will or deed made by him, such a person shall be ineligible to receive any award under rules and the benefit will pass on to the next person eligible.*

8.35. (1) A family pension will ordinarily be tenable --

- (a)
  - (i) in the case of widow or mother until death or re-marriage whichever occurs earlier ;
  - (ii) in the case of a minor son, or minor brother, until he attains the age of 18;
  - (iii) in the case of an unmarried daughter or minor sister, until marriage or until she attains the age of 21 ; whichever occurs earlier ;
  - (iv) in the case of a father, for life.
- (b) Notwithstanding anything contained in sub-clause --
  - (a) a widow who remarries her deceased husband's brother and continues to live a communal life with or contributes to the support of other dependants of her deceased husband shall not be disqualified for the grant of extraordinary pension otherwise admissible to her under these rules.

*Note 1. - A family pension granted to a posthumous child should commence from the date of his/ her birth and not from the date of death of his/ her father.*

*Note 2. - The family pension of a widow will cease on re-marriage but when such re-marriage is annulled by divorce, desertion or death of the second husband her pension may be restored upon proof that she is in necessitous circumstances and otherwise deserving.*

8.36. (1) In respect of matter of procedure, all awards under the rules in this section are subject to the procedure rules relating to ordinary pensions for the time being in force to the extent that such procedure rules are applicable and are not inconsistent with these rules.

- (2) When a claim for any injury pension or gratuity or family pension arises, the head of the office or of the department, in which the injured or the deceased Government employee was employed, will

forward the claim through the usual channel to the Government with the following documents :-

- (i) A full statement of circumstances in which the injury was received, the disease was contracted or the death occurred.
- (ii) The application for injury pension or gratuity in Form Pen.6 or, as the case may be, the application for family pension in Form Pen.7.
- (iii) In the case of an injured Government employee or one who has contracted a disease a medical report in Form Pen.8, In case of a deceased Government employee a medical report as to the death or reliable evidence as to the actual occurrence of death if the Government employee lost his life in such circumstances that a medical report can not be secured.
- (iv) A report of the Accountant-General as to whether an award is admissible under the rules, and if so, of what amount.
- (v) Where the Government are satisfied on the evidence placed before them by a Government employee in respect of whom a medical report for the purpose of grant of injury or other extraordinary pension has been received by them of the possibility of an error of judgment in the decision of the Medical Board which examined him, the Government may direct a second Medical Board consisting of members other than those who constituted the first Medical Board to examine the officer and submit a report to the Government in the matter ; pension shall be granted to the officer in accordance with the decision of the second Medical Board.

8.37. Subject to such conditions as it may think fit to impose, a competent authority may grant to a Government employee who has been severely injured or has contracted a serious disease in the execution of public duty, or to the family of the Government employee who has died from the effects of such injury or disease, an extraordinary pension which will not, save in most exceptional circumstances, exceed Rs.25 a month, or a gratuity not exceeding the equivalent of that amount or Rs.1,000 whichever may be greater.

*Note . - A gratuity or pension may be granted under this rule to a village watchman or his family event though he receives no pay from Government.*

## Grant of Pension to Dependents of Private Individuals

8.28. The following conditions shall regulate the grant of pensions to the dependants of private individuals who are killed while assisting State authorities in their task of maintaining law and order :-

- (1) Pensions will be granted only in exceptional circumstances to the dependants of private individuals who are killed while engaged in operation of exceptional risk such as the dispersal of unlawful assemblies, suppression of riot, the arrest of dangerous criminals or fighting dacoits or raiders across the border.
- (2) No pension will be sanctioned except after the necessary medical report and the report of the Accountant-General have been obtained : Provided that if the individual lost his life in circumstances which render it impossible to procure a medical report reliable evidence of the actual occurrence of death may be accepted in lieu thereof.
- (3) (a) When any claim for pension under these orders arises, the Inspector-General of Police or the Head of Department in which the claim arises will hold a formal enquiry, taking evidence as to –
  - (i) the circumstances in which the life was lost,
  - (ii) the relationship and the pecuniary circumstances of the claimants.
- (a) He will then submit the case, with a statement of the circumstances, through the usual channel to the Finance Department. The application should be in the Form Pen. 2-A.
- (4) Awards shall be made to the widows and children as follows subject to a total maximum of Rs.25 per mensem :-
  - (a) widow at a rate not exceeding Rs.12 per mensem ;
  - (b) Children --
    - (i) if the child is motherless, Rs.6 per mensem,
    - (ii) if the child is not motherless, Rs.4 per mensem :

Provided that if the total of pensions as calculated above exceeds Rs.25 per mensem the competent authority may at its discretion make such modification in the mode of allotment as to restrict the total of the pensions to Rs.25 per mensem.

- (5) (1) If the deceased has left neither a widow nor a child, an award may be made to his father and his mother, individually or jointly, and in the absence of the father and the mother, to the minor brothers and sisters individually or collectively, if they were largely dependent on the deceased for support and are in pecuniary need :

Provided that the total amount of the awards shall not exceed Rs. 10 per mensem in the case of the father and mother and that each minor brother's and sister's share shall not exceed the amount of pension admissible to a child who is not motherless : Provided further that the maximum pension in the case of minor brothers and sisters shall not exceed Rs.16 per mensem. If, however, the pension so calculated exceeds Rs.16 per mensem, the competent authority may at its discretion make such modification in the mode of allotment as to restrict the total of the pension to Rs.16 per mensem.

- (2) Any award made under clause (1) of this rule will, in the event of any improvement in the pecuniary circumstances of the pensioner be subject to review in such manner as the Finance Department may by order prescribe. In sanctioning pensions to parents of the deceased, the following conditions should be attached --

- (a) that the award is subject to review should the pecuniary circumstances of the pensioner improve ; and
- (b) that any such change of circumstances is to be promptly reported by the pensioner to the sanctioning authority.

- (6) (1) A family pension will take effect from the date following the death of the person concerned or from such date as the Finance Department may decide.

- (2) A family pension will ordinarily be tenable --

- (i) in the case of a widow or mother until death or re-marriage whichever occurs earlier ;
- (ii) in the case of a minor or minor brother, until he attains the age of 18;
- (iii) in the case of an unmarried daughter or minor sister, until marriage or until she attains the age of 21 whichever occurs earlier ;
- (iv) in the case of a father, for life.

*Note 1. - The cases of those private individuals who engage themselves in any of the operations referred to above, of their own free will, should also be treated as covered under this rule.*

Note 2. - A family pension granted to a posthumous child should commence from the date of his/ her birth and not from the date of death of his/ her father.

## SCHEDULE I

(See Note to clause (4) of Rule 8.26)

### CLASSIFICATION OF INJURIES

Equal to loss of limb.

Hemiplegia without Ephesia.

Permanent use of a tracheotomy tube.

Artificial anus.

Total deafness of both ears.

#### *Very Severe*

Complete unilateral facial paralysis, likely to be permanent.

Lesion of kidney, urator or bladder.

Compound fractures (except phalanges).

Such gross destruction of soft parts as to lead to permanent disability or loss of function.

#### *Severe and likely to be permanent*

Alkalosis of, or considerable restriction in, the movement of one of the following joints :-

Knee, elbow, shoulder, hip, ankle, temporal-maxillary or rigidity of the dorsilumbar or cervical sections of the spine.

Partial loss of vision of one eye.

Destruction or loss of one testicle.

Retention of foreign bodies not causing permanent or serious symptoms.

## SCHEDULE II

(See Rule 8.32)

### INJURY, GRATUITY AND PENSION

Pay of Government employee on the date of injury	Gratuity	Monthly pension (Higher scale)	Monthly pension (Lower scale)
1	2	3	4
		Rs.	Rs.
1. Rs.2,000 and over		300	225
2. Rs.1,500 and over but under Rs.2,000	Six month's pay subject to a minimum of six	275	200
3. Rs.1,000 and over but under Rs.1,500	thousand rupees and a maximum of twelve thousand	200	150
4. Rs.900 and over but under Rs.1,000	rupees. This will be in addition to the Ex-gratia Grant and	150	125
5. Rs.400 and over but under Rs.900	Death cum-Retirement Gratuity admissible under	100	84
6. Rs.350 and over but under Rs.400	rules 2.7 and 6.16 (A) respectively of these rules.	85	70
7. Rs.200 and over but under Rs.350		67	50

1	2	3	4
1. Under Rs.200	4 months' pay	1/3 <sup>rd</sup> of pay subject to a minimum of Rs.8 per mensem : Provided that if the Government employee is wholly incapacitated from earning a living he may at his option be allowed injury pension equal to family pension if he abandons all claims to ordinary pension or gratuity admissible under rule 8.28.	1/5 <sup>th</sup> of pay subject to a minimum of Rs.4 per mensem.

For this purpose the term "family pension" will mean consolidated pension equal to the pension of a widow plus that of his children who may exist at the time of discharge and shall be payable from the date of discharge.

### SCHEDULE III

(See Rule 8.33)

#### FAMILY GRATUITY AND PENSION

##### A. - WIDOW

Pay of Government employee on the date of death	Gratuity	Monthly pension
1	2	3
1. Rs.800 and over	3 months' pay subject to	1/8 <sup>th</sup> of pay subject to a

	minimum of Rs.800	minimum of Rs.200
2.	Rs.200 and over but under Rs.800	Ditto  1/8 <sup>th</sup> of pay subject to a maximum of Rs.100 and a minimum of Rs.50
3.	Under Rs.200	6 months' pay  1/3 <sup>rd</sup> of pay subject to a maximum of Rs.65 and minimum of Rs.25

## B. – CHILDREN

Pay of Government employee on the date of death	Monthly pension of each child	
	If the child is motherless	If the child is not motherless
1	2	3
	Rs.	Rs.
1. Rs.800 and over	40	25
2. Rs.250 and over but under Rs.800	25	13
3. Under Rs.250	1/10 <sup>th</sup> of pay subject to a minimum of Rs.6	1/20 <sup>th</sup> of pay subject to a minimum of Rs.5

## CHAPTER IX.

### DETERMINATION AND AUTHORIZATION OF THE AMOUNTS OF PENSION AND GRATUITY

9.1. Preparation of list of Government employees due for retirement: -

(1) Every Head of Department shall get a list prepared every six months, that is, on the first of January,

and the first of July each year of all Government employees, who are due to retire within the next twenty-four-to-thirty-months.

- (2) A copy of every such list, shall be supplied to the Drawing and Disbursing Officer concerned immediately after its preparation but not later than the thirty-first January or the thirty-first-July, as the case may be, of that year.
- (3) In the case of a Government employee retiring for reasons other than by way of superannuation, the Head of Office shall promptly inform the Drawing and Disbursing Officer concerned, as soon as the fact of such retirement becomes known to him.
- (4) A copy of the intimation sent by the Head of Office to the Drawing and Disbursing Officer under sub-rule (3) shall also be endorsed to the "Accounts Officer" Rents and the concerned office of the Department of Public Works, Punjab if the concerned Government employees is an allottee of Government accommodation.

*Explanation :-* An allottee shall mean a Government employee, who has been allotted Government accommodation at any time during his service.

9.2 Intimation to the Accounts Officer Rents and the concerned office of the Department of Public Works, Punjab regarding issue of 'No Demand Certificate' :-

- (1) The Head of Office shall write to the Accounts Officer Rents and the concerned office of the Department of Public Works at least two years before the anticipated date of retirement of the Government employee who is an allottee for the issue of a 'No Demand Certificate' in respect of the period preceding eight months of the retirement of the allottee.
- (2) On receipt of the intimation under sub-rule (1), the Accounts Officer Rents and the concerned office of the Department of Public Works shall take further action as provided in rule 9.17.

9.3 **Preparation of pension papers:-**

Every Head of Office shall undertake the work of preparation of pension papers in Form PEN. 1 two-years before the date on which a Government employee is due to retire on superannuation, or on the date on which he proceeds on leave preparatory to retirement, whichever is earlier.

9.4 **Stage for the completion of pension papers :-**

(1) the Head of Office shall divide the period of preparatory work of two years referred to in rule 9.3 in the following three stages:-

(a) **First Stage -- Verification of service. -**

- (i) The Head of Office shall go through the service book of the Government employee and satisfy himself as to whether the certificates of verification for the entire service are recorded therein.
- (ii) In respect of the unverified portion or portions of service, he shall arrange to verify the portion or portions of such service, as the case may be, with reference to pay bills, acquittance rolls or other relevant records and shall record necessary certificates in the service book.
- (iii) If the service for any period is not capable of being verified in the manner specified in sub-clauses (i) and (ii), that period of service having been rendered by the Government employee in an other office or Department, a reference shall be made to the Head of Office in which the Government employee is shown to have served during that period for the purpose of verification.
- (iv) If any portion of service rendered by a Government employee is not capable of being verified in the manner specified in sub-clauses (i) to (iii), the Government employee shall be asked to file affidavit on a plain paper to the effect that he had actually rendered service during that period. He shall also be asked to produce all relevant documents and furnish all information which is in his power to produce or furnish in support of such declaration.
- (v) The Head of Office shall after taking into consideration the facts mentioned in the affidavit and the documents produced and the information furnished in support thereof, admit the portion of service referred to in sub-clause (iv) having been rendered for the purpose of calculating the pension of the Government employee.

(b) **Second stage. - Making good omissions in the service book :-**

- (i) The Head of Office while scrutinizing the certificates of verification of service, shall also identify if there are any other omissions, imperfections or deficiencies which have a direct bearing on the determination of emoluments and the service qualifying for pension.
  - (ii) Every effort shall be made to complete the verification of service in the manner specified in clause (a) and to make good omissions, imperfections or deficiencies referred to in sub-clause (i). Any omission, imperfection or deficiency including the portion of service shown as unverified in the service book which it has not been possible to verify in the manner specified in clause (a) shall be ignored and service qualifying for pension [shall be determined on the basis of the entries in the service book.]
  - (iii) Calculation of Average emoluments. - For the purpose of calculation of average emoluments, the Head of Office shall verify from the service book, the correctness of the emoluments drawn during the last ten months of service. In order to ensure that the emoluments during the last ten

months of service. In order to ensure that the emoluments during the last ten months of service have been correctly shown in the service book, the Head of Office may verify the correctness of emoluments for the period of twenty-four months preceding the date of retirement of a Government employee, and not for any period prior to that date.

(c) **Third Stage. - Obtaining of Form Pen. 15 by the Head of Office.** -The Head of Office shall obtain the necessary particulars in Form Pen. 15 from the Government employee eight months before the date of his retirement.

(3) Action under clauses (a), (b) and (c) of sub-rule (1) shall be completed eight months prior to the date of retirement of the Government employee.

#### 9.5 **Completion of pension papers. -**

The Head of Office shall complete Part I of Form Pen. 1 not later than six months before the date of retirement of the Government employee.

9.6 **Forwarding of pension papers to the Accountant-General, Punjab.**-(1) After complying with the requirements of rules 9.4 and 9.5 the Head of Office shall forward to the Accountant-General, Punjab, Form Pen. 15 and Form Pen. 1` duly completed with a covering letter and Form Pen. 15-A along with service book of the Government employee duly completed and any other document relied upon for the verification of service.

(2) The Head of Office shall retain a copy of each of the forms referred to in sub-rule (1) for his records.

(4) Where the payment is desired in another Circle of Account, the Head of Office shall send Form Pen. 1 in duplicate to the Accountant-General, Punjab.

(5) The documents referred to in sub-rule (1) shall be forwarded to the Accountant-General, Punjab not later than six months before the date of retirement of the Government employee.

#### 9.7 **Intimation to the Accountant-General, Punjab, regarding any event having bearing on pension . -**

If after the pension paper have been forwarded to the Accountant-General, Punjab within the period specified in sub-rule (4) of rule 9.6 any event occurs which has a bearing on the amount of pension admissible, the same shall be promptly reported to the Accountant-General, Punjab by the Head of Office.

9.8 **Intimation of the Particulars of Government dues to the Accountant-General, Punjab. -** The Head of Office shall, after ascertaining and assessing the Government dues as mentioned in rule 9.16 shall furnish the particulars thereof to the Accountant-General, Punjab at least two months before the date of retirement of the Government employee so that the dues are recovered out of the gratuity before its payment is authorised.

- (2) If, after particulars of Government dues have been intimated to the Accountant-General, Punjab under sub-rule (1), any additional Government dues come to the notice of the Head of Office, such dues shall be promptly reported to the Accountant-General, Punjab.

## 9.9 Provisional Pension .-

(1) The various stages of action laid down in rule 9.4 shall be strictly followed by the Head of Office. There may be an isolated case where, in spite of following the procedure laid down in rule 9.4, it may not be possible for the Head of Office to forward the pension papers referred to in rule 9.6 to the Accountant-General, Punjab within the period prescribed in sub-rule (4) of that rule, or where the pension papers have been forwarded to the Accountant-General, Punjab has returned them to the Head of Office for eliciting further information before issue of pension payment order and order for the payment of gratuity and if the Head of Office in such a case is of opinion that the Government employee is likely to retire before his pension or gratuity or both, can be finally assessed and settled in accordance with the provisions of these rules, he shall without delay, take steps to determine the qualifying years of service and the emoluments qualifying for pension after making the summary investigation carefully for this purpose, he shall, -

- (i) rely upon such information as may be available in the official records ; and
- (ii) ask the retiring Government employee to file an affidavit on plain paper stating the total length of qualifying service including details of emoluments drawn during the last ten months of service but excluding the breaks and other non-qualifying periods of service.]

(2) The Head of Office shall thereafter determine the qualifying years of service and the emoluments qualifying for pension in accordance with the information available in the official records and the information obtained from the retiring Government employee under sub-rule (1). He shall then, determine the amount of pension and the amount of death-cum-retirement gratuity.

(3) After the amount of pension and gratuity have been determined under sub-rule (2), the Head of Office shall take further action as follows :-

a) He shall issue a sanction letter addressed to the employee endorsing a copy thereof to the Accountant-General, Punjab authorizing --

- (i) hundred per cent pension as determined under sub-rule (2) as provisional pension ; and
- (ii) hundred per cent of gratuity as determined under sub-rule (2) as provisional gratuity withholding ten per cent of gratuity or one thousand rupees, whichever is less.

(b) He shall indicate in the sanction letter the amount recoverable from the gratuity under sub-rule

(1) of rule 9.8. After issue of the sanction letter he shall draw --

- (i) the amount of provisional pension ; and
- (ii) the amount of provisional gratuity after deducting there from the amount mentioned in sub-clause (ii) of clause (a) and the dues, if any, mentioned in rule 9.16 in the same manner as pay and allowances of the establishment are drawn by him.

- (4) The amount of provisional pension and gratuity payable under sub-rule (3) shall, if necessary, be revised on the completion of the detailed scrutiny of the records.
- (5)
  - (a) The payment of provisional pension shall not be a period of six months from the date of retirement of the Government employee. If the amount final pension and amount of final gratuity have been determined by the Head of Office in consultation with the Accountant-General, Punjab, before the expiry of the said period of six months, the Accountant-General, Punjab, shall issue the pension payment order and order for the payment of gratuity accordingly after adjusting the outstanding Government dues, if any, and provisional payments already made.
  - (b) If the final amount of pension and gratuity have not been determined by the Head of Office in consultation with the Accountant-General, Punjab within the period of six months referred to in clause (a), the Accountant-General, Punjab shall treat the provisional pension and gratuity as final and shall issue pension payment order and order for the payment of gratuity accordingly immediately on expiry of the said period of six months.
  - (c) The payment of the amount withheld from the gratuity shall be authorised after deducting there from the amount, if any, outstanding against the Government employee which may have come to the notice of the Head of Office after the authorization of provisional gratuity.
- (6)
  - (a) If the amount of provisional pension disbursed to a Government employee under sub-rule (3) on its final assessment under sub-rule (4), is found to be in excess of the final pension assessed by the Accountant-General, Punjab, it shall be open to the Accountant-General, Punjab to adjust the excess amount of pension in the gratuity withheld under sub-clause (ii) of clause (a) of sub-rule (3) or recover the excess amount of pension in instalments by making short payments of pension payable in future.
  - (b) If the amount of gratuity so disbursed proves to be larger than the amount finally assessed the retired Government employee shall not be required to refund the excess amount actually disbursed to him.
  - (c) The Head of Office shall ensure that chances of disbursing the amount of gratuity in excess of the amount finally assessed are minimized and officials responsible for the excess payment

shall be accountable for the over-payment.

**9.10 Authorization of Pension and gratuity by the Accountant-General, Punjab. -** (1) On receipt of pension papers referred to in rule 9.6, the Accountant-General, Punjab shall apply the requisite checks, record the account encasement in Form Pen. 1 and assess the amount of pension and gratuity and issue the pension payment order not later than one month in advance of the date of retirement of the Government employee.

(2) The amount of gratuity as determined by the Accountant-General, Punjab under sub-rule (1) shall be intimated to the Head of Office with the remarks that the amount of the gratuity may be drawn and disbursed by the Head of Office to the retired Government employee after adjusting the Government dues, if any, referred to in rule 9.16.

(3) The amount of gratuity withheld under sub-rule (5) of rule 9.17 shall be adjusted by the Head of Office against the outstanding amount of licence fee intimated by the Accounts Officer Rents or other concerned officer of the Department of Public Works, Punjab and the balance, if any, shall be refunded to the retired Government employee.

**9.11 Payment of Provisional pension and gratuity through Money Order. -** If the provisional pension or gratuity or both sanctioned under sub-rule (3) of rule 9.9, is desired to be paid by the pensioner through money order of bank draft, the same shall be remitted to him through money order or bank draft at his cost:

Provided that in the case of any pensioner who has been authorised payment of provisional pension not exceeding two hundred and fifty rupees per mensem (inclusive of the amount of relief on pension) that amount shall, at the request of the pensioner, be remitted to him by money order at Government expense.

**9.12 Government employee on deputation. -**

(1) In the case of a Government employee who retires while on deputation or on transfer to another Government Department, action, to authorise pension and gratuity in accordance with the provisions of this Chapter shall be taken by the Head of Office of the borrowing Department.

(2) In the case of a Government employee who retires who retires from service, while on deputation to another State Government or Central Government or while on foreign service, action to authorise pension and gratuity in accordance with the provisions of this Chapter shall be taken by the Head of Office of the Cadre authority which sanctioned the deputation or foreign service.

**9.13 Interest on delayed payment of gratuity. –**

(1) If the payment of gratuity has been authorised after three months from the date when its payment became due, and it is clearly established after the delay in payment was due to administrative lapse, then an interest at the rate of five per cent per annum on the amount of gratuity shall be paid to the Government employee in respect of the period beyond three months :

Provided that the delay in the payment was not caused on account of failure on the part of the Government employee to comply with the procedure laid down in this Chapter.

(2) Every case of delayed payment of gratuity shall, suo motu be considered by the Administrative Department or the Department, as the case may be, and where the Administrative Department is satisfied that the delay in the payment of gratuity was caused on account of administrative lapse, the Administrative Department shall make a recommendation to the Department of Finance, Punjab for the payment of interest.

(3) If the recommendation of the Administrative Department made under sub-rule (2) is accepted by the Department of Finance, Punjab the Administrative Department concerned shall issue sanction for the payment of interest.

(4) In all cases where the payment of interest has been authorised with concurrence of the Department of Finance, Punjab, the Administrative Department concerned shall fix the responsibility and take disciplinary action against the Government employee or employees concerned, who are found responsible for the delay in the payment of gratuity.

(5) If as a result of Government's decision taken subsequent to the retirement of a Government employee, the amount of gratuity already paid on his retirement, is enhanced on account of --

(a) grant of emoluments higher than the emoluments on which gratuity, already paid, was determined, or

(b) liberalization in the provisions of these rules from a date prior to the date of retirement of the Government employee concerned, no interest on the arrears of gratuity shall be paid.

9.14. **Provisional pension where departmental or judicial proceedings may be pending.** - (1) (a) In respect of Government employee referred to in clause (c) of rule 2.2, the Head of Office shall authorise the provisional pension equal to the maximum pension which would have been admissible on the basis of qualifying service up to the date of retirement of the Government employee or if he was under suspension on the date of retirement, up to the date immediately preceding the date on which he was placed under suspension.

(b) The provisional pension shall be authorised by the Accountant-General, Punjab during the period

commencing from the date of retirement up to and including the date on which, after the conclusion of departmental or judicial proceedings, final orders are passed by the competent authority.

- (c) No gratuity shall be paid to the Government employee until the conclusion of the departmental or judicial proceedings and issue of final order thereon :

Provided that where departmental proceedings have been instituted under rule 10 of the Punjab Civil Services (Punishment and Appeal) Rules, 1970, for imposing any of the penalties specified in clauses (i), (ii) and (iv) of rule 5 of the said rules, the payment of gratuity shall be authorised to be paid to the Government employee.

- (2) Payment of provisional pension made under sub-rule (1) shall be adjusted against final retirement benefits sanctioned to such Government employee upon conclusion of such proceedings but no recovery shall be made where the pension finally sanctioned is less than the provisional pension or the pension is reduced or withheld either permanently or for a specified period.

#### **9.14 Revision of pension after authorization . –**

- (1) Subject to the provisions of rules 2.1 and 2.2 pension once authorised after final assessment shall not be revised to the disadvantage of the Government employee, unless such revision becomes necessary on account of detention of a clerical error subsequently :

Provided that no revision of pension to the disadvantage of the pensioner shall be ordered by the Head of Office or by the Accountant-General, Punjab, without the concurrence of the Department of Finance, if the clerical error is detected after a period of two years from the date of authorization of pension.

- (2) For the purpose of sub-rule (1), the retired Government employee shall be served with a notice by the Head of Office requiring him to refund the excess payment of pension within a period of two months from the date of receipt of notice by him.
- (3) In the case Government employee fails to comply with the notice, the Head of Office shall, by an order in writing, direct that such excess payment, shall be adjusted in instalments by making short payments of pension in future, in one or more instalments, as the Head of Office, may direct.

#### **9.16. Recovery and adjustment of Government dues. -**

- (1) It shall be the duty of the Head of Office to ascertain and assess Government dues payable by a Government employee due for retirement.

- (2) The Government dues as ascertained and assessed by the Head of Office which remain outstanding till the date of retirement of the Government employee shall be adjusted against the amount of the death-cum-retirement gratuity becoming) payable.
- (3) The expression 'Government dues' includes --
  - (a) dues pertaining to Government accommodation including arrears of license fee, if any ;
  - (b) dues other than those pertaining to Government accommodation, namely, balance of house building advance or conveyance advance or any other advance, over payment of pay and allowances or leave salary and arrears of income tax deductible at source under the Income Tax Act, 1961 (43 of 1961).

**9.17 Adjustment and recovery of dues pertaining to Government accommodation. -**

- (1) The Accounts Officer (Rents) or other concerned officer of the Department of Public Works Punjab on receipt of intimation from the Head of Office under sub-rule (1) of rule 9.2 regarding the issue of 'No Demand Certificate' shall scrutinize its records and inform the Head of Office eight months before the date of retirement of the allottee, if any license fee was recoverable from him in respect of the period prior to eight months of his retirement. If no intimation in regard to recovery of outstanding license fee is received by the Head of Office by the stipulated date, it shall be presumed that no license fee was recoverable from the allottee in respect of the period preceding eight months' of his retirement.
- (2) The Head of Office shall ensure that licence fee for the next eight months, that is up to the date of retirement of the allottee, is recoverable every month from the pay and allowances of the allottee.
- (3) Where the Accounts Officer (Rents) or other concerned officer of the Department of Public Works, Punjab intimates the amount of licence fee recoverable in respect of the period mentioned in sub-rule (1), the Head of Office shall ensure that outstanding licence fee is recovered in instalments from the current pay and allowances of the allottee and where the entire amount is not recovered from the pay and allowances, the balance shall be recovered out of the gratuity before its payment is authorised.
- (4) The Accounts Officer (Rent) or other concerned officer of the Department of Public Works, Punjab, shall also inform the Head of Office the amount of licence fee for the retention of Government accommodation for the permissible period of two months beyond the date of retirement of the allottee. The Head of the Office shall adjust the amount of that licence fee in the amount of the gratuity together with the unrecovered licence fee, if any, mentioned in sub-rule (3).
- (5) If in any particular case, it is not possible for the Accounts Officer (Rents) or other concerned officer of the Department of Public Works, Punjab to determine the outstanding licence fee, he shall inform

the Head of Office that ten per cent of the gratuity or one thousand rupees, whichever is less, may be withheld pending receipt of further information.

- (6) The recovery of licence fee for the occupation of the Government accommodation beyond the permissible period of two months after the date of retirement of the allottee shall be the responsibility of the Accounts Officer (Rents) or other concerned Officer of the Department of Public Works, Punjab.

*Note. - For the purpose of this rule, the licence fee shall also include any other charges payable by the allottee for any damage or loss caused by him to the accommodation or its fittings.*

**9.17. Adjustment and Recovery of dues after the dues pertaining to Government accommodation. -**

- (1) For the dues other than the dues pertaining to occupation of Government accommodation as referred to in clause (b) of sub-rule (3) of rule 9.16, the Head of Office shall take steps to assess the dues two years before the date on which a Government employee is due to retire on superannuation, or the date on which he proceeds on leave preparatory to retirement, whichever is earlier.
- (2) The assessment of Government dues referred to in sub-rule (1) shall be completed by the Head of Office eight months prior to the date of the retirement of the Government employee.
- (3) The dues as assessed under sub-rule (2) including those dues which come to notice subsequently and which remain outstanding till the date of retirement of the Government employee, shall be adjusted against the amount of death-cum-retirement gratuity becoming payable to the Government employee on his retirement.

**9.19. Date of retirement to be notified. -** When a Government employee retires from service. -

- (a) a notification in the Official Gazette in the case of Gazetted Government employee, and
- (b) an office order in the case of non-gazetted Government employee, shall be issued specifying the date of retirement within a week of such date and a copy of every such notification or office order, as the case may be, shall be forwarded immediately to the Accountant-General, Punjab.

Provided that where a notification in the Official Gazette or an office order, as the case may be, regarding the grant of leave, preparatory to retirement to a Government employee is issued, a further notification or office order that the Government employee has actually retired on the expiry of such leave shall not be necessary unless the leave is curtailed and the retirement is for any reason ante-dated or postponed.

## CHAPTER – X

### *Payment of Pensions*

#### SECTION -I - General Rules

##### A. - DATE OF COMMENCEMENT OF PENSION

10.1 Apart from special orders, a pension, other than a wound or extraordinary pension under Chapter VIII, is payable from the date on which the pensioner ceased to be borne on the establishment.

*Note 1. - The pension of a Government employee who under rule 5.9 has received a gratuity in lieu of notice is not payable for the period in respect of which the gratuity is paid.*

*Note 2. - A Government employee who has taken leave without pay in the hope of being able to resume duty and who subsequently decides that his health will not permit of his return should not be regarded as entitled to pension from the commencement of his leave without pay.*

10.2 The preceding rule applies to ordinary, not to special cases. If, under special circumstances, a pension is granted long after a Government employee had retired, retrospective effect should be given to it without the special orders of the Government; in the absence of special orders such a pension takes effect only from the date of retirement.

10.3 In cases where considerable delay has occurred in making application for a Wound or Injury pension, it will, save as provided in Chapter VIII, be granted only from the date of the 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.

10.4 Omitted.

10.5 Omitted.

10.6 Except where specifically otherwise provided all pensions shall be payable in rupees in India.

10.6. - A, 10.6 - B, 10.6 - C, 10.6 -D, 10.6 - E, and 10.7. Omitted.

##### B. - TRANSFERS BETWEEN ENGLAND AND INDIA

10.8 Transfer of a pension from India to the United Kingdom (where it is payable through the High Commissioner for India) and vice-versa is permitted twice only.

*Note. - Frequent transfers of a pension to and from are not permissible, and the Accountant-General should report to the Government for special orders any case in which it appears to him that undue advantage is being taken of the rule.*

- 10.9 Application for transfer of payment from India to the Treasury in U.K. 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 stage of the application upon which the pension was originally granted, to the High Commissioner for India.

## SECTION II. - Payments in India

- 10.10 Omitted.

- 10.11 The Accountant-General of the State in which payment is to be made will communicate to the treasury 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 Pen. 10.

*Note. - Each pension payment order will be accompanied by a wallet intended to be delivered by the disbursing officer to the pensioner concerned for use in respect of the pensioner's half of the Pension payment order.*

## B. - PAYMENT OF GRATUITIES

- 10.12. (a) A gratuity is paid in a single sum, and not by instalments, on receipt of the Accountant-General's authority.
- (b) A gratuity may, at the discretion of the competent authority or with its sanction 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 remainder to the annuitant's heirs in case of his death. The amount of the life annuity will be determined by the table prescribed under the rules in Chapter XI, while that of the temporary life annuity will be determined in each case in consultation with the Actuary to the Government of India on the assumption of the same rates of interest and mortality on which the table prescribed under the rules in Chapter XI is based.
- (a) The competent authority will never insist on the conversion of a gratuity into an annuity, unless the expectation of life of the Government employee be reported by competent medical authority to be equal to the average.

## C. - LAPSES AND FORFEITURE

- 10.13 (a) If a pension payable in India remains undrawn for more than one year, the pension ceases to be payable.
- (b) If the pensioner afterwards appears or a claim is presented on his behalf the disbursing officer may make the payment but the arrears can be paid :
- (i) if the amount in arrear does not exceed Rs.2,500 or with the previous sanction of the Collector of the District in which the pension payment office is located if it exceeds Rs.2,500 but does not exceed Rs.5,000 provided that in both the cases the arrears are not to be paid for the first time, and
- (ii) in all other cases with the sanction of the authority by whom the pension was sanctioned :

Provided that if in any case a pension remains undrawn for three years in the case of service pension or six years in case of political pension it can not be paid without the authority of the Accountant-General.

10.14 to 10.22. Omitted.

**E. - COMMUTATION OF PENSIONS**  
**CHAPTER XI. - *Commutation of Civil Pensions***  
**SECTION I. - General**

- 11.1 (a) A Government employee who is not governed by the pension rules referred to in sub-rule (b) below, shall be entitled to commute for a lump sum payment any portion consisting of whole rupee, not exceeding one-half, of any pension which has been or may be granted to him under the provisions of the Punjab Civil Services Rules. But any such commutation shall be subject to the conditions that the uncommuted residue of the pension shall not be less than Rs.240 per annum :

Provided that in calculating the amount of the uncommuted residue, there may be added to it the uncommuted portion of any other permanent pension or pensions payable to the applicant from the revenues of the Punjab Government, any other State Government, or of Indian Government :

Provided also that a Government employee against whom judicial or a departmental proceeding has been instituted or a pensioner against whom any such proceeding has been instituted or continued under rule 2.2 (b) *ibid.*, shall not be permitted to commute any part of his pension during the pendency of such proceeding.

- (b) A Government employee who is governed by the New Pension Rules or who has opted for modified pension rules [vide alternative (c) under rule 1.2-B] shall be entitled to commute for a lump sum payment any portion consisting of whole rupee, not exceeding one-third of any pension which has been or may be granted to him under these rules. But any such commutation shall be subject to the condition that the uncommuted residue of the pension shall not be less than Rs.240 per annum :

Provided that in calculating the amount of the uncommuted residue, there may be added to it the uncommuted portion of any other permanent pension or pensions payable to the applicant from the revenues of the Punjab Government, any other State Government, or of Indian Government :

Provided also that a Government employee against whom judicial or a departmental proceeding has been instituted or a pensioner against whom any such proceeding has been instituted or continued under rule 2.2 (b) *ibid*, shall not be permitted to commute any part of his pension during the pendency of such proceedings.

*Note 1. - The commutation of an anticipatory pension will require the sanction of the Finance Department (See also sub-note below Rule 11.4 below). An explanation of the reasons of delay in the sanction of final pension should be furnished to the Finance Department alongwith the report on the title to the commutation applied for. In order to secure repayment of the commuted value of the part of an anticipatory pension paid in declaration in the form below should be obtained from the pensioner concerned along with the application for commutation.*

## FORM OF DECLARATION

"Whereas the (here state the designation of the officer sanctioning the commutation) has consented, provisionally to advance to me the sum of \_\_\_\_\_ being the commuted value of a part of the anticipatory pension, in anticipation of the completion of the enquiries necessary to enable the Government to fix the amount of any pension and consequently the part of that pension that may be commuted. I hereby acknowledge that in accepting the advance, I fully understand that the commuted value now paid 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 amount now to be paid to me as the commuted value of the part of anticipatory pension exceeds the amount to which I may be eventually found entitled. I further promise to repay either in cash or by deduction from subsequent payments of pension any amount advanced, to me in excess of the amount to which I may be eventually found entitled."

*Note 2. - If two different Governments within the meaning of direction in Appendix 3 to the Punjab Financial Rules, are concerned, a Government employee shall be deemed to be under the administrative control of the Government (other than Central Government) to which the payment of the commuted value of his pension will be debited and the application for commutation shall be disposed of by that Government according to the procedure rules framed for its own employee. In cases, in which the*

*commuted value of a pension divisible between the Central Government and that State Government is wholly chargeable to the Central Government, the application for commutation is made before the date on which the pension is sanctioned, the Government under which the applicant was last permanently employed shall be the Government competent to dispose of his application in accordance with the procedure rules prescribed for its employees.*

*Note 3. - No Government employee, even if belonging to a class entitled to commute ordinary pension, is entitled to commute a compassionate allowance. A commutation of such an allowance may be sanctioned by a competent authority only on proof that the proceeds of the commutation will be invested for the permanent benefit of the commuter's family.*

*Note 4. - These rules are also followed generally, as a matter of convenience, in respect of commutation of pension of political pensioners who are non-officials, subject to the following main reservations :-*

- (1) the tables of present values prescribed under rule 11.5 apply to commutation of these pensions with 10 per cent deduction ;*
- (2) the reduction of pension by the commuted portion will take effect from the date of payment of the commuted value.*

## SECTION II. - Submission of Applications

11.2 An application for commutation of pension should be made in Part I of Form Pen. 12 accompanied by two passport size photographs (one duly attested and other without any attestation) and addressed :-

- (1) If the applicant is still in service, or has retired but his pension has not yet been sanctioned, to the authority competent to sanction his pension, through the Head of the Office, through the Head of his Department.

*Note. - The attested copy will be pasted on part I of Form Pen. 12 and the other copy loosely attached to it.*

- (2) if the applicant's pension has already been sanctioned :-
  - (a) if he draws his pension from a treasury in India or if, being resident in a colony having an account current with the Accountant-General, Central Revenues, he draws his pension from the local treasury, to the Head of the Office in which he was employed at the time of his

retirement, or if, he was himself the Head of Office, to the Head of his Department; and

- (b) if he draws his pension otherwise than in sub-clause (a) to the High Commissioner for India, provided that in the case of pensioners residing in a Dominion or Colony, other than those referred to in sub-clause (a) the application shall be addressed to the High Commissioner through the official from whom the pension is drawn.

11.3 The authorities mentioned in rule 11.3 (1) and 11.2 (a) after complying with the instructions contained in Note 2 under rule 11.6 shall forward the application to the proper Accounts Officer, who is :-

- (a) In the case of an applicant mentioned in rule 11.2 (1) the Accounts Officer, who is reporting on the title to his pension;
- (b) In the case of a pensioner mentioned in rule 11.2(2) (a) --
  - (i) if he draws his pension in India, the Accounts Officer of the State in which the treasury from which the pensioner draws his pension is situated ;
  - (ii) if being resident in a colony having an account current with the Accountant-General, Central Revenues, he draws his pension from the local treasury, the Accounts Officer who issued the authority for payment of the pension in the colony.

*Note 1. - If the pensionary charge is adjustable in the books of a different Accounts Officer, who received the application should transmit it forthwith to that officer.*

*Note 2. - In forwarding an application for commutation of pension already sanctioned, the number of the Pension Payment Order held by the pensioner and the name of the treasury from which the pension is drawn should invariably be given to enable the Accounts Officer to trace his pension file.*

### SECTION III - Report by the Accounts Officer

11.4 The Accounts Officer should complete Part II of Form Pen. 12 without delay and transmit it together with copies of the medical reports mentioned in the concluding portion of rule 11.7 (iii), if they are on record in his office, to the authority competent to sanction the commutation, whether that authority is correctly named in Part I, or not.

*Note. - In order to avoid delay and save the pensioners from loss, the Accounts Officer should issue a report on the commutation of pension in advance of the formal report on the title to pensions in cases in which the*

*report on the title to pension is not likely to be issued, in sufficient time to permit of arrangements being carried through before the applicant's next birthday : provided that the portion of the pension to be commuted is clearly well below one-half of the approximate amount of the total pension likely to be sanctioned. If, in such a case, the commutation becomes absolute before the pension is formally sanctioned, the payment of commutation money should not be authorised until the formal sanction of the pension is received but an intimation of the possibility of loss because of delay in the sanction to pension should be sent to the pensioner when reporting on the claim for commutation.*

*This relates to the position which exists when no pension has been sanctioned, i.e., it contemplates that no commutation of pension, will be paid until the pension itself is sanctioned. In the case of an anticipatory pension sanction to the amount of pension granted as anticipatory pension can for all practical purposes be taken as given, since an anticipatory pension is always sanctioned at an amount less than the amount of pension ordinarily admissible. In cases in which a portion of an anticipatory pension is commuted, commutation value should, therefore, be paid as soon as the commutation becomes absolute and that reports on the title to commutation of a portion of an anticipatory pension should be referred to the Administrative Department concerned who will obtain the concurrence of the Finance Department.*

- 11.5 (1) The lump sum payable on commutation shall be calculated in accordance with a table or tables of present values which shall be prescribed by the competent authority.

*Note 1. - The lump payable on commutation to Government employees who have served under more than one Government when the commutation tables applied by the different Government are not identical, shall be calculated according to the commutation table of the Government under whose rule making control they are, at the time of retirement. In the case of Government employees who are temporarily lent by one Government to another, the commutation shall be according to the table of the lending Government and in the case of those who are permanently transferred from one Government to another it shall be according to the table of the Government to which their services have been permanently transferred.*

*Note 2. - 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 open 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 modification.*

- (2) The table of present value is given in Annexure to this Chapter and will be applicable to all Government employees.

For the purpose of this rule, the age, in 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.

## A. - ADMINISTRATIVE SANCTION

11.6 The authority competent to sanction commutation should thereupon accord its administrative sanction in Part III of Form Pen.12.

*Note 1. - If the Accounts Officer's certificate in Part II shows that the commutation charge falls partly on any other State Government which has stipulated that it should be consulted regarding availability of funds, the sanctioning authority must obtain that Government's consent before it accords administrative sanction. These Governments are Tamil Nadu, Maharashtra, Bengal, Uttar Pradesh and Assam.*

*Note 2. - The authority competent to sanction commutation may authorise a responsible gazetted Government employee to sign for him the administrative sanction in Part III of Form Pen. 12.*

## B. - INTIMATION TO THE APPLICANT AND THE CHIEF ADMINISTRATIVE MEDICAL OFFICER

11.7 The sanctioning authority should then --

- (i) transmit to the applicant, on Form Pen. 13, a certified copy of the Accounts Officer's certificate contained in Part II of Form Pen. 12 (of lump sum payable on commutation in the event of his being reported by the medical authority prescribed in rule 11.9 to be a fit subject for commutation) and one copy of Form Pen.14, Part I of which is to be filled in by the applicant before his medical examination and handed to the medical authority.
- (ii) instruct him to appear for examination before the said medical authority, in fixing the date of medical examination, it shall be ensured that the medical examination is held after the actual date of retirement of the applicant and that as far as possible, it is held before the date of his next birthday. This intimation shall constitute administrative sanction to commutation of pensions.
- (iii) forward to the Chief Administrative Medical Officer, in original the completed Form Pen. 12 together with a copy of Form Pen.14, a copy of the unattested photograph sent alongwith the application as in rule 11.2 above and as extra copy of Part III of that Form if the applicant has been granted as invalid pension, or has previously commuted any portion of his pension (or declined to accept commutation on the basis of an addition of years to his actual age, or has been refused commutation) on medical grounds, copies of the previous medical reports or statement of his case.

## C.- MEDICAL EXAMINATION

- 11.8 The Chief Administrative Medical Officer should arrange for the medical examination of the applicant by the medical authority prescribed in rule 11.9 at the nearest available station to that named by the applicant in Part I of Form Pen. 12 and as early as possible within the period prescribed and inform the applicant direct. The Form and other documents shall be transmitted by the Chief Administrative Medical Officer to the examining medical authority.
- 11.9 (i) Before any commutation administratively sanctioned becomes absolute, the applicant must be examined by the proper medical authority hereinafter prescribed --
- (ii) The Medical authority shall be --
- (a) in the case of an applicant who has been or is about to be granted an invalid pension or in whose case the total of the amount of the pension to be commuted together with the amount or amounts previously commuted, if any, exceeds Rs.25 -- a Medical Board or a Standing Invaliding Committee in the State concerned nearer to the place of applicant's residence before which the applicant must appear in person;
- (b) applicant who has not been or is not about to be granted an invalid pension and who applies for commutation of a sum such that the total of the amount of pension to be commuted, together with the amount or amounts previously commuted, if any, if Rs.25 or less, the Medical Officer, not being of lower status than the Chief Medical Officer or Principal Medical Officer of the district in which he is ordinarily resident.
- (iii) The medical authority after obtaining from the applicant a statement in Part I of Form Pen. 14 (which must be signed in its presence) shall subject him to a strict examination; enter the results in Part II of Form Pen. 14 and record its opinion as to the accuracy with which the pensioner has answered the questions prescribed in Part I regarding his medical history and habits. Lastly, it shall attest the unattested copy of the photograph of the pensioner, and complete the certificate contained in Part III of Form Pen. 14.
- (iv) In the case of an applicant who has been or is about to be granted an invalid pension, the grounds of invaliding or the statement of the medical case shall be duly considered by the certifying medical authority before the certificate (Part III of Form Pen.14) is signed.
- (v) If the examination is conducted by a single medical officer, the applicant shall himself pay the fee of the medical officer who shall retain an amount of Rs.12, out of the prescribed fee of Rs.16, and credit the remaining Rs.4 to Government but if he is originally examined by a medical board or an invaliding committee in India, he shall pay a fee of Rs. 4 into a Government treasury and make over the receipt

for the fee to the Board or Committee before examination, together with an additional fee of Rs.12 in cash to be retained and divided by the members of the Board or the Committee, as the case may be, among themselves. If he is examined by a board outside India, he shall pay to the board such fee as may be required of him.

*Note 1. - The above rule applies only in the case of ordinary monthly standing Medical Board and Invaliding Committee. In cases where special Medical Boards or Committees are convened at a very short notice in the interest of the applicant, a fee of Rs.48 will have to be paid by the applicant for his medical examination. Of that fee, a sum of Rs.12 shall be paid by the applicant into a Government treasury and the receipt for it shall be made over by him to the Board or Committee, as the case may be, before examination, together with the remaining amount of the fee, viz., Rs.36 in cash to be retained and divided by the members of the Board or the Committee among themselves.*

*Note 2. - No fee will be payable for medical examination in the case of a Government employees in Class IV service who are granted invalid pensions under rule 6.18.*

- (vi) An applicant who has once been refused commutation on medical ground or after he has once declined to accept commutation on the basis of an addition of years to his actual age, may apply for a second medical examination, at his own expense if at least a year has elapsed, since his first examination. Such an examination shall invariably be made by a Medical Board or Standing Invaliding Committee.

The medical authority examining the pensioner should be furnished, in addition to the documents mentioned in the concluding portion of rule 11.7 (iii), with a copy of the report of the medical authority which previously examined him.

- (vii) The ultimate medical authority prescribed in clause (ii) shall without delay forward the completed Forms Pen. 12 and Pen. 14 in original and the copy of photograph attested by it, to the Accounts Officer, who gave the certificate contained in Part II of Form Pen. 12, a certified copy of the completed Form Pen. 14 to the sanctioning authority. A certified copy of Part III of Pen. 14 should be given to the pensioner on the spot after his medical examination.

*Note 1. - If in the opinion of the medical authority prescribed in clause (ii) some special examination is necessary which is not in a position to carry out itself, it may require the applicant to undergo such examination at his own expense. No refund of such expenditure will be given by Government irrespective of the result of the examination.*

*Note 2. - In case, a copy of the report of the medical authority or the intimation by the Accounts Officer, where necessary, of the revised sum payable on commutation, has to be sent to the applicant by post, it should be sent invariably by registered post with acknowledgement due to the Accounts Officer.*

## D - LAPSE OF ADMINISTRATIVE SANCTION AND THE PERIOD FOR THE WITHDRAWAL OF APPLICATION

11.10 The applicant may withdraw his application by written notice dispatched at any time before medical examination is due to take place, but this option shall expire on his appearance before a medical authority :

Provided that, if the medical authority directs that his age for the purpose of commutation shall be assumed to be greater than his actual age, the applicant may withdraw his application by written notice dispatched within two weeks from the date on which he receives intimation of the revised sum payable on commutation or, if this sum is already stated in the sanctioning order within two weeks from the date on which he receives intimation of the finding of the medical authority.

if the applicant does not withdraw in writing his application within the period of two weeks prescribed above, he shall be assumed to have accepted the sum offered.

*Note. - When the medical authority has directed that the age of an applicant shall be assumed to be greater than his actual age he will be allowed in addition to the option of withdrawing his application, the option of reducing the amount mentioned in his application within two weeks from the date on which he receives instructions of the revised sum payable on commutation*

## E - COMMUTATION TO BECOME ABSOLUTE

11.11 Subject to the provision contained in rule 11.12 and subject to the provisions for the withdrawal of an application under rule 11.10, the commutations shall become absolute, that is the pensioner shall become entitled to receive the commuted value, on the date on which the Medical Board/ Authority signs the medical certificate.

*Note 1. - The applicant who has clearly indicated his intention to commute the maximum amount of his pension or expressed the amount proposed to be commuted as a fraction or, percentage of the full and final pension, within the maximum permissible limit and is allowed to commute such fraction or percentage of the anticipatory or the provisional pension sanctioned to him on the earlier occasion, shall neither be required to apply a fresh nor to produce a fresh certificate of medical examination for commutation of the difference between the fraction or percentage of the final pension and the anticipatory or provisional pension. As the commutation in such cases is payable in two instalments - one out of the anticipatory or provisional pension and the other after final assessment of pension -- the report from the Audit Officer will have to be called for in Part II of Form Pen.12 for commutation of Civil Pensions, twice. A fresh sanction of the administrative authority for the difference of the commuted value, i.e., the maximum*

*value accrued minus value commuted provisionally shall be necessary, regard, however, being had to the need for further medical examination as in Note 2 below. This will also apply to cases where the pension finally sanctioned to a retire Government employee is subsequently revised retrospectively.*

*Note 2. - A person who is allowed provisionally to commute portion of his pension not exceeding Rs. 25 and who anticipates that the final amount of pension that he would be entitled to commute might exceed Rs. 25, shall indicate that fact in his application in case he desires to commute a sum exceeding Rs.25. The sanctioning authority shall in such cases arrange for medical examination as if the amount to be commuted exceeds Rs.25. In case such fact is not indicated, the Government employee shall be permitted, on finalization of the amount of his pension, to commute the difference between the amount of pension originally commuted and Rs.25 without further medical examination, if the original amount commuted together with the difference referred to does not exceed Rs.25. If the same exceeds Rs. 25 the commutation of any further sum, if admissible shall be treated as fresh commutation and allowed subject to examination by a Medical Board.*

The date on which the Medical Board signs the Medical report shall be the date of effect for the difference of the account of the portion of pension to be commuted for which the medical examination is conducted.

11.12 If the applicant makes any statement found to be false within his knowledge or willfully suppresses any material fact in answer to any question, written or oral, put to him in connection with his medical examination the sanctioning authority may cancel the sanction at any time before payment is actually made; and such a statement or suppression may be treated as grave misconduct for the purpose of rule 2.2.

**11.12-A.** (1) Notwithstanding anything contained in rules 11.2 to 11.4 and 11.6 to 11.12 a Government employee, who applies for commutation of pension within one year of the date of his retirement on superannuation or within one year of the expiry of extension if such a Government employee is granted extension of service after superannuation shall not be subjected to medical examination as required under these rules for the purpose of payment of commuted value of pension. Application for commutation of pension shall be made in Form Pen. 14-A after the date of retirement and the commutation shall become absolute. The retired Government employee shall become entitled to receive the commuted value on the date of which his application is received by the Head on Office :

Provided that the Government employee shall not be allowed to withdraw his application given for commutation of pension under this rule.

(2) The operative date for the reduction in the amount of pension in the case of those Government employees who avail of the benefit of commutation of pension without medical examination under sub-rule (1), will

be the date on which the pensioner receives the commuted value of pension or the date on which period of three months after the issue of authority by the Accountant-General, Punjab, asking the pensioner to collect the commuted value of the pension expires, whichever is earlier.

- 11.12-B. (1) The benefit of commutation of pension without medical examination as provided, in rule 11.12-A above shall *mutatis mutandis* be admissible to a Government employee who is granted --
- (i) a retiring pension under rule 4 of the Punjab Civil Services (Premature Retirement) Rules, 1975, or under rule 5.32 of the Punjab Civil Services Rules, Volume II ; or
  - (ii) a compensation pension on absorption in a service or post in or under a corporation, or company or body under sub-rule (2) of the said rule 5.3 and who opts to receive Death-cum-Retirement Gratuity and monthly pension ; or
  - (iii) a compensation pension on the abolition of permanent post under rule 5.2.
- (2) The benefit of commutation of pension without medical examination under rule 11.12A shall not be admissible to a Government employee, who --
- (a) retires on invalid pension under rule 5.11 or who on absorption in a service or post in or under a corporation or company or a body opts for the alternative of receiving the Death-cum-Retirement Gratuity and a lump sum in lieu of pension under sub-rule (2) of rule 5.3 ; or
  - (b) applies for commutation of pension after one year of the date of his retirement, except when the grant of pension is held up on account of any judicial or departmental proceedings as in such cases the period of one year shall be deemed to commence with effect from the date the proceedings are concluded without extinguishing the title to pension.

## SECTION V. - Payment of Commuted Value

11.13. (a) The Accounts Officer on receipt of the completed Forms Pen. 12 and Pen.14 and the copy of photograph attested by the Medical authority, shall arrange forthwith for the payment of the appropriate commuted value and for the corresponding reduction of pension.

(b) If the applicant on receipt of the sanction order withdraw his application within the period prescribed in rule 11.10 he should intimate his intention in writing to the Accounts Officer direct and to the sanctioning authority simultaneously.

Note 1. - If the medical certificate prescribes that more than five years should be added to the applicant's actual age, the Accounts Officer, shall forthwith inform the applicant of the revised sum payable on commutation.

Note 2. - See also rules 7.5 and 7.6.

11.14. Payment of the commuted value shall be made as expeditiously as possible, but in the case of an impaired life no payment shall be made until either a written acceptance of the commutation has been received or the period within which the application for the commutation may be withdrawn has expired. The reduction in the amount of pension on account of commutation shall become operative from the date of receipt of the commuted value of the pension by the pensioner or three months after the issue of the authority asking the pensioner to collect the commuted value of the pension by the Accountant-General, whichever is earlier. This date will be entered in both halves of the Pension Payment Order by the Treasury Officer under intimation to the Accountant-General.

Note 1. - In the case of an impaired life, this rule does not preclude the pensioner's right to record his acceptance of the commutation after the medical examination and before he receives intimation of the revised sum payable on a commutation from the Accounts Officer. Such acceptance will, however, always be treated as final, that is to say, the pensioner will have no title whatsoever to rescind his acceptance on receipt of intimation of the revised sum from the Accounts Officer.

Note 2. - In view of the fact that rule 11.11 confers an absolute right on commutation subject to the prescribed conditions, payment of commuted value should not be postponed on the ground of lack of funds.

11.15. The lump sum, in cases in which application is addressed to the authorities in India under clauses (1) and (2) of rule 11.2, shall be payable in India; in all other cases it shall be payable at the Treasury in U.K. The rate of exchange for conversion of the lump sum, where the question of conversion arises, shall be such as the Government of India may from time to time prescribe.

11.16. If the pensioner dies on or after the day on which commutation became absolute but before receiving the

commutation value, this value shall be paid to his heirs.

11.17.A commutation once applied for, sanctioned and given effect to, can not be rescinded, i.e., the portion of a pension commuted can not be restored on refund of the capitalised value.

## ANNEXURE

[Referred to in Rule 11.5(2)]

Commutation table based on the rate of interest of 4.75 percent per annum and the improvement in mortality rate as adopted by the Central Government in case of their pensioners (commutation value for a pension of rupee one per annum).

<b>Age next birth day</b>	<b>Commutation value expressed as number of years' purchase</b>	<b>Age next birth day</b>	<b>Commutation value expressed as number of years' purchase</b>
1	2	3	4
17	19.28	26	18.34
18	19.20	27	18.21
19	19.11	28	18.07
20	19.01	29	17.93
21	18.91	30	17.78
22	18.81	31	17.62
23	18.70	32	17.46
24	18.59	33	17.29
25	18.47	34	17.11

## COMMUTATION OF CIVIL PENSIONS

[Annexure]

<b>Age next birth day</b>	<b>Commutation value expressed as</b>	<b>Age next birth day</b>	<b>Commutation value expressed as number</b>
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	number of years' purchase		of years' purchase
35	16.92	61	9.81
36	16.72	62	9.49
37	16.52	63	9.15
38	16.31	64	8.82
39	16.09	65	8.50
40	15.87	66	8.17
41	15.64	67	7.85
42	15.40	68	7.53
43	15.15	69	7.22
44	14.90	70	6.91
45	14.64	71	6.60
46	14.37	72	6.30
47	14.10	73	6.01
48	13.82	74	5.72
49	13.54	75	5.44
50	13.25	76	5.17
51	12.95	77	4.90
52	12.66	78	4.65
53	12.35	79	4.40
54	12.05	80	4.17
55	11.73	81	3.94
56	11.42	82	3.72
57	11.10	83	3.52

58	10.78	84	3.32
59	10.46	85	3.13
60	10.13		

## CHAPTER XII

### LIST OF AUTHORITIES WHO EXERCISE THE POWERS OF COMPETENT AUTHORITY

12.1. The following authorities shall exercise the powers of a competent authority under the various rules :-

SN	No. of Rule	Nature of power	Authority to which the powers delegated	Extent
1.	2.5	Power to grant compassionate allowance to a Government employee dismissed or removed from service for misconduct, insolvency, or inefficiency.	Authority competent to order dismissal or removal of the Government employee	Up to half of the pension that would have been admissible to the Government employee dismissed or removed if he had retired on medical certificate provided it is specifically explained why his case deserves special consideration and for what special reasons maximum allowance admissible had to be granted.
2.	3.13	Power to allow in individual cases service rendered by a Government employee to count for pension even though it does not fulfil either or both of conditions (1) and	All Departments of Government	(1) Full powers if the pension does not exceed Rs.50 per mensem.  N.B. - These powers are to be exercised in

(2) of rule 3.12

special circumstances and not as a matter of course.

(2) If the pension exceeds Rs.50 per mensem half the actual

non-qualifying service paid from the Government revenues, may be allowed to count for pension subject to a maximum of 12 months in all.

3.	4.12	Power to declare that the period spent by Government employees under going a course of training shall be counted towards pension.	All Departments of Government	Full powers except in regard to a person in training for, but not actually appointed to, Government service.
4.	7.17 and 7.18	Powers to sanction reemployment on the guard establishment of Military and Police Pensioners with full pension in addition to the full pay of the post.	Divisional Officers and Superintending Engineers, Irrigation Branch, Punjab.	Full powers.
4-A.	7.20	Power to fix pay of Military pensioners on re-employment in civil posts.	Departments of Government and the Speaker, Punjab Vidhan Sabha.	Full powers.
4-B.	7.26	Power to sanction the acceptance of commercial	All Departments of Government.	Full powers.

employment by a pensioner before the expiry of two years from the date of retirement.

4-C.	7.18	Power to fix the pay and allowances of pensioners on re-employment	All Departments of Government.	Full powers.
5.	11.6	Power to sanction the commutation of Civil pensions.	All Heads of Offices.	Full powers both in case of Gazetted and non-gazetted Government employees under them, subject to the provisions of chapter XI.

Note. - The Administrative Department and Heads of Departments may re-delegate the powers delegated to them in the above table, on their own responsibility and subject to such restrictions as they may like to impose, to any officer under them at their headquarter offices. Copies of such orders should invariably be endorsed to Finance Department, and the Accountant-General, Punjab.

"Note:- (i) The Administrative Department may redelegate the powers delegated to them in the above table to the Heads of Departments on their own responsibility and subject to such restrictions as they may like to impose :-

Provided that such redelegated powers shall be exercised personally by the Heads of Departments and shall, in no circumstances be further delegated by them to officers subordinate to them :-

Provided further that the copies of all such orders shall invariably be ordered to the Accountant-General (Accounts and Entitlement) and the Accountant-General (Audit).

ii) The Heads of Departments may re-delegate the power delegated to them in the above table other than the powers delegated to them under the clause (I) above to any officer subordinate to them at their headquarter's offices on their own responsibility and subject to such restrictions as they may like to impose :

Provided that such re-delegated powers shall be exercised personally by such officers and shall in no

circumstances be further delegated :-

Provided further that the copies of all such orders shall invariably be endorsed to the Accountant-General (Accounts and Entitlement) and the Accountant-General (Audit).

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PART II. - PROVIDENT FUNDS  
CHAPTER XIII - *The Punjab General Provident Fund Rules*  
SHORT TITLE AND DEFINITIONS

13.1. The rules in this Chapter (called "The Punjab General Provident Fund Rules"), came into force on the 1st September, 1936. Subject to any express saving provisions in these rules, the rules regulating the General Provident Fund which were in force prior to 1st September, 1936 (vide Appendix 3), are superseded by these rules.

13.2. (1) In these rules :-

- (a) Accounts Officer means such officer as may be appointed in this behalf by the Controller and Accountant-General of India.
- (b) Except where otherwise expressly provided emoluments means pay, leave salary or subsistence grant as defined in the Punjab Civil Services Rules, Volume I, and includes sterling overseas pay converted at such rate of exchange as the Central Government may prescribe in this behalf and any remuneration of the nature of pay received in respect of foreign service.

Note. - Emoluments include 'Dearness Pay'.

(c) Family means.

- (i) in the case of a male subscriber, the wife or wives, and children of a subscriber, and the widow, or widows and children of a deceased son of the subscriber :

Provided that if a subscriber proves that his wife has been judicially separated from him or has ceased under the customary law of the community to which she belongs to be entitled to maintenance she shall henceforth be deemed to be no longer a member of the subscriber's family in matter to which these rules relate, unless the subscriber subsequently indicates by express notification in writing to the Accounts Officer that she shall continue to be so regarded ;

- (ii) in the case of a woman subscriber, the husband and children of a subscriber, and the widow or widows and children of a deceased son of a subscriber :

Provided that if a subscriber by notification in writing to the Accounts Officer expresses her desire to exclude her husband from her family, the husband shall henceforth be deemed to be no longer

a member of the subscriber's family in matter to which these rules relate, unless the subscriber subsequently cancels formally in writing her notification excluding him.

Note 1.- Children means legitimate children.

Note 2. - An adopted child shall be considered to be a child when the Accounts Officer, or if any doubt arises in the mind of the Accounts Officer, the Legal Remembrancer to Government, Punjab, is satisfied that under the personal law of the subscriber, adoption is legally recognized as conferring the status of a natural child, but in this case only.

When a person has given his child in adoption to another person and if, under the personal law of the adopter, adoption is legally recognized as conferring the status of a natural child, such a child should, for the purposes of these rules, be considered as excluded from the family of the natural father.

- (d) Fund means the General Provident Fund.
- (e) Leave means any variety of leave recognized by the Punjab Civil Services Rules.
- (f) Year means a financial year.
- (2) Any other expression used in these rules which is defined either in the Provident Funds Act, XIX of 1925 (reproduced in Appendix IV), or in the Punjab Civil Services Rules, Volume I, is used in the sense therein defined.
- (3) Nothing in these rules shall be deemed to have the effect of terminating the existence of the General Provident Fund as heretofore, or of constituting any new Fund.

## CONSTITUTION OF THE FUND

- 13.3. (1) The Fund shall be maintained in India in rupees.
- (2) All sums paid into the Fund under these rules shall be credited in the books of Government to an account named 'The General Provident Fund', Sums of which payment has not been taken within three years in the case of Class IV.

**Employees and six months in the case of all other employees**-After they become payable under these rules shall be transferred to "Deposits" at the end of the year and treat under the ordinary rules relating to deposits.

13.4. All temporary Government employees, after a continuous service of one year, all re-employed pensioners (other than those eligible for admission to the Contributory Provident Fund) and all permanent Government

employees shall subscribe to the Fund :

Provident that no such employee as has been required or permitted to subscribe to a Contributory Provident Fund shall be eligible to join or continue as a subscriber to the Fund while he retains his right to subscribe to such Fund.

Note 1. - Apprentices and probationers shall be treated as temporary Government employees for the purpose of this rule.

Note 2. - A temporary Government employee who completes one year of continuous service during the middle of a month shall subscribe to the Fund from the subsequent month.

Note 3. - The following Government employee shall also subscribe to the Fund, provided that they have not been required or permitted to subscribe to a Contributory Provident Fund :-

- (1) Section writers who are members of fixed establishments and piece-workers in Government Presses.
- (2) Members of the Punjab Public Service Commission who were not in the service of a Government in India at the time of their appointment.

Note 4. - Temporary Government employees (including apprentices and probationers) who have been appointed against regular vacancies and are likely to continue for more than a year, may subscribe to the General Provident Fund any time before completion of one year's service.

Note 5A- Temporary Government employee who is borne on an establishment or factory to which the provisions of the 'Employees Provident Funds and Family Pension Fund Act, 1952 (Central Act No.19 of 1952) would apply or would have applied but for the exemption granted under Section 17 of the said Act, shall subscribe to the General Provident Fund if he has completed six months, 'continuous service or has actually worked for not less than 120 days during a period of six months or less in such establishment or factory or in any other establishment or factory to which the said Act applies under the same employer or partly in one and partly in the other or has been declared permanent whichever date is the earliest.

**Explanation** - For the purposes of this rule 'Continuous Service' shall have the same meaning as assigned to it in the Employees' Provident Fund Scheme, 1952, and the period of work for 120 days shall be computed in the manner specified in the said scheme and shall be certified by the employer.'

13.5. Omitted.

13.6. Omitted.

## NOMINATIONS

13.7. (1) A subscriber shall, at the time of the joining the fund, send to the Accounts Officer, a nomination conferring on one or more persons the right to receive the amount that may stand to his credit in the Fund, in the event of his death before that amount has become payable or having become payable has not been paid :

Provided that if, at the time of making the nomination the subscriber has a family the nomination shall not be in favour of any person or persons other than the members of his family.

Provided further that the nomination made by the subscriber in respect of any other provident fund to which he was subscribing before joining the Fund, shall, if the amount to his credit in such other fund, has been transferred to his credit in the Fund, be deemed to be a nomination duly made under this rule until he makes nomination in accordance with this rule.

Note 1. - An application for admission to the Fund should not be forwarded to the Accountant-General, until it is accompanied by nomination forms completed by the subscriber.

Note 2. - A declaration made by a Mohammedan subscriber in favour of his adopted child should not be accepted, as adoption is not recognized in Mohammedan Law.

(2) If a subscriber nominates more than one person under clause (1), he shall specify in the nomination the amount or share payable to each of the nominees in such manner as to cover the whole of the amount that may stand to his credit in the Fund at any time.

(3) Every nomination shall be in such one of the Forms P.F.I., I-A, I-B or I-C, as is appropriate in the circumstances.

(4) A subscriber may at any time cancel a nomination by sending a notice in writing to the Accounts Officer :

Provided that the subscriber shall, along with such notice, send a fresh nomination made in accordance with the provisions of clauses (1) to (3).

Note. - The proviso to this clause is directory and not mandatory. The additional provision that a fresh nomination should be sent along with a notice does not affect the validity or otherwise of the notice. The proviso thus, does not constitute a condition for the validity of the notice. Once a notice is given complying with the above requirements, it operates as a valid and effective notice :

Provided it is given in clear unambiguous terms. In view of this it shall not be in order to make the payment of the deposits in the General Provident Funds on the basis of the nomination, which is expressly cancelled by the subscriber by a notice given in clear and unambiguous terms but which is not replaced by another valid nomination. After receiving such a notice of cancellation of nomination, the nomination should be cancelled forthwith and returned to the subscriber. If the subscriber fails to furnish along with the notice of cancellation or separately in due course, a fresh nomination which is in accordance with the rules and the Provident Fund become payable as a result of the death of the subscriber, the payment should be made in accordance with the rules of the Fund as if no valid nomination subsists.

- (5) A subscriber may provide in a nomination --
- (a) in respect of any specified nominee, that in the event of his predeceasing the subscriber, the right conferred upon that nominee shall pass to such other person or persons shall, if the subscriber has other members of his family, be such other member or members,
  - (b) that the nomination shall become invalid in the event of happening of a contingency specified therein ; provided that if at the time of making the nomination the subscriber has no family he shall provide in the nomination that it shall become invalid in the event of his subsequently acquiring a family :

Provided further that if at the time of making the nomination the subscriber has only one member of the family, he shall provide in the nomination that the right conferred upon the alternative nominee under clause (a) shall become invalid in the event of his subsequently acquiring other member or members in his family.

- (6) Immediately on the death of a nominee in respect of whom no special provision has been made in the nomination under clause (a) of sub-rule (5), or on the occurrence of any event by reason of which the nomination becomes invalid in pursuance of clause (b) of the Accounts Officer a notice in writing canceling the nomination together with a fresh nomination made in accordance with the provisions of this rule.
- (7) Every nomination made by a subscriber shall, to the extent that it is valid, take effect on the date on which it is received by the Accounts Officer.

## SUBSCRIBERS ACCOUNTS

- 13.8. An account shall be prepared in the name of each subscriber and shall show the amount of his subscriptions with interest, thereon calculated as prescribed in sub-rule (2) of rule 13.13.

## CONDITIONS AND RATES OF SUBSCRIPTIONS

13.9. (1) A subscriber shall subscribe monthly to the Fund except during the period of service treated as dies non on or when he is under suspension:

Provided that a subscriber may at his option, elect not to subscribe during any period of leave other than earned leave of less than 30 days duration as the case may be; but this option shall not be exercised during vacation when the leave is combined with vacation :

Provided further that a subscriber on reinstatement after a period passed under suspension shall be allowed the option of paying in one sum or in instalments any sum not exceeding the maximum amount of arrear subscriptions payable for the period.

(2) The subscriber shall intimate his election not to subscribe during leave in the following manner :-

- (a) If he is an officer who draws his own pay bills, by making no deduction on account of subscription in his first pay bill drawn after proceeding on leave.
- (b) If he is not an officer who draws his own pay bills, by written communication to the head of his office before he proceeds on leave. Failure to make due and timely intimation shall be deemed to constitute an election to subscribe.

The option of a subscriber intimated under this sub-rule shall be final.

(1) A subscriber, who has under rule 13.29 withdrawn the amount standing to his credit in the Fund, shall not subscribe to the Fund after such withdrawal unless he returns to duty.

Note. - The term 'dies non' in relation to the period of service means the period which does not exist and is not counted for the purpose of pension, leave and seniority or for any other purpose.

13.10. (1) The amount of subscription shall be fixed by the subscriber himself, subject to the following conditions --

- (a) it shall be expressed in whole rupees ;
- (b) it may be any sum, so expressed, not less than 8 per cent of his (including dearness pay) and not more than his total pay.

(2) For the purposes of clause (1) the emoluments of a subscriber shall be --

- (a) In the case of a subscriber who was in Government service on the 31<sup>st</sup> March, of the preceding year, emoluments to which he was entitled on that date :

- (i) if the subscriber was on leave on the said date and elected not to subscribe during such leave or was under suspension on the said date, or the period of service on that date is treated as dies non his emoluments shall be the emoluments to which he was entitled on the first day after his return to duty ;
  - (ii) if the subscriber was on deputation out of India on the said date or was on leave on the said date and continues to be on leave and has elected to subscribe during such leave, his emoluments shall be the emoluments to which he would have been entitled had he been on duty in India;
  - (iii) if the subscriber joined the Fund for the first time, his emoluments shall be the emoluments to which he was entitled on the date of joining the Fund.
- (b) In the case of subscriber who was not in Government service on the 31<sup>st</sup> March of the preceding year, the emoluments to which he was entitled on the date he joins the Fund.
- (3) The subscriber shall intimate the fixation of the amounts of his monthly subscription in each year in the following manner --
- (a) if he was on duty on the 31<sup>st</sup> March of the preceding year, by the deduction which he makes in this behalf from his pay bill for that month ;
  - (b) if he was on leave on the 31<sup>st</sup> March of the preceding year and elected not to subscribe during such leave, or was under suspension on that date the period of service on that day is treated as dies non by the deduction which he makes in this behalf from his first pay bill after his return to duty ;
  - (c) if he has entered Government service for the first time during the year, or joins the Fund for the first time by the deduction which he makes in this behalf from his pay bill for the month during which he joins the Fund ;
  - (d) if he was on leave on the 31<sup>st</sup> March of the preceding year, and continues to be on leave and has elected to subscribe during such leave, by the deduction which he causes to be made in this behalf from his pay bill for that month;
  - (e) if he was on foreign service on the 31<sup>st</sup> March of the preceding year, by the amount credited by him into the treasury on account of subscription for the month of April in the current year.

- (2) The amount of subscription so fixed may be reduced once at any time during the course of the year or may be enhanced twice during the course of the year.

Provided that if a subscriber is on leave on half pay for a part of a calendar month and he has elected not to subscribe during such leave, the amount of the subscription payable shall be proportionate to the number of days spent on duty including leave, if any, other than those referred to above.

- (i) The amount of subscription originally fixed by a subscriber is not to be varied during the course of the year on account of any increase or decrease in his rate of pay which may ultimately be found to be due in respect of the 31<sup>st</sup> March preceding.
- (ii) If a subscriber dies during the course of a month proportionate subscription should be recovered for that month from his emoluments, i.e., for the number of days during which he was alive in the month.

Note. -- (a) The subscriptions of piece-workers in Government Presses are not subject to the minimum limit of 6-1/2 per cent of pay. In their case the maximum limit of 15-5/8 percent shall be calculated on the higher earnings drawn for any day falling within the period 15<sup>th</sup> February to 14<sup>th</sup> March of the financial year preceding. If, however, a piece-worker has been absent during the whole of that period the limit of 15-5/8 percent shall be calculated on the higher earnings drawn for any day of the first subsequent press month (15<sup>th</sup> of one month to the 14<sup>th</sup> of the next month) in which he is employed. The earning taken for calculating the maximum limit of subscription shall also be taken for the purpose of calculating the limit of three months' pay ordinarily imposed on temporary advances under rule 13.14(1).

(b) The subscriptions of section-writers, typists, and other piece-rate-workers who are members of fixed establishment shall be calculated on their earnings for March of the preceding financial year. These earnings will also be taken as the monthly pay for the purposes of watching the limit of three months' pay ordinarily imposed on temporary advances under rule 13.14(1).

13.11. When a subscriber is transferred to foreign service or sent on deputation out of India, he shall remain subject to the rules of the Fund in the same manner as if he were not so transferred or sent on deputation.

## REALIZATION OF SUBSCRIPTIONS

13.12. (1) When emoluments are drawn from a Government Treasury in India or from the Treasury in U.K. or a Colonial Treasury, recovery of subscriptions on account of these emoluments and of the principal and interest of advances shall be made from the emoluments themselves; except that, when emoluments other than sterling overseas pay are so drawn in India, deductions in respect of sterling overseas pay, when admissible, shall be made in India.

- (2) When emoluments are drawn from any other source the subscriber shall forward his dues monthly to the Accounts Officer.
- (1) If a Government employee fails to subscribe with effect from the date on which he is required to join the Fund the total amount due to the Fund on account of arrears of subscription shall, with interest thereon at the rate provided in rule 13.13, forthwith be paid by the subscriber to the Fund, or in default be ordered by the Accounts Officer to be recovered by deduction from the emoluments of the subscriber by instalments or otherwise as may be directed by the authority competent to grant an advance under clause (1) of rule 13.14.

## INTEREST

- 13.13. (1) Subject to the provisions of clause (5) below, Government shall pay to the credit of the account of a subscriber interest at such rate as may be determined for each year according to the method of calculation prescribed from time to time by the competent authority.
- (2) Interest shall be credited with effect from the last day in each year in the following manner --
    - (i) on the amount at the credit of a subscriber on the last day of the preceding year, less any sums withdrawn during the current year -- interest for twelve months ;
    - (ii) on sums withdrawn during the current year -- interest from the beginning of the current year up to the last day of the month preceding the month of withdrawal ;
    - (iii) on all sums credited to subscriber's account after the last day of the preceding year -- interest from the date of deposit up to the end of the current year ;
    - (iv) the total amount of interest shall be rounded to the nearest whole rupee (fifty paise counting as the next higher rupee) :

Provided that when the amount standing at the credit of a subscriber has become payable, interest shall thereupon be credited under this clause in respect only of the period from the beginning of the current year or from the date of deposit as the case may be, up to the date on which the amount standing at the credit of the subscriber became payable.

- (3) In this rule, the date of deposit shall, in the case of a recovery from emoluments, be deemed to be the first day of the month in which it is recovered; and in the case of an amount forwarded by the subscriber shall be deemed to be the first day of the month of receipt, if it is received by the Accounts Officer before the fifty day of that month, but if it is received on or after the fifth day of that month

the first day of the next succeeding month.

- (2) In addition to any amount to be paid under rules 13.28, 13.29 or 13.30, interest thereon up to the end of the month preceding that in which the payment is made, or up to the end of the sixty month after the month in which such amount became payable, whichever of these periods be less, shall be payable to the person to whom such amount is to be paid :

Provided that . -(i) in the case of a Government employees other than class IV employees the payment of interest on the Fund balances beyond a period of six months up to any period may be authorised by the Accountant-General, Punjab, after he has personally satisfied himself that the delay in payment was occasioned by circumstances beyond the control of the subscriber and that the administrative delay involved in the matter shall be fully investigated and action, if any, required, taken ; and

- (ii) in the case of class IV employees the payment of the interest on the Fund balances beyond a period of six months upto a period of one year may be authorised by the Heads of Departments and payment of the interest of Fund balance beyond that period up-to any period may be authorised by the Administrative Secretary concerned after he has personally satisfied himself that the delay in payment was occasioned by circumstances beyond the control of the subscriber or the persons to whom such payment was to be made in every such case, the Administrative delay involved in the matter shall be fully investigated and action, if any, required, taken.

Provided further that where the Accounts Officer has intimated to that person (or his agent) a date on which he is prepared to make payment in cash, or has posted a cheque, in payment to that person, interest shall be payable only up to the end of the month preceding the date so intimated, or the date of posting the cheque, as the case may be :

Provided further that where a subscriber on deputation to a body corporate, owned or controlled by Government or an autonomous

Organization, registered under the Societies Registration Act, 1860 (21 of 1860) is subsequently absorbed in such body corporate or organization with effect from a retrospective date, for the purpose of calculating the interest due on the Fund accumulations of the subscriber, the date of issue of the orders regarding absorption shall be deemed to be the date on which the amount to the credit of the subscriber became payable, subject, however, to the condition that the amount recovered as subscription during the period commencing from the date of absorption and ending with the date of issue of orders of absorption shall be deemed to be subscription to the Fund only for the purpose of awarding interest under this sub-rule.

- (3) Interest shall not be credited to the account of Mohammedan subscriber if he informs the Accounts Officer that he does not wish to receive it; but he subsequently asks for interest, it shall be credited with effect from the first day of the year in which he asks for it.
- (4) The interest on amounts which under sub-rule (3) of rule 13.12, rule 13.28 or rule 13.29, are replaced at the credit of the subscriber in the Fund shall be calculated at such rates as may be successively prescribed under clause (1) of this rule and so far as may be in the manner described in this rule.

Note 1. - When a subscriber is dismissed, removed or retired prematurely or compulsorily from the service of Government but has appealed against his removal, the balance at his credit shall not be paid over to him until final orders confirming the decision are passed on his appeal, Interest, shall, however, be paid on the balance up to the end of the month preceding that in which such orders are passed.

Note 1: A - When a subscriber is dismissed, removed, retired prematurely or compulsorily from the service of Government, the balance at his credit shall not be paid to him until he declares that the appeal review of memorial or judicial proceedings as the case may be, provided under the relevant rules against such order, has been finally decided confirming the decision of dismissal, removal or premature or compulsory retirement or until a certificate to the effect that no such appeal, review, memorial or judicial proceeding is pending or would be filed, is furnished".

Note 2. - No interest shall be allowed on the amount recovered on account of the subscriptions to the Fund in excess of the actual amount due.

When the excess payment of subscription is adjusted by short payment in subsequent months, interest should be allowed for the latter months on the full amount due, the balance having been already received in the former months.

## ADVANCES FROM THE FUND

- 13.14. (1) A temporary advances may be granted to a subscriber from the amount standing to his credit in the Fund at the discretion of the competent authority subject to the following conditions :-
- (a) No advance shall be granted unless the sanctioning authority is satisfied that the applicant's pecuniary circumstances justify it, and that it will be expended on the following object or objects and not otherwise--
  - (a) to pay expenses in connection with the prolonged illness of the applicant and members of his family or any person actually dependent on him;
  - (ii) to pay for the overseas passage only for reasons of health or education of the applicant and

members of his family or any person actually dependent on him. Advances from provident fund may also be granted to a subscriber subject to the usual conditions to meet the cost of education of himself or of any person actually dependent on him in the following types of cases:-

- (1) for education outside India, whether for an academic, technical, professional or vocational course;
  - (2) for medical, engineering and other technical or specialized course of study is not less than three years;
  - (3) for the Company Secretary ship Course of the Institute of Company Secretaries of India; and
  - (4) for the course of pre-sea training imparted on the Training Ship 'Rajendra' to the prospective navigation officers on merchant ships.
- (iii) to pay obligatory expenses on a scale appropriate to the subscriber's status which by customary usage the subscriber has to incur in connection with marriages, funerals, or other ceremonies;
  - (iv) to meet the cost of legal proceedings instituted by the subscriber for vindicating his position in regard to any allegations made against him in respect of any act done or purporting to have been done by him in the discharge of his official duty, the advance admissible for the same purpose from any other Government source:

Provided that the advance under this sub- clause shall not be admissible to a subscriber who institutes legal proceedings in any court of law either in respect of any matter unconnected with his official duty or against Government in respect of any condition of service or penalty imposed on him;

- (v) to meet the cost of his defence where the subscriber is prosecuted by Government in any court of law or where the subscriber engages a legal practitioner to defend himself in an inquiry in respect of any alleged official misconduct on his part.

Note. - In cases falling under item (i) above, advances may be granted by the sanctioning authority to pay debts incurred : provided an application is made within a reasonable time after the event to which it relates. What is a reasonable time will be determined on the merits of each case. Advances to pay debts incurred in cases falling under items (ii) and (iii) require the sanction of Government.

- (b) The sanctioning authority shall record in writing its reasons for granting the advance.

Provided that if the reason is of a confidential nature, it may be communicated to the Accounts Officer personally and/ or confidentially.

- (c) No advance shall be granted unless --
- (i) the competent authority fully satisfies itself about the genuineness of the request for which advance is applied for;
  - (ii) the earlier advances are full repaid; and
  - (iii) Grant of advance by an authority lower than the Administrative Department shall not be made except for special reason to be recorded in writing by the sanctioning authority and shall be subject to the following conditions:-
    - (1) it shall not exceed six months' pay or half the amount at the credit of the subscriber in the fund, whichever is less; or
    - (2) unless the amount already advanced does not exceed two-thirds of the amount admissible under item C(iii), be granted until at least twelve months after the final repayment of all previous advances.
- (d) Notwithstanding anything contained in clause (c), the advance to be sanctioned for the purposes of sub-clause (iv) or sub-clause (v) of clause (a), shall not exceed three months' pay or Rs. 500, whichever is greater, and shall in no case exceed half the amount at the credit of the subscriber in the fund.
- (2) In fixing the amount of an advance, the instructions given in Annexures A and D to this Chapter should be carefully observed by the authorities competent to sanction the advances.

Note 2. - The authorities competent to grant advances under this rule and the conditions under which they can grant such advances are given in Annexure B to this Chapter.

Note 3. - For advances for meeting cost of higher technical, medical and scientific studies of the children of Government employees, in respect of degree courses and above, in addition to the amount admissible from the General Provident Funds, see rule 10.25(m) of P. F. R. Vol. I.

- (3) The competent authority may in special circumstances sanction the payment to any subscriber of an advance if it is satisfied that the subscriber concerned requires the advance for reasons other than those mentioned in sub-rule (1).

- (4) When an advance is sanctioned under sub-clause (c), before repayment of last installment of any previous advance is completed, the balance not recovered shall be added to the advance so sanctioned and the instalments for recovery shall be fixed with reference to the consolidated amount.

13.15. (1) An advance shall be recovered from the subscriber in such number of equal monthly instalments as the sanctioning authority may direct ; but such number shall not be less than twelve unless the subscriber so elects and more than twenty-four. In special cases where the amount of advance exceeds three months pay of the subscriber under rule 13.14(1)(c), the sanctioning authority may fix such number of installments to be more than twenty-four but in no case more than thirty-six. A subscriber may, at his option, repay more than one instalments in a month. Each installment shall be a number of whole rupees, the amount of the advance being raised or reduced, if necessary, to admit of the fixation of such instalments.

- (2) Recovery shall be made in the manner prescribed in rule 13.12 for the realization of subscription and shall commence with the issue of pay for the month following one in which the advance was drawn. Recovery shall not be made, except with the subscriber's consent, while he is on leave for ten days or more in a calendar month or in receipt of subsistence grant and may be postponed, on the subscriber's written request, by the sanctioning authority during the recovery of an advance of pay granted to the subscriber.

Note 1. - The expression "advance of pay" includes any ordinary advance of pay granted under the relevant rules, but does not include advances for the building or repair of a house, for the purchase of a conveyance or for the payment of passages overseas which are of a different nature.

Note 2. - Vacation combined with leave shall be treated as leave for the purpose of repayment of an advance.

- (3) If an advance has been granted to a subscriber and drawn by him and the advance is subsequently disallowed before repayment is completed, the whole of balance of the amount withdrawn, shall, forthwith be repaid by the subscriber to the Fund, or in default, be ordered by the Accounts Officer to be recovered by deduction from the emoluments of the subscriber in monthly instalments not exceeding twelve as may be directed by one of the authorities specified in Annexure B to this Chapter.

Provided that, before such advance is disallowed the subscriber shall be given an opportunity to explain to the sanctioning authority in writing and within fifteen days of the receipt of the communication why the repayment shall not be enforced and if an explanation is submitted by the subscriber within the said period of fifteen days, it shall be considered by the sanctioning authority for decision; and if no explanation within the said period is submitted by him, the repayment of the advance shall be enforced in the manner prescribed in this sub-rule.

- (4) Recoveries made under this rule shall be credited as they are made to the subscriber's account in the Fund.



## PROCEDURE RULES

13.34. All sums paid into the Fund under these rules shall be credited in the books of Government to an account named "The General Provident Fund" Sums of which payment has not been taken within six months after they became payable under these rules, shall be transferred to "Deposits" at the end of the year and treated under the ordinary rules relating to deposits.

13.35. When paying a subscription in India, either by deduction from emoluments or in cash, a subscriber shall quote the number of his account in the Fund which shall be communicated to him by the Accounts Officer. Any change in the number shall similarly be communicated to the subscriber by the Accounts Officer.

13.36. (1) As soon as possible after the close of each year, the Accounts Officer shall send to each subscriber a statement of his account in the Fund showing the opening balance as on the 1st April of the year, the total amount credited or debited during the year, the total amount of interest credited as on the 31<sup>st</sup> March of the year and the closing balance on that date. The Accounts Officer shall attach to the statement of account an enquiry whether the subscriber --

- (a) desires to make any alteration in any nomination made under Rule 13.7 or under the corresponding rule heretofore in force ;
- (b) has acquired a family in cases where the subscriber has made no nomination in favour of a member of his family under the proviso to clause (I) of Rule 13.7.

(2) Subscribers should satisfy themselves as to the correctness of the annual statement and errors should be brought to the notice of the Accounts Officer within three months from the date of receipt of the statement.

(3) The Accounts Officer shall, if required by a subscriber, once but not more than once, in a year inform the subscriber of the total amount standing to his credit in the Fund at the end of the last month for which his account has been written up.

### ANNEXURE A

(See Note 1 under Rule 13.14).

#### General Principles which should determine the grant of an advance from the General Provident Fund

1. The fund is designed solely for the protection of a subscriber's family against his sudden death, or, if he survives until retirement, to provide both him and them with additional resources in his old age. Any thing which interferes with a subscriber's normal accumulations detracts from these purposes and tends to defeat the true object of the Fund. Rule 13.14, merely permits a temporary and wholly exceptional departure from the

real purposes of the scheme, and unless it is strictly interpreted, there is danger that subscribers will come to regard the Fund as an ordinary banking account, the existence of which absolves them from the necessity of providing for the normal incidents of life with the prudence which a private individual would exercise. The inevitable result, if this tendency is countenanced, will be to discourage thrift, and to leave the subscriber with a depleted account at the time when it ought to be most helpful to him or his family. Sanctioning authorities ought, therefore, to have no hesitation in resisting any attempt to use the Fund as a cheap loan account and in enforcing the altogether exceptional character of Rule 13.14, as a provision to meet urgent needs which would not ordinarily have been anticipated. Every prudent married man, for example, should be prepared to meet certain demands upon his resources on account of doctor's bills, and it is only when the burden is exceptionally prolonged, or the necessity usually grave and sudden, that he ought to think of making use of the Provident Fund for this object.

2. For the same reasons, a careful scrutiny should be applied to requests for withdrawals on account of marriage or funeral expenses. Even where ceremonial expenditure is by religious custom obligatory, its extent should nevertheless be limited by the resources of the family, and no subscriber should be enabled to enhance such expenditure on the strength of deposits in the Fund. An advance from the Fund can legitimately be made for obligatory ceremonial expenditure where no other resources exist but not in order to raise such expenditure to a more pretentious scale.
3. The intention of these instructions is not to limit the powers of the authorities competent to sanction withdrawals from the Fund in cases of absolute necessity, but the observance of the principles enunciated above is in the real interest of the body of subscribers to the Fund.
4. With reference to the provisions of the Provident Fund Act, 1925 there is no real difference regarding the validity of temporary advances between :-
  - (a) a non-repayable advance ; and
  - (b) an outright repayment of an amount equivalent to the advance.

The grant of a non-repayment advance amounts to an outright repayment of a part of the "compulsory deposit". Under section 2(a) of the Provident Fund Act, "Compulsory Deposit" is one, the whole of which is repayable on the happening of some specified contingency under the rules of the Provident Fund. A partial repayment of a deposit in the Provident Fund thus deprives the deposits of the character of "Compulsory Deposits" as defined in section 2 of the Provident Fund Act, and, therefore, the immunity provided under section 3(1) *ibid* will be lost. In other words, the Provident Funds in question will cease to be a provident fund subject to the provisions of the Provident Fund Act.

All sanctioning authorities, therefore, should, while sanctioning temporary advances from General Provident Fund take into consideration the date of retirement of subscriber and fix the number of instalments in such a manner

that it is possible to recover the entire amount of the advance, with interest accruing thereon before his actual retirement.

## ANNEXURE B

[See Note 2 below Rule 13.14, Rule 13.15 (5) and Rule 13.20 (4)].

### List of authorities competent to sanction temporary advances under the Punjab General Provident Fund Rules.

SN 1	Power 2	To whom delegated 3	Extent 4
1.	To grant temporary advance to the Government employees from their General Provident Fund.	All Departments of Government.	Full powers subject to the conditions laid down in rule 13.14 and provided further that the amount of the advance does not exceed 2/3 <sup>rd</sup> the amount of the credit of the subscriber in the Fund
2.	(i) To sanction temporary advances to gazetted Government employees serving under them from their General Provident Fund Accounts.	Heads of Departments.	Subject to the conditions laid down in Rule 13.14 and provided further --  (a) that the amount of the advance does not exceed 3 months' pay, and  (b) that a second advance is not granted until the lapse of 12 months from the date of repayment of all previous advances.
	(ii) To sanction the grant to Non-Gazetted Government employees serving under them of temporary	(a) *Heads of Departments.  (b) *Heads of Departments.	Full powers subject to the conditions laid down in Rule 13.14 and in Annexure D to this Chapter.  Full powers Subject to the conditions laid down in Rule

advances from  
their General  
Provident Fund.

13.14 and in Annexure D to this  
chapter in the case the  
employees who are members of  
a class III or a Class IV Service  
or who hold a Class III or a  
Class IV Post

- \* Commissioners of Divisions, District and Sessions Judges, Superintending Engineers in the Public Works Department, Conservator of Forests, Controller of Printing and Stationery, Deputy Inspector General of Police, Circle Education Officers, Principals of Government Arts and Professional Colleges, Sub-Divisional Officers in the Sub-Divisions of the Civil Departments and General Assistants at Headquarters of the District exercise the powers of Heads of Departments for this purpose.

Note 1. -- Chief Commissioner, Delhi exercises the powers of Heads of Department, for this purpose in respect of Gazetted and Non-Gazetted Government employees of the Government of the Punjab serving under the Delhi Administration.

Note 2. -- The Administrative Departments and Heads of Departments may redelegate the powers delegated to them in the above table, on their own responsibility and subject to such restriction as they may like to impose, to any officer under them at their headquarter offices. They may also delegate their powers on the same lines to any subordinate authority in respect of grant of temporary advances from General Provident Fund Accounts. Copies of such orders should invariably be endorsed to Finance Department and Accountant-General, Punjab.

## ANNEXURE C

(See rule 13.30).

1. Any sum payable under Rule 13.30 to a member of the family of a subscriber vests in such member under sub-section (2) of section 3 of the Provident Fund Act, 1925.
2. When a nominee is a dependent of the subscriber as defined in clause (c) of section 2 of the Provident Fund Act, 1925, the amount vests in such nominee under sub-section (2) of section 3 of the Act.
3. When the subscriber leaves no family and no nomination made by him in accordance with the provisions of Rule 13.7 subsists, or if such nomination relates only to part of the amount standing to his credit in the Fund the relevant provisions of clause (b) and of sub-clause (ii) of clause (c) of sub-section (1) of section (4) of the Provident Funds Act, 1925, are applicable to the whole amount or the part thereof to which the nomination does not relate.

## ANNEXURE 'D'

(See Note 1 under Rule 13.14)

The expression "earlier advances" appearing in sub-clause (ii) of clause (c) of Rule 13.14 (1) should be taken as referring to the first advance that may be granted up to two-third of the amount at the credit of the subscriber in the Fund admissible under clause (c) *ibid*. Thus under clause (c) if a subscriber who had already been granted an advance up to two-third of the amount admissible and who under clause (c) applies for a second advance for authority which sanctioned the first advance, is competent to sanction the 2<sup>nd</sup> advance if the earlier advance is fully repaid. If the individual subscriber may apply for a third advance within the twelve months of the final repayment of the previous advances or while one or both of them are still current, in such a case it would be necessary for the sanctioning authority to seek the sanction of the next higher administrative authority to the grant of the 3<sup>rd</sup> advance.

## ANNEXURE E

[See Rules 13.29(D), 13.29(E), 13.29(F) and 13.29(G)]

List of authorities competent to sanction final withdrawals under the Punjab Provident Fund Rules

SN	Power	To whom delegated	Extent
1	2	3	4
1.	To grant non-refundable advances to Government employees from their General Provident Fund Accounts.	All Departments of Government.	Full powers subject to the conditions laid down in rules 13.29 (D), 13.29(E), 13.29(F) and 13.29(G) and provided further that the amount of the advance does not exceed 3/4 <sup>th</sup> the amount of the credit of the subscriber in the Fund.
2.	To sanction the final withdrawals under Rules 13.29(D), 13.29(E), 13.29(F) and 13.29(G) to	Heads of Departments.	Full powers subject to the conditions laid down in the rules and provided further that the amount of advance does not exceed six months' pay or half

Gazetted Government Employees serving under them from their General Provident Fund.

the amount at the credit of subscriber in the Fund, whichever is less.

3. To sanction final withdrawals under Rules 13.29(D), 13.29(E), 13.29(F) to Non-Gazetted Government Employees working under them from their General Provident Fund Accounts.
- (i) \*Heads of Departments. Full powers subject to the conditions laid down in rules.
- (ii) Heads of Offices. Full powers subject to the conditions laid down in Rules 13.29(D), 13.29(E) and 13.29(F) in the case the employees who are members of a class III or a Class IV Service IV who hold a Class III or a Class IV Post.
4. To sanction final withdrawal under Rule 13.29(G) to Non-Gazetted Government employees working under them from their General Provident Fund Accounts.
- (i) \*Heads of Departments. Full powers subject to the conditions laid down in Rule 13.29(G), and provided further that the amount of advance does not exceed three months' pay or half the amount at the credit of subscriber in the Fund, whichever is less.
- (iii) Heads of Offices. Full powers subject to the conditions laid down in Rule 13.29(G), and provided further that the amount of advance does not exceed three months' pay or half the amount at the credit of subscriber in the Fund, whichever is less in the case the employees who are members of a class III or a Class IV Service IV who hold a Class III or a Class IV post.

## CHAPTER - XIV

### The Punjab Contributory Provident Fund Rules

#### Short title and definitions

14.1 These rules, called "The Punjab Contributory Provident Fund Rules," came into force on the 1<sup>st</sup> August, 1933, except that in the case of the Superior Non-Gazetted staff of the Electricity Branch in the Public Works Department, they have effect from the 1<sup>st</sup> April, 1933, and supersede all the rules and orders relating to special Contributory Provident Fund which were in force before these rules came into force.

14.2 (1) In these rules, unless there is any thing repugnant in the subject or context:-

(i) Accounts Officer means the Accountant-General, Punjab.

(ii) Emoluments means pay, leave salary, or subsistence grant, as defined in the Punjab Civil Services Rules, Volume I, and includes --

(a) Sterling Overseas Pay converted at such rate of exchange as may be prescribed in this behalf;

(b) any wages paid by Government to employees not remunerated by fixed monthly pay; and

(c) any remuneration of the nature of pay received in respect of foreign service;

(iii) Family means --

(a) in the case of a male subscriber, the wife or wives and children of a subscriber, and the widow, or widows and children of a deceased son of the subscriber :

Provided that if a subscriber proves that his wife has been judicially separated from him or has ceased under the customary law of the community to which he belongs to be entitled to maintenance she shall henceforth be deemed to be no longer a member of the subscriber's family in matters to which these rules relates unless the subscriber subsequently indicates by express notification in writing to the Accounts Officer that she shall continue to be so regarded ;

(b) in the case of a woman subscriber, the husband and children of the subscriber, and the widow or widows and children of a deceased son of the subscriber :

Provided that if a subscriber by notification in writing to the Accounts Officer expresses her desire to exclude her husband from her family, the husband shall henceforth be deemed to be no longer a member of the subscriber's family in matters to which these rules relate, unless the subscriber subsequently cancels formally in writing here notification excluding him.

Note 1. - Children means legitimate children.

Note 2. - An adopted child shall be considered to be a child when the Accounts Officer, or if any doubt arises in the mind of the Accounts Officer, the Legal Remembrancer to Government, Punjab, is satisfied that under the Personal Law of the subscriber adoption is legally recognised as conferring the status of a natural child, but in this case only.

Note 3. - When a person has given his child in adoption to another person and if, under the personal law of the adopter, adoption is legally recognised as conferring the status of a natural child, such a child should, for the purpose of the rules be considered as excluded from the family of the natural father;

(iv) Leave means any variety of leave recognised by the Punjab Civil Services Rules;

(v) The fund means the Punjab Contributory Provident Fund ; and

(vi) Year means a financial year.

(2) Any other expression employed in these rules which is defined either in the Provident Fund Act, 1925 (XIV of 1925) (See Appendix IV), or in the Punjab Civil Services Rules is used in the sense therein defined.

## CONSTITUTION AND MANAGEMENT OF THE FUND

14.3. The fund shall be administered by the Government and shall be maintained in India in rupees.

14.4. (1) These rules apply to such non-pensionable Government employees (whether Gazetted or Non-Gazetted) under the control of the Punjab Government, who --

(a) were in the service of the Punjab Government on the 15<sup>th</sup> August, 1951, and were entitled to the benefit of the Punjab Contributory Fund on that date but did not elect the option of coming on the New Pension Scheme;

(b) may be, specifically admitted by the competent authority to the Fund :

Provided that these rules shall not apply to any such servant between whom and the Government an agreement subsists in respect of a Provident Fund, other than agreement providing for the application to him of these rules, and, in the case of an agreement so providing; shall apply subject to the terms of such agreement.

Note. -- A Government employee counting services for pension in any post shall not be allowed to be governed by these rules.

(2) Every employee of a Government to whom these rules apply shall be a subscriber to the Fund.

(3) If a Government employee admitted to the benefit of the Fund was previously a subscriber to any other contributory or non-contributory Provident Fund of the State Government, the amount of his subscription and Government contributions in the other Contributory Provident Fund/ or the amount of his subscriptions in the non-contributory Provident Fund, as the case may be together with interest thereon, shall be transferred to his credit in the Fund.

(4) The amount standing at the credit of an employee of a local body in the Provident Fund established and maintained by the local body concerned shall, on the provincialisation of his services, be transferred to his credit in the Punjab Contributory Provident Fund in the event of his being admitted to the benefit of the Fund. The balances so carried forward shall carry interest as for new subscribers.

Note. -- Excepting those military pensioners who are in receipt of military pension up to Rs.50 per month only, no pensioner, civil or military, continued in service or re-employed after the date from which his pension takes effect, shall be admitted to the Fund, without the approval of the competent authority.

(1) If a Government employee admitted to the benefit of the Fund was previously a subscriber to any other Government Contributory Provident Fund or Non-Contributory Provident Fund, the amount of his subscriptions and the Government contribution in the Contributory Fund/ or the amount of his subscriptions in the Non-Contributory Provident Fund, as the case may be, together with interest thereon, shall be transferred to his credit in the Fund, with the consent of the other Government.

Note 1. - The provisions of sub-rules (3) and (5) shall not apply to a person who has retired and is subsequently re-employed, with or without a break in service, or to a person who was holding the former appointment on contract.

Note 2. -- The provisions of this rule shall, however, apply to persons who are appointed without break, whether temporarily or permanently to a post carrying the benefits of these rules after resignation/ retrenchment from service under another Department of State Government or under any other Government.

## NOMINATIONS

14.5. (1) A subscriber shall, at the time of joining the Fund, send to the Accounts Officer through the Head of Office a nomination conferring on one or more persons the right to receive the amount that may stand to his credit in the Fund, in the event of his death before that amount has become payable or having become payable, has not been paid :

Provided that, if, at the time of making the nominations the subscriber has a family, the nomination shall not be in favour of any person or persons other than the members of his family :

Provident further that the nomination made by the subscriber in respect of any other Provident Fund to which he was subscribing before joining the Fund shall, if the amount to his credit in such other Fund has been transferred to his credit in this Fund, be deemed to be a nomination duly made under this rule until he makes a nomination in accordance with this rule.

Note. -- The application for admission to the Fund should not be forwarded to the Accountant-General until it is accompanied by nomination forms completed by the subscriber.

(2) If a subscriber nominates more than one person under clause (1), he shall specify in the nomination the amount or share payable to each of the nominees in such manner as to cover the whole of the amount that may stand to his credit in the Fund at any time.

(3) Every nomination shall be in such one of the Forms P.F.-I, I-A, I-B or I-C as is appropriate in the circumstances.

(4) A subscriber may at any time cancel a nomination by sending a notice in writing to the Accounts Officer :

Provided that the subscriber shall along with such notice send a fresh nomination made in accordance with the provisions of clauses (1) to (3).

Note. -- The proviso to this clause is directory and not mandatory. The additional provision that a fresh nomination should be sent along with a notice does not affect the validity or otherwise of the notice. The proviso, thus, does not constitute a condition for the validity of the notice. Once a notice is given complying with the above requirements, it operates as a valid and effective notice: Provided it is given in clear unambiguous terms. In view of this it shall not be in order to make the payment of the deposits in the Contributory Provident Funds on the basis of the nomination, which is expressly cancelled by the subscriber by a notice given in clear and unambiguous terms but which is not replaced by another valid nomination. After receiving such a notice of cancellation of a nomination, the nomination should be cancelled forthwith and returned to the subscriber. If the subscriber fails to

furnish alongwith the notice of cancellation or separately in due course, a fresh nomination which is in accordance with the rules and the Provident Fund becomes payable as a result of the death of the subscriber, the payment should be made in accordance with the rules of the Fund as if no valid nomination subsists.

- (5) A subscriber may provide in a nomination :-
- (a) in respect of any specified - nominee, that in the event of his predeceasing the subscriber, the right conferred upon that nominee shall pass to such other person or persons as may be specified in the nomination, provided that such other person or persons shall, if the subscriber has other members of his family, be such other member or members;
  - (b) that the nomination shall become invalid in the event of happening of a contingency specified therein : Provided that if at the time of making the nomination the subscriber has no family he shall provide in the nomination that it shall become invalid in the event of his subsequently acquiring a family :

Provided further that if at the time of making the nomination the subscriber has only one member of the family, he shall provide in the nomination that the right conferred upon the alternate nominee under clause (a) shall become invalid in the event of his subsequently acquiring other member or members in his family.

- (2) Immediately on the death of a nominee in respect of whom no special provision has been made in the nomination under clause (a) of sub-rule (5), or on the occurrence of any event by reason of which the nomination becomes invalid in pursuance of clause (b) of sub-rule (5) or the provision, thereto, the subscriber shall send to the Accounts Officer a notice in writing canceling the nomination together with a fresh nomination made in accordance with the provision of this rule.
- (3) Every nomination made, by a subscriber shall, to the extent that it is valid, take effect on the date on which it is received by the Accounts Officer.
- (4) Nothing in clauses (1) to (3), shall be deemed to invalidate, or to require the replacement by a nomination there under of a nomination duly made before, and subsisting on the 26<sup>th</sup> November, 1941.

Provided that in respect of every such nomination the subscriber shall as soon as may be after the said date send to the Accounts Officer a contingent notice of cancellation in such one of the Forms P.F.2 or 2-A as is appropriate in the circumstances.

## CHAPTER -XV

### Punjab Group Insurance Scheme Rules

15.1. Definitions :- In this Chapter unless the context otherwise requires;

- (a) 'Family' shall have the meaning assigned to it in the Punjab Civil Services Rules, Volume I, Part I.
- (b) 'Group Insurance Scheme' means the Punjab Government employees Group Insurance Scheme, 1982 as set out in Appendix Vii;
- (c) 'Insurance Fund' means the Insurance Fund under the Group Insurance Scheme ;
- (d) ' member of the service' means a Punjab Government employees but does not include:-
  - (i) a member of the All India Service;
  - (ii) any person on causal employment;
  - (iii) any person discharged from service on less than one month notice;
  - (iv) any person for whom special provision is made in respect of matters covered by these rules by or under any law for the time being in force or by or any agreement entered in to by or with the previous approval of the Governor before or after the commencement of the Punjab Civil Services (Amendment Rules, Volume -II, 1987 ) in regard to matters covered by such special provisions;
  - (v) any employ of Government of India or any other State Government, Public Sector Undertaking or Autonomous Organization on deputation with the Government of Punjab;
  - (vi) any person recruited under Punjab Government after attaining the age of fifty years.
- (e) 'member of the Scheme ' means a member of the Service enrolled as a member of the Group Insurance Scheme ; and
- (f) 'Saving Fund ' means the Saving Fund under the Group Insurance Scheme .

15.2 **Application of Punjab Government employee Group Insurance Scheme :-** A member of the Service subscribe to the Group Insurance Scheme and shall be eligible to the benefits of the Scheme:

Provided that a member of the Service who was appointed to the Service before the commencement of the Punjab Civil Services (2<sup>nd</sup> Amendment ) Rules, 1987, Volume-II may exercise option not to be governed by the Group Insurance Scheme .

15.3 **Interpretation.** -- If any question arises as to the interpretation of these rules, the Punjab Government in the Department of Finance shall decide the same.

15.4 **Repeal and Savings .** -- (1) The Punjab Civil Services (Group Insurance) Rules, 1982, published with Government of Punjab, Department of Finance, Notification No (10) -OSD(F)- 82 /6494, dated 15<sup>th</sup> August, 1982 are hereby repealed.

(2) Notwithstanding such repeal any section taken or any order issued or shall be deemed to have been taken or issued under the corresponding provisions of these rules."

(3). In the said rules, after appendix VI, the following Appendices shall be added, namely:-

## "Appendix VII

[Referred to in rule 15.1 (b)]

### Punjab Government Group Insurance Scheme ,1982.

1. **Date of Effect :-** The Punjab Government employees Group Insurance Scheme,1982 (hereinafter referred to as the Group Insurance Scheme ) was notified on the 15<sup>th</sup> August, 1982 and has been brought in to force with effect from the forenoon of the Second October, 1982.

2. **Objective .** -- The Group Insurance Scheme is intended to provide for the Punjab Government employees at a low cost and on a wholly contributory and self - financing basis, the twin benefits of an insurance cover to help their families in the event of death in service and a lump sum payment to augment their resources on retirement.

3. **Application :-** The Group Insurance Scheme will apply to the members of Service that is to all the Punjab Government employees excluding persons on deputation from other State Governments, Public Sector Undertaking or Autonomous Organisations. Casual Labourers, part, time and adhoc employees, but will not apply to persons recruited under the Punjab Government after attaining the age of fifty years.

4 **Membership** - The Group Insurance Scheme will be compulsory for all those employees who enter Punjab Government Service after the Group Insurance Scheme is notified i.e. all those employees entering Punjab Government Service after the 15<sup>th</sup> August, 1982 will be compulsory covered under the Group Insurance Scheme from the date it comes in to force.

- (1) Those employees who are already in Punjab Government Service on the date of the commencement of the Group Insurance Scheme would have to opt out of the Group Insurance Scheme. This option was to be exercised by them in form G.I. No. 3 by the 30<sup>th</sup> September, 1982. Those employees who had not opted out of the Group Insurance Scheme by that date were deemed to become members of the Group Insurance Scheme from the date the Group Insurance Scheme came in to force. The option, once exercised (or not exercised) was to be treated as final.
- (2) After the Group Insurance Scheme has come into force, a person who has become a member of the Service in a month other than October, shall be enrolled as member of the Scheme on the next anniversary of the Group Insurance Scheme.
- (3) Every member of the Service enrolled as a member of the Group Insurance Scheme shall be informed by his appointing authority the date of his enrolment and the subscription to be deducted from his salary in Form G.I. No.1 under intimation to Government of Punjab Department of Finance.

5. **Subscription for the members of the Scheme ; --** (1) The Subscription for the Group Insurance Scheme will be in units of rupees 10 per month. A Group D employee will subscribe for one unit, a Group C employee for two units, a Group B employees for four units and a Group A employee for eight units, Thus the rate of subscription for a members of the Group Insurance Scheme shall be rupees 10, rupees 20, rupees 40 and rupees 80 per month for Group D,C,B, and A employees respectively.

(Group D,C,B and A refer to Class IV, III, II, and I employees respectively).

- (2) In the event of promotion of an employee from one group to another, his subscription shall be raised from the next anniversary of the Group Insurance Scheme to the level appropriate to the Group to which he is promoted under intimation to him in form G.I. No 2 until the date of next anniversary of the Group Insurance Scheme he shall continue to be covered for insurance for the same amount for which he was eligible before such promotion.
- (3) In the event of reversion of an employee from a higher Group to a lower Group, there shall be no reduction in the rate of his subscription and he shall continue to be covered for insurance for the same amount for which he was eligible immediately before such reversion.

6. **Premium and insurance cover for the Punjab Government employees other than the members of the Scheme :-** The Punjab Government employees entering Service in a month other than October, (month of start of Scheme) falling after the 2<sup>nd</sup> October 1982 will be given benefit of appropriate insurance cover from the date of joining Government service to the date of their becoming members of the Scheme on payment of a subscription of rupees 3 per month as a premium for every rupees 10,000 of the insurance Scheme they shall pay subscription at the rate specified in sub - para (1) of para 6 above.

7        **Insurance fund and insurance cover for the members of the Scheme** :-- (1)        In order to provide an insurance cover to each members of the Scheme, a portion of the subscription shall be credited to an Insurance Fund to be held in the Public Fund of the Punjab Government. The amount of insurance cover shall be rupees 10,000 for each unit of subscription. It will be paid to the nominees (S) or heir(S) as the case may be of a member of the Scheme, who unfortunately dies, due to any cause, while in Government service, before attaining the age of superannuation.

(2)        The positive or negative balance under the Insurance Fund shall be credited or debited as the case may be, with the amount of interest calculated at the prevailing rate of interest on the Post Office Saving Bank Deposits which at present, is 5.5 per cent per annum.

8.        **Savings Fund** : -- (1)        The balance of the subscription shall be credited to the Savings Fund. The amount in the Savings Fund shall be held by the Punjab Government in Public Fund. The total accumulation of Savings Fund together with interest thereon shall be payable to him on his ceasing to be a member of the Group Insurance, Scheme by retirement or otherwise or to his nominee or nominees, as the case may be, in the event of his death while in Service.

(2)        The benefits admissible from the Savings Fund shall be determined by the Punjab Government from time to time for illustration, the credit to the Savings Fund along with benefit of interest has been allowed at the rate of ten per cent per annum (computed/ quarterly) for the period commencing from the 2<sup>nd</sup> October, 1982 and ending with the 30<sup>th</sup> September, 1983 and eleven per cent per annum (computed quarterly) for the period commencing from the 2<sup>nd</sup> October, 1983 onwards as specified in the Table appended to this Appendix.

(3)        In the case of the death of a member of the Scheme, the payment of the amount of Insurance payable to the nominee or nominees, as the case may be, will be in addition to the payment from the Savings Fund.

(4)        The balance under the Savings Fund shall be credited with the amount of interest calculated at such rate of interest as is notified by Department of Finance for the purpose from time to time.

9.        **Recovery of subscription** ; -- (1)        The subscription of a member of the Scheme for a month shall fall due at the commencement of the normal working hours on the first of that month.

(2)        The ;subscription as a premium for the insurance cover shall initially fall due from the date of appointment to the service and subsequently from the commencement of normal working hours on the 1<sup>st</sup> of every month.

(3)        The subscription for a month shall be recovered by deduction from the salary of a member of the scheme for that month irrespective of the dated of actual payment of salary for that month.

- (4) The subscription shall be recovered every month including the month in which the member of the Scheme ceases to be a member of the Scheme or remains on leave other than extraordinary leave or under suspension.
- (5) No interest shall be charged on arrears of subscription if the non-recovery is due to delayed payments of salary.
- (6) If a member of the Scheme is on extraordinary leave and there is no payment of his salary for any period, his subscription for the month for which no payments of salary is made to him shall be recovered with interest admissible under the Insurance Scheme on the accretions to the Savings Fund in not more than three instalments commencing from his salary for the months following the month, in which he resumes duty on the expiry of leave. If a member of the Scheme dies while on extraordinary leave, the subscriptions due from him shall be recovered with interest admissible under the Scheme on the accretions to the Savings Fund from the payments admissible to his family under the Group Insurance Scheme.
- (7) If a member of the Scheme proceeds on deputation or on foreign service in or out of India, the borrowing authority or foreign employer, as the case may be, shall be requested to effect the recovery of the subscription from his salary and remit the same to the Punjab Government in the parent Department of the member of the Scheme for credit to the relevant head of account. The necessary clause to this effect shall be included in the terms of deputation or foreign service. The recovery of this amount shall be watched in the same manner as applicable to leave salary and pension contribution if the borrowing authority or foreign employer fails to recover the subscription and remit to the Punjab Government in the parent department of the member of the Scheme, it shall be the responsibility of the member of the Scheme to pay the subscription regularly. If at any time the recovery of subscription falls in arrears, the same shall be recovered with interest at the rate admissible under the Group Insurance Scheme on the accretions to the Savings Fund in not more than three instalments.

10. **Financing of subscription from General or Contributory Provident Fund . -** (1) It shall not ordinarily be permissible to finance the Group Insurance Scheme from General Provident Fund or Contributory Provident Fund. However, if at any stage the financial position of the member of the Scheme does not permit him to subscribe to the Group Insurance Scheme and to the General Provident Fund or Contributory Provident Fund, as the case may be, at the same time, he may be permitted to make, as a separate transaction, a non-refundable withdrawal of his General Provident Fund or Contributory Provident Funds of an amount equivalent to one year's subscriptions, paid or payable to the Group Insurance Scheme.

- (2) The Subscription to the Group Insurance Scheme will form part of deductions allowed in respect of life insurance premia subscriptions to Provident Fund etc. in computing the total income of the member of the Scheme for the purpose of income tax except to the extent of the amount finally

withdrawn from the General Provident Fund or Contributory Provident Fund account as provided in sub-para (1).

11. **Payment from Insurance Fund or Savings Fund : --** (1) When a member of the Service ceases to be a member of the Group Insurance Scheme and his service documents show that he has been a member of the Scheme, the head of office shall issue a sanction for the payment of the member's accumulation in his Savings Funds admissible to him under para 8 after obtaining an application in Form G.I. No.4.

- (2) If a member of the Scheme dies while in service before attaining the age of superannuation and his service documents show that he was a member of the Scheme, the Head of Office shall address the nominee (s) of the Government employee concerned in Form G.I. No.5 to submit an application in Form G.I. 6 and on receipt of such application shall issue a sanction for the payment of the amount of insurance and the accumulation in the Savings Fund to him. If a member of the Scheme dies during a month before the recovery of subscription for that month from him, his dues shall be paid after deducting the subscription.
- (3) The amount payable to the nominee(s) or heir(s) as the case may be of a member of the Scheme who has the benefit of an insurance cover only shall be the amount of insurance appropriate to his Group.
- (4) The amount payable to the nominee(s)/ heir(s) of a member of the Scheme who dies while in service shall be.
  - (a) The amount of insurance to which he was entitled at the time of his death, plus --
  - (b) the amount due to him out of the Savings Fund for the entire period of his membership in the lowest Group, and
  - (c) the amount or amounts due to him for additional units by which his subscription was raised on each occasion due to appointment or promotion to higher group for the period from which the rate of subscription was raised to the date of his death.

**Illustration** (1) :-- For example, if a Group 'D' employee, who is a member of the Scheme acquires a membership in Group 'C' and Group 'B' after five years and fifteen years of service, respectively and dies while in service after thirty years of total membership in all these Groups, his nominee or nominees, as the case may be, shall be paid the sum of the following amounts :--

- (i) the amount of insurance of rupees 40,000 due on monthly subscription of rupees 40 being a Group 'B' member of the Group Insurance Scheme on the date of his death ;
- (ii) the amount due from Savings Fund on a monthly subscription of rupees ten and thirty years;

- (iii) the amount due from Savings Fund on a monthly subscription of rupees 10 (rupees 20 – rupees 10) for twenty-five years ; and
- (iv) the amount due from Saving Fund on monthly subscription of rupees 20 (rupees 40 -- rupees 20) for fifteen years.

(5) The amount payable to the member of the Scheme who ceases to be in employment with the Punjab Government on account of resignation, retirement, etc. shall be --

- (a) the amount due to him out of the Savings Fund for the entire period of his membership in lowest Group ; and
- (b) the amount or amounts due to him for the additional units by which his subscription was raised on each occasion due to appointment or promotion to higher Group for the period from which the rate of subscription was so raised to the date of cessation of his membership.

**Illustration (2)** . -- For example, if a Group D employee who is a member of the scheme acquires a membership in Group C and Group B after ten and twenty years of service respectively and retires on superannuation after thirty years of total membership in all these Groups he shall be paid the sum of the following amounts :-

- (a) the amounts due to him from the Savings Fund on a monthly subscription of rupees ten for thirty years.
- (b) the amount due to him from the Saving Fund on a monthly subscription of rupees ten (rupees 20 - rupees 10) for twenty years ; and
- (c) the amount due to him from the Savings Fund on a monthly subscription of rupees 20 (rupees 40 - rupees 20) for ten years.

12. **Withdrawal from the Insurance Fund or the Saving Fund.** -- (1) It shall not be permissible for any member or other beneficiary of the Group Insurance Scheme to withdraw any amount out of the Insurance Fund to which the member has been subscribing. The amount due from the Insurance Fund on the death of member of the scheme while in Service shall be worked out in accordance with para 11 and paid to his nominee (s) in accordance with the accounting procedure as given in Appendix VIII as revised from time to time.

- (2) It shall also not be permissible for any member of the Scheme to withdraw any amount of the Savings Fund to which he has been subscribing. The amount due to him from this fund on his cessation of employment on account of resignation retirement etc. shall be worked out in accordance with para 11(1) and paid to him or his nominee(s) in accordance with the accounting procedure as given in Appendix VIII, as revised from time to time.

- (3) In the event of an amount erroneously deducted from the salary of an employee, who is not a member of the Scheme or who is not eligible to become such a member, shall be refunded to him by the concerned Drawing and Disbursing Officer.

13. **Loans or advances from or against accumulations in the Insurance Fund or Savings Fund** .-- No loans or advances shall be paid to any member of the Scheme or other beneficiary of the Group Insurance Scheme from or against his accumulations in the Insurance Fund or Savings Fund to which he has been subscribing.

14. **Utilization of accumulation in the Insurance Fund and Savings Fund** -- The accumulation in the Insurance Fund and the Savings Fund shall be at the disposal of the Punjab Government.

15. **Mode of notification of the Group Insurance Scheme, for inviting option** . -- The Group Insurance Scheme shall be notified to all the Government employees by the Head of Office and a certificate to that effect duly signed by the concerned Government employee and countersigned by the Head of Office shall be placed on the service book or the service documents of the concerned Government employee and a copy of the Group Insurance Scheme so notified may also be displayed on the notice board installed at a prominent place at the premises of the Office where the Government employees are working, for their information.

16. **Action on notification of the Group Insurance Scheme** . - By the 10<sup>th</sup> of every month following the month in which the Group Insurance Scheme is notified, the Head of Office shall supply to the Drawing and Disbursing Officer names, Groups, dates of birth and dates of appointments of persons who may have appointed to any service or post under the Punjab Government during the preceding month and who would be eligible to become member of the Scheme in terms of para 3.

17. (1) Every member of the Scheme shall be informed in Form G.I. No.1, the date of his enrolment, the amount of subscription to be deducted and the benefits to which he would be eligible. On his regular promotion from one Group to another, he will be similarly informed in Form G.I. No.2.

- (2) The option exercised by the employees who are already in Punjab Government Service on the date the Group Insurance Scheme is notified shall be in Form G.I. No.3 and will be pasted in the service book of the employees concerned.

18. **Register of members of the Scheme** . -- The Head of Office shall ensure that Group-wise register of the members of the Scheme is maintained in Form G.I. No.9 and kept upto date. This register shall be sent to the Drawing and Disbursing Officer concerned once a year to verify whether appropriate subscriptions are being recovered from the members of the Scheme and to record a certificate to this effect.

19. **Nomination** . -- (1) The Head of Office shall obtain from every member of the Scheme a nominating conferring on one of more persons, the right to receive the amount that may become payable under

the Group Insurance Scheme in the event of his death before attaining the age of superannuation. In the case of employees who are already in Punjab Government service on the date, the Group Insurance Scheme is notified and who had not opted out of the Group Insurance Scheme, such nomination shall be obtained simultaneously with the option obtained from others and in the case of employees who join Punjab Government service after the date on which the Group Insurance Scheme is notified, such nomination shall be obtained alongwith the joining report.

- (2) If a member of the Scheme happens to be a minor, he will be required to make nomination on his attaining the age of majority.
- (3) If a member of the Scheme has a family at the time of his making the nomination, he shall make such nomination(s) only in favour of a member or members of his family.
- (4) If a member of the Scheme nominates more than one person under sub-para (1) he shall specify in the nomination the amount of share payable to each of the nominees in such a manner as to cover the whole of the amount payable under the Group Insurance Scheme failing which the amount payable under the Group Insurance Scheme shall be equally distributed among the nominees.
- (5) The nomination shall be made in Form G.I. No.7 or G.I. No.8, as is appropriate in the circumstances.
- (6) A member of the Scheme may at any time cancel a nominated by sending a notice to the Head of Office alongwith a fresh nomination made in accordance with the provisions of this para.
- (7) The nomination received from a member of the 'Scheme' shall be countersigned by the Head of Office and pasted on his service book or service documents. The Head of Office shall also make an entry in the service book or service documents that the nomination has been duly received.
- (8) Every nomination made and every notice of cancellation given by the member of the Scheme shall, to the extent that it is valid, take effect on the date on which it is received by the Head of Office who shall acknowledge the receipts of every such communication.

20. **Accounting . -** The transaction relating to the Group Insurance Scheme shall be regulated in accordance with the procedure laid down in Appendix VIII and the instructions issued by the Punjab Government from time to time.

21. **Interpretation and clarification . -** In the implementation of the Group Insurance Scheme, if any doubt arises in regard to the interpretation of any of the provisions of the Group Insurance Scheme or any matter connected therewith, the same shall be referred to the Government in the Department of Finance for decision whose decision shall be final.

**Review of the Group Insurance Scheme.** -- The Government may review the working of the Group Insurance Scheme after every three years to ensure that the Group Insurance Scheme remains self-financing and self-supporting.

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## PAYMENTS TOWARDS INSURANCE POLICIES

13.16. Subject to the conditions hereinafter contained in rules 13.17 to 13.26 :-

- (a) payments towards a policy of life insurance, may at the option of a subscriber, be substituted in whole or part for subscriptions due to the Fund;
- (b) the amount of subscriptions with interest thereon standing to the credit of a subscriber in the Fund may be withdrawn to meet --
  - (i) a payment towards a policy of life insurance;
  - (ii) the purchase of a single payment insurance policy:

Provided that no amount shall be withdrawn (1) before the details of the proposed policy have been submitted to the Accounts Officer and accepted by him as suitable, or (2) to meet any payment or purchase made or effected more than three months before the withdrawal; or (3) in excess of the amount required to meet a premium actually due for payment within three months of the date of withdrawal :

Provided further that payments towards an educational endowment policy may not be substituted for subscriptions to the Fund and that no amounts may be withdrawn to meet any payment or purchase in respect of such a policy if that policy is due for payment in whole or part before the subscriber's age of normal superannuation :

Provided further that amounts withdrawn shall be rounded to the whole rupee by ignoring paise from the amount of premium.

Note 1. - When a subscriber intends to take out a life insurance policy in any company and to substitute premium on such a policy for subscription to the G P. Fund, he should notify it to the Accounts Officer.

Note 2. - See also Note 4 below rule 13.20(3).

13.16-A. (1) The number of policies in respect of which substitution for subscriptions due to the Fund or withdrawal of subscriptions from the Fund may be permitted under rule 13.16, shall not exceed four :

Provided that where immediately before the 22<sup>nd</sup> June, 1953, substitution for subscription due to the Fund or withdrawal of subscriptions from the Fund, is permitted in respect of more than four policies, such substitution or withdrawal shall continue to be permitted in respect of those policies.

- (2) The premium for a policy [ including any policy referred to in the proviso to sub-rule (1)] in respect of

which withdrawal of subscriptions from the Fund may be permitted under rule 13.16 shall not be payable otherwise than annually.

**Explanation.** - "In computing the maximum number of policies specified in sub-rule (1), policies which have matured or have been converted into paid up one's shall be excluded."

13.17 (1) If the total amount of any payments substituted under clause (a) of rule 13.16 is less than the amount of the minimum subscription payable to the Fund under rule 13.10 (1), the difference shall be rounded to the nearest rupee in the manner provided in sub-clause (iv) of clause (2) of rule 13.13 and paid by the subscriber as a subscription to the Fund.

Note - The period for which the difference referred to in this rule should be calculated for the purpose of effecting the recovery should be one financial year. Any amount of payments towards a policy of life insurance in excess of the minimum amount of subscription payable into the General Provident Fund in any financial year should not be set off against any difference payable under this rule in respect of any other financial year.

(2) If the subscriber withdraws any amount standing to his credit in the Fund for any of the purposes specified in clause (b) of rule 13.16, he shall, subject to his option under clause (a) of that rule, continue to pay to the Fund the subscription payable under rule 13.10:

Provided that no subscription shall be payable by a Government employee who in exercise of the option allowed by rule 13.6(1) has ceased to subscribe to the Fund.

13.18. (1) A subscriber who desires to substitute a subscription under clause (a) of rule 13.16 may reduce his subscription to the Fund accordingly:

Provided that the subscriber shall --

(a) Intimate to the Accounts Officer on his pay bill or by letter the fact of, and reason for, the reduction;

(b) Send to the Accounts Officer, within such period, as the Accounts Officer may require receipts or certified copies of receipts in order to satisfy the Accounts Officer that the amount by which the subscription has been reduced was duly applied for the purposes specified in clause (a) of rule 13.16.

(2) A subscriber who desires to withdraw any amount under clause (b) of rule 13.16, shall --

(a) Intimate the reason for the withdrawal to the Accounts Officer by letter;

(b) Make arrangements with the Accounts Officer for the withdrawal; and

(c) Send to the Accounts Officer, within such period as the Accounts Officer may require, receipts or certified copies of receipts in order to satisfy the Accounts Officer that the amount withdrawn was duly applied for the purposes specified in clause (b) of that rule.

(3) The Accounts Officer shall order the recovery of any amount by which subscriptions have been reduced, or of any amount withdrawn, in respect of which he has not been satisfied in the manner required by sub-clause (b) of clause (1) and sub-clause (c) of clause (2) from the emoluments of the subscriber, and place it to the credit of the subscriber in the Fund.

13.19. (1) The Government shall not make any payments on behalf of subscribers to Insurance Companies nor take steps to keep a policy alive.

(2) A policy to be acceptable under these rules shall be one effected by the subscriber himself on his own life and shall (unless it is a policy effected by a male subscriber which is expressed on the face to it to be for the benefit of his wife, or of his wife and children, or any of them) be such as may be legally assigned by the subscriber to the Governor of the Punjab.

**Explanation 1.** - A policy on the joint lives of the subscriber and the subscriber's wife or husband shall be deemed to be a policy on the life of the subscriber for the purpose of this clause.

**Explanation 2.** - A policy which has been assigned to the subscriber's wife shall not be accepted, unless either the policy is first re-assigned to the subscriber or the subscriber and his wife both joined in an appropriate assignment.

**Explanation 3.** - The policy may not be effected for the benefit of any beneficiary other than the wife or husband of the subscriber or the wife or husband, and children of the subscriber or any of them.

13.20. (1) The policy, within six months after the first withholding of a subscription or withdrawal from the Fund in respect of the policy; or in the case of an insurance company whose headquarters are outside India, within such further period as the Accounts Officer, if he is satisfied by the production of the completion certificate (interim receipt), may fix, shall --

(a) unless it is a policy effected by a male subscriber which is expressed on the face of it to be for the benefit of the wife of the subscriber, or of his wife and children, or any of them except an Endowment Policy of the usual type, be assigned to the Governor of the Punjab, as security for the payment of any sum which may become payable to the Fund, under rule 13.25 and delivered to the Accounts Officer, the assignment being made by endorsement on the policy in Form P.F. 3 or Form P.F. 4 or Form P.F. 5 or Form P.F. 6 or Form P.F. 6-A according to the policy is on the life of the subscriber or on the joint lives of the subscriber and the subscriber's wife or husband or the policy has previously been assigned to the subscriber's wife;

(b) if it is a policy effected by a male subscriber which is expressed on the face of it to be for the benefit of the wife of the subscriber, or of his wife and children or any of them, be delivered to the Accounts Officer.

(2) The Accounts Officer shall satisfy himself by reference to the Insurance Company, where possible, that no prior assignment of the policy exists.

Note. - A policy on the life of a subscriber which is not expressed on the face of it to be for the benefit of his wife, or his wife and children or any of them and which has been assigned to his wife may be accepted under clause (1)(b) provided the wife joins in the assignment in favour of the Governor. The assignment in such a case shall be made out in Form P.F.4 the words "the joint assured" in that Form being omitted. The question of re-assignment of such a policy in a case in which the assured dies before the date of maturity of the policy and before his retirement should be referred for the orders of Government together with the policy.

(3) Once a policy has been accepted by an Accounts Officer for the purpose of being financed from the Fund, the terms of the policy shall not be altered, nor shall the policy be exchanged for another policy without the prior consent of the Accounts Officer to whom details of the alterations or of the new policy shall be furnished.

Note 1. - When a subscriber proposes to convert a policy which has been assigned to the Governor of the Punjab into a paid up policy, it should first be ascertained whether the Insurance Company intends to issue a new document. If it does, the policy should be re-assigned to the subscriber in the following form namely :-

" I \_\_\_\_\_ Accountant-General, Punjab, acting on behalf of the Governor of the Punjab, hereby reassign unto \_\_\_\_\_ the within policy of assurance."

The new policy should be assigned to the Governor of the Punjab and handed over to the Accounts Officer.

If the company proposes to convert the policy into a paid up one by means of an endorsement thereon to that effect; the policy should either be handed to the subscriber for transmission to the Insurance Company or be sent direct by the Accounts Officer, but in either case with a request that the policy when so endorsed by the company may be returned direct to the Accounts Officer. If there is thereby a radical change in the benefits derivable under the policy a memorandum may be required to be endorsed and signed by the Accounts Officer as well as the subscriber acknowledging the altered position.

(2) In the case of paid up policies it is necessary to see that the paid up value of the policy is not less than the amount of the premia diverted from the Fund. The amount of interest which would have accrued on such premia had they been left in the Fund should not be taken into account in the calculation. If the paid up value is less than the total of the sums withdrawn from the Fund for premium payments, not including interest, the subscriber should

forthwith be required to pay the difference into the Fund. Any profits stated by the Company to have accrued on the policy up to the date of its conversion should, however, be taken into account in calculating the difference, only if the Company is prepared to guarantee the profits by making an entry on the policy.

(3) In the case of a policy assigned to the Government of the Punjab which a subscriber wants to surrender the policy may be reassigned to the subscriber for the purpose of the surrender, on the condition that he pays the surrender value of the policy into his Fund Account, and, if the surrender value be less than the total of the sums diverted from the Fund for premium payments, and interest thereon, that he also repays the difference, into the Fund. In other words such cases should be treated like those of lapsed policies and the Fund Account has to be restored to what it would have been had the premia not been paid out of it.

(4) In cases both of paid-up and surrendered policies in which it is considered that the recovery in a single instalment of the difference to be paid into the Fund Account will cause hardship to the individual concerned recovery should be effected in such number of instalments, not exceeding 24, as the Heads of the Department, may, with the concurrence of the Accounts Officer decide. If recovery is made in instalments interest will not be charged in the case of paid-up policies even for the period of actual recovery, but interest at the usual rate will be charged for this period in the case of surrendered policies.

Note 2. - The provisions of Note 1 above cover cases for final surrender of policies and not exchange of policies. Accordingly, a holder of a policy assigned to the Governor of the Punjab, who desires to improve his position by replacing one policy by a better one should be permitted to do so, subject to the following conditions being observed, namely :-

- (1) The new policy should carry the same or a larger amount of insurance.
- (2) The premium in respect of the new policy should not be more than premium paid in respect of the old policy.
- (3) The new policy should mature within the same year as the old policy.
- (4) The new policy should be in force on the date on which the original policy is surrendered.

Note 3. - A policy of Life Insurance may be converted into an extended term policy if a Government employee who has taken out a policy of life insurance may find after payment of premium for a certain number of years that he is unable to continue further payments. In such an event, certain insurance companies allow an option to the assured to convert the policy into an extended term policy on terms and conditions which are generally laid down at the back of the policy. The features peculiar to such an extended term policy are, viz. :-

- (i) that the assured is covered for a specified period beyond the date from which he ceases to pay

premia ;

- (ii) that the company forgoes all future premia on the policy ;
- (iii) that the company undertakes to pay the assured the full amount of policy only in the event of his death within the extended period ;
- (iv) that, if the assured survives that period he is entitled to receive nothing from the company ; in certain circumstances, only a very nominal amount.

Note 4. - Certain Assurance Companies issue policies on the "term Assurance" scheme, some of the features peculiar to which are given below:-

- (1) If the assured dies within the specified period, assurance money becomes payable, but if he outlives that period no payment is made.
- (2) No surrender value is allowed at any time.
- (3) The policy holder is given the option during the currency of the policy of taking out a fresh policy under any other plan issued by the company concerned, this is restricted to endowment assurance policies in certain companies without being required to pass a medical examination. The premium payable and other conditions attaching to the new policies, however, are the same as for a fresh entrant at his age at the time of exercising the option, the only tangible benefit obtained being that the company is bound to issue him a policy irrespective of the state of his health.

As these policies partake, in essential of the features of the extended term policies referred to in Note 3 above it is undesirable that they should be allowed to be financed from Provident Funds. Such policies should not, therefore, be accepted under these rules.

Note 5. - The provisions of Note 2 above contemplate the surrender of a policy or the substitution of a better policy in another office. In many cases in which it is to the advantage of a policy holder to replace his policy by a policy in another and better office the policy which is to be replaced may not be entirely surrendered. Insurance companies allow, as an alternative to the surrender of the existing policy a fully paid-up policy for a reduced sum insured as a quid pro-quo for premiums paid prior to discontinuance of further premiums. The existing remains in policy force as a paid-up policy and constitutes part insurance cover in addition to the sum insured under the new policy. Thus, as a result of the replacement transaction, the policy-holder holds insurance in two offices, partly in the old and partly in the new office. If the total amount of insurance cover given by the two policies be the same or larger than the amount of insurance given by the old policy prior to the discontinuance of premiums there under, the first of the conditions set out in the Note referred to above should be regarded as

satisfied.

- (4) If the policy is not assigned and delivered, or delivered, within the said period of six months or such further period as the Accounts Officer may, under clause (1), have fixed, any amount withheld or withdrawn from the Fund in respect of the policy shall, forthwith be paid or repaid, as the case may be, by the subscriber to the Fund, or, in default be ordered by the Accounts Officer to be recovered by deduction from the emoluments of the subscriber, by instalments or otherwise, as may be directed by the authorities specified in Annexure B to this Chapter.
- (5) Notice of assignment of the policy shall be given by the subscriber to the Insurance Company, and the acknowledgement of the notice by the Insurance Company shall be sent to the Accounts Officer within three months of the date of assignment.

Note 1. - Subscribers should send notice of the assignment to the Insurance Company in duplicate, accompanied in cases in which the notice has to be sent to a company in Great Britain or Ireland, by a remittance of five shillings, which is the fee for the acknowledgement authorised, by the Policies of Assurance Act, 1867.

Note 2. - Subscribers who proceed to Great Britain or Ireland on quitting the service should note that under the England Stamp Law assignments or re-assignments are required to be stamped within 30 days of their first arrival in those countries. Otherwise penalty will be incurred under the Stamp Act, and difficulties may arise when the policy matures for payment.

- (6) Clear cases of exchange of policies which are covered by this Note may be decided by the Accounts Officer concerned. The cases which are doubtful and are not covered by it and cases involving alterations in terms of policies should be referred to the Government for their examination on merits.

13.21. The subscriber shall not during the currency of the policy draw any bonus the drawal of which during such currency is optional under the terms of the policy of deposit the cash value of the accrued bonus with the company to accumulate at interest. The amount of any bonus which under the terms of the policy the subscriber has no option to refrain from drawing during its currency shall be paid forthwith into the Fund by the subscriber or in default recovered by deduction from his emoluments by instalments or otherwise as may be directed by the authority competent to grant an advance under clause (1) of rule 13.14.

13.22. (1) Save as provided by rule 13.26, when the subscriber --

- (a) quits the service : or
- (b) has proceeded on leave preparatory to retirement and applies to the Accounts Officer for re-assignment or return of the policy ; or

- (c) while on leave has been permitted to retire or declared by a competent medical authority to be unfit for further service and applies to the Accounts Officer for re-assignment or return of the policy ;
- (d) pays or repays to the Fund the whole of any amount withheld or withdrawn from the Fund for any of the purposes mentioned in sub-clause (I) of clause (a), of rule 13.16 and sub-clauses (I) and (ii) of clause (b) of that rule.

The Accounts Officer shall --

- (i) if the policy has been assigned to the Governor of the Punjab, under rule 13.20 or under the corresponding rule hereto in force, re-assign the policy in Part I of Form P.F. 7 to the subscriber or to the subscriber and the joint assured, as the case may be, and make it over to the subscriber together with a signed notice of the re-assignment addressed to the Insurance Company;
- (ii) if the policy has been delivered to him under sub-clause (b) of clause (1) of rule 13.20 make over the policy to the subscriber :

Provided that, if the subscriber, after proceeding on leave preparatory to retirement or after being, while on leave, permitted to retire or declared by a competent medical authority to be unfit for further service, returns to duty, any policy so re-assigned or made over shall, if it has not matured or been assigned or charged or encumbered in any way, be again assigned to the Governor of the Punjab and delivered to the Accounts Officer, or again be delivered to the Accounts Officer, as the case may be, in the manner provided in rule 13.20, and thereupon the provisions of these rules shall, so far as may be, again apply in respect of the policy :

Provided further that, if the policy has matured or been assigned or charged or encumbered in any way, the provisions of clause (4) of rule 13.20 applicable to a failure to assign and deliver a policy shall apply.

(2) Save as provided by rule 13.26, when the subscriber dies before quitting the service, the Accounts Officer shall --

- (i) if the policy has been assigned to the Governor of the Punjab under rule 13.20 or under the corresponding rule heretofore in force, re-assign the policy in Part II of Form P.F. 7 to such person or persons as may be legally entitled to receive it, and shall make over the policy to such person or persons together with a signed notice of the re-assignment addressed to the Insurance Company ;
- (ii) if the policy has been delivered to him under sub-clause (b) of clause (1) of rule 13.20 make over the policy to the beneficiary, if any, or, if there is no beneficiary to such person or persons as may be legally entitled to receive it.

13.23. (1) If a policy assigned to the Governor under rule 13.20 matures before the subscriber quits the service, or if a policy on the joint lives of a subscriber and the subscriber's wife or husband assigned under the said rule falls due for payment by reason of the death of the subscriber's wife or husband, the Accounts Officer shall, save as provided by rule 13.26, realize the amount assured together with any accrued bonuses and shall place the amount so realised to the credit of the subscriber in the Fund.

Provided that if the amount assured together with the amount of any accrued bonuses is more than the whole of the amount withheld or withdrawn, it shall be the duty of the Accounts Officer to pay to the subscriber the difference, on receipt of a written application in this behalf.

(2) Save as provided by Rule 13.26, if a policy delivered to the Accounts Officer under sub-clause (b) of clause (1) of Rule 13.20 matures before the subscriber quits the service, the Accounts Officer shall make over the policy to the subscriber :

Provided that if the interest in the policy of the wife of the subscriber, or of his wife and children or any of them as expressed on the face of the policy, expires when the policy matures, the subscriber, if the policy moneys are paid to him by the insurance company shall immediately on receipt thereof pay or repay to the Fund either :-

- (i) the whole of any amount withheld or withdrawn from the Fund in respect of the policy ; or
- (ii) an amount equal to amount assured together with any accrued bonuses; whichever is less, and, in default, the provisions of Rule 13.27 shall apply as they apply in relation to cases where money withheld or withdrawn from the Fund under clause (a) of clause (b) of rule 13.16 has been utilised for a purpose other than that for which sanction was given to the withholding or withdrawal.

13.24. Omitted.

13.25. If the policy lapses, or is assigned, otherwise than to the Governor of the Punjab under Rule 13.20 charged or encumbered, the provisions of clause (4) of Rule 13.20 applicable to a failure to assign and deliver a policy shall apply.

13.26. If the Accounts Officer receives notice of --

- (a) as assignment (otherwise than an assignment to the Governor of the Punjab under Rule 13.20) ; or
- (b) a charge or encumbrance on ; or
- (c) an order of a court restraining dealings with, the policy or any amount realised thereon, the Accounts

Officer shall not --

- (i) reassign or make over the policy as provided in Rule 13.22 ; or
- (ii) realise the amount assured by the policy or reassign or make over the policy as provided in Rule 13.23.

but shall forthwith refer the matter to Government.

13.27. Notwithstanding anything contained in these rules, if the sanctioning authority has reason to doubt that money drawn as an advance from the Fund under clause (1) of rule 13.14 or clause (a) or clause (b) of rule 13.16 has been utilised for a purpose other than that for which sanction was given to the drawal of the money, he shall communicate to the subscriber the reason for his doubt and require him to explain in writing and within fifteen days of the receipt of such communication whether the advance has been utilised for the purpose for which sanction was given to the drawal of the money. If the sanctioning authority is not satisfied with the explanation furnished by the subscriber within the said period of fifteen days, the sanctioning authority shall direct the subscriber to repay the amount in question to the Fund forthwith, or in default order, the amount to be recovered by deduction in one sum from the emoluments of the subscriber even if he be on leave. If, however, the total amount to be repaid be more than half of the subscriber's emoluments recoveries shall be made in monthly instalments of moieties of his emoluments till the entire amount is repaid by him".

Note. -- The term 'emoluments' as used in this rule does not include subsistence grant.

13.27-A. Restriction of the provisions relating to financing of policies to existing subscribers in respect of existing policies :-

The provisions of Rules 13.16 to 13.27 shall apply only to subscriber who, before 30<sup>th</sup> October, 1963, have been substituting in whole or in part payments towards policies of life insurance for subscriptions to the fund or making withdrawals from the fund for such payments:

Provided that such subscribers shall not be permitted to substitute such payments for subscriptions due to the Fund or to withdrawals from the Fund for making such payments in respect of any new policy.

## SUBSCRIBERS' ACCOUNTS

14.3. An account shall be opened in the name of each subscriber, in it shall be credited:-

- (i) the subscribers' subscriptions ;
- (ii) contributions made under rule 14.11 by Government to his account;
- (iii) interest, as provided by rule 14.12, on subscription ; and
- (iv) interest as provided by rule 14.12 on contribution.

## CONDITIONS AND RATES OF SUBSCRIPTIONS

- 14.4. (1) Every subscriber shall subscribe monthly to the Fund when on duty or on foreign service.
- (2) A subscriber may, at his option, not subscribe during leave.
- (3) The subscriber shall intimate his election not to subscribe during leave in the following manner :-
- (a) if he is a Government employee who draws his own pay bills, by making no reduction on account of subscription in his first pay bill drawn after proceeding on leave;
  - (b) if he is not a Government employee who draws his own pay bills, by written communication to the head of his office before he proceeds on leave.

Failure to make due and timely intimation shall be deemed to constitute an election to subscribe.

The option of a subscriber intimated under this clause shall be final.

Note. -- See also Note below Rule 13.9.

- 14.5. (1) The amount of subscriptions shall be fixed by the subscriber himself, subject to the following conditions :-
- (a) It shall be expressed in whole rupees.
  - (b) It may be any sum, so expressed, not less than 6-1/2 per cent of his emoluments, and not more than his emoluments.
- (2) For the purposes of clause (1) the emoluments of a subscriber shall be --

- (a) in the case of a subscriber who was in Government service on the 31<sup>st</sup> March of the preceding year, the emoluments to which he was entitled on that date : provided as follows :-
- (i) if the subscriber was on the said date and elected not to subscribe during such leave or was under suspension on the said date, his emoluments shall be the emoluments to which he was entitled on the first day after his return to duty ;
  - (ii) If the subscriber was on deputation out of India on the said date or was on leave on the said date and continues to be on leave and has elected to subscribe during such leave, his emoluments shall be the emoluments to which he would have been entitled had he been on duty in India;
  - (iii) if the subscriber joined the Fund for the first time his emoluments shall be the emoluments to which he was entitled on the date of joining the fund.
- (b) In the case of a subscriber who was not in Government service on the 31<sup>st</sup> March of the preceding year, the emoluments to which he was entitled on the first day of his service or, if re-joined the Fund for the first time on a date subsequent to the first day of his service, the emoluments to which he was entitled on such subsequent date:

Provided that, if the emoluments of the subscriber are of fluctuating nature, they shall be calculated in such manner as the competent authority may direct.

(3) The subscriber shall intimate the fixation of the amount of his monthly subscription in each year in the following manner:

- (a) if he was on duty on the 31<sup>st</sup> March of the preceding year, by the deduction which he makes in this behalf from his pay bill for that month;
- (b) if he was on leave on the 31<sup>st</sup> March of the preceding year and elected not to subscribe during such leave, or was under suspension on that date, by the deduction which he makes in this behalf from his first pay bill after his return to duty;
- (c) if he has entered Government service for the first time during the year, or joins the Fund for the first time, by the deduction which he makes in this behalf, from his pay bill for the month during which he joins the Fund;
- (d) if he has been on leave on the 31<sup>st</sup> March of the preceding year, and continues to be on leave and has elected to subscribe during such leave, by the deduction which he causes to be made in

this behalf from his pay bill for that month;

- (e) if he has been on foreign service on the 31<sup>st</sup> March of the preceding year, by the amount credited by him into the treasury on account of subscription for the month of April in the current year;
- (f) if his emoluments are of the nature referred to in the proviso to clause (2), in such manner as the competent authority may direct.

- (4) The amount of subscription so fixed shall remain unchanged throughout the year:

Provided that the amount of subscription may be enhanced once at any time during the course of a year;

Provided further that if a subscriber is on leave without pay or leave on half pay duty for a part of a calendar month and he has elected not to subscribe during such leave, the amount of subscription payable shall be proportionate to the number of days spent on duty including leave, if any, other than those referred to above.

Note . - See also sub-rule 1 below Rule 13.10.

14.6. When a subscriber is transferred to foreign service or sent on deputation out of India, he shall remain subject to the rules of the Fund, in the same manner as if he were not so transferred or sent on deputation.

## REALIZATIONS OF SUBSCRIPTIONS

14.7. (1) When emoluments are drawn from a Government Treasury in India or from the Treasury in U.K. , or a colonial treasury, recovery of subscriptions on account of these emoluments and of the principal and interest of advances shall be made from the emoluments themselves; except that, when emoluments other than sterling overseas pay are so drawn in India, deductions in respect of sterling overseas pay, when admissible, shall be made in India.

(2) When emoluments are drawn from any other source, the subscriber shall forward his dues monthly to the Accounts Officer.

## CONTRIBUTION BY GOVERNMENT

14.8. (1) Government shall, with effect from 31<sup>st</sup> March, of each year, make a contribution to the account of each subscriber :

Provided that if a subscriber quits the service or dies during a year, contribution shall be credited to his

account for the period between the close of the preceding year and the date of the casualty.

(2) The contribution shall be such percentage of the subscriber's emoluments drawn on duty during the year or period, as the case may be, as has been or may be prescribed by the competent authority by general or special order :

Provided that if, through oversight or otherwise, the amount subscribed is less than the minimum subscription payable by the subscriber under sub-rules (1) and (2) of Rule 14.8 and if the short subscription together with the interest accrued thereon is not paid by the subscriber within such time as may be specified by the authority competent to sanction an advance for the grant of which special reasons are required under clause (b) or clause (c) of Rule 14.13, the contribution payable by the Government shall be equal to the amount actually paid by the subscriber or the amount normally payable by Government, whichever is less unless the Government in any particular case, otherwise directs.

Note . - (1) The contribution to be paid by Government to the account of a subscriber admitted to fund shall, be fixed at ~~8~~<sup>\*</sup>-1/3 per cent (\*1/12<sup>th</sup>) of the subscriber's emoluments.

In the case of officers, other than those originally transferred from service under private bodies to service under Government the rates of subscription and of Government contribution will be based on the pay drawn in the higher post : provided that the higher post also carried Contributory Provident Fund benefits.

Note . - (2) In the case of an officer transferred from service under a private body to serve under Government or from one Government Department to another, the Government contribution should, where there is no provision to the contrary in the Contributory Provident Fund Rules of the Officer concerned, be based on the pay which he would have drawn but for his transfer and not on the pay drawn by him from time to time after transfer.

- (3) If a subscriber is on deputation out of India, the emoluments which he would have drawn had he been on duty in India, shall, for the purposes of this rule, be deemed to be emoluments drawn on duty.
- (4) Should a subscriber elect to subscribe during leave, his leave salary shall, for the purpose of this rule, be deemed to be emoluments drawn on duty unless otherwise directed by the competent authority.
- (5) The amount of any contribution payable in respect of a period of foreign service shall, unless it is recovered from the foreign employer, be recovered by Government from the subscriber.
- (6) The amount of contribution payable shall be rounded to the nearest whole rupee (fifty paise counting as the next higher rupee).

## INTEREST

14.9. (1) Government shall pay to the credit of the account of a subscriber interest, at such rate as the competent authority may from time to time prescribe for the payment of interest on subscriptions to the General Provident Fund, on the amount at his credit in the Fund.

(2) Interest shall be credited with effect from the 31<sup>st</sup> March of each year in the following manner :

- (i) on the amount at the credit of the subscriber on the 31<sup>st</sup> March of the preceding year, less any sums withdrawn during the current year, interest for twelve months;
- (ii) on sums withdrawn during the current year, interest from the 1<sup>st</sup> April of the current year up to the last day of the month preceding the month of withdrawal;
- (iii) on all sums credited to the subscriber's account after 31<sup>st</sup> March of the preceding year, interest from the date of deposit up to the 31<sup>st</sup> March of the current year;
- (iv) the total amount of interest shall be rounded to the nearest rupee in the manner provided in clause (6) of Rule 14.11 :

Provided that when the amount standing at the credit of a subscriber has become payable, interest shall thereupon be credited under this clause in respect only if the period from the beginning of the current year or from the date of deposit, as the case may be, up to the date on which the amount standing at the credit of the subscriber became payable.

(3) For the purposes of this Rule the date of deposit shall, in the case of recoveries from emoluments, be deemed to be the first day of the month in which they are recovered and in the case of amounts forwarded by the subscriber, shall be deemed to be the first day of the month of receipt, if they are received by the Accounts Officer before the fifth day of that month, the first day of the next succeeding month :

Provided that where there has been a delay in the drawal of pay or leave salary and allowances of a subscriber and consequently in the recovery of his subscription towards the Provident Fund, the interest on such subscription shall be payable from the month in which the pay or leave salary of the subscriber was due under the Rules, irrespective of the month in which it was actually drawn.

(4) In addition to any amount to be paid, under Rule 14.30, interest thereon up to the end of the month preceding that in which payment is made, or up to the end of the sixth month after the month in which such amount

became payable, whichever of these periods be less, shall be payable to the person to whom such amount is to be paid :

Provided that the payment of interest on the Fund balance beyond a period of six months up to any period may be authorised by the Accountant-General, Punjab, after he has personally satisfied himself that the delay in payment was occasioned by circumstances beyond the control of the subscriber and in every such case the administrative delay involved in the matter shall be fully investigated and action, if any required, taken :

Provided further that no interest shall be paid in respect of any period after the date which the Accounts Officer has intimated to that person (or his agent) as the date on which he is prepared to make payment in cash, or if he pays by cheque after the date on which the cheque in that person's favour is put in the post.

Provided further that where a subscriber on deputation to a body corporate, owned or controlled by the Government or an autonomous organisation, registered under the Societies Registration Act, 1860 (21 of 1860) is subsequently absorbed in such body corporate or organisation with effect from a retrospective date, for the purpose of calculating the interest due on the Fund accumulations of the subscriber, the date of issue of the orders regarding absorption shall be deemed to be the date on which the amount to the credit of the subscriber became payable, subject, however, to the condition that the amount recovered as subscription during the period commencing from the date of absorption and ending with the date of issue of orders of absorption shall be deemed to be subscription to the Fund only for the purpose of awarding interest under this sub-rule.

(5) Interest shall not be credited to the account of a Mohammadan subscriber, if he informs the Accounts Officer that he does not wish to receive it, but if he subsequently asks for interest it shall be credited with effect from 1<sup>st</sup> April of the year in which he asks for it.

(6) The interest on amounts which under clause (3) of Rule 14.18 or clause (1) or clause (2) of Rule 14.23 or Rule 14.24 or Rule 14.26 or Rule 14.27 are replaced at the credit of the subscriber in the Fund shall be calculated at such rates as may be successively prescribed under clause (1) of this rule and so far as may be in the manner described in this Rule.

Note. - The provisions of notes 1 and 2 below Rule 13.13 apply mutatis mutandis in respect of subscriptions to the Punjab Contributory Provident Fund.

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\* This has effect from 8<sup>th</sup> October, 1958.

## FINAL WITHDRAWAL OF ACCUMULATIONS IN THE FUND

13.25. When a subscriber quits the service, the amount standing to his credit in the Fund shall become payable to him :

Provided that a subscriber, who has been dismissed from the service and is, subsequently, reinstated in the service, shall, if required, to do so by Government, repay any amount paid to him from the Fund in pursuance of this Rule, with interest thereon at the rate provided in Rule 13.13, in the manner provided in the proviso to Rule 13.29.

The amount so repaid shall be credited to his account in the Fund.

**Note.** - A subscriber re-employed in Government service after retirement is considered to have quitted service from the date of retirement even though his reemployment may have been in continuation of his active service without break. He can not, therefore, get interest on his accumulation in his Fund beyond six months from the date of retirement.

**Explanation I.** - A subscriber, who is granted refused leave shall be deemed to have quitted the service from the date of compulsory retirement or on the expiry of an extension of service.

**Explanation II.** -A subscriber, other than one who is appointed on contract or one who has retired from service and is subsequently re-employed with or without a break in service shall not be deemed to quit the service, when he is transferred without any break in service to a new post under any other Government or in another department of the State Government (in which he is governed by another set of Provident Fund Rules) and without retaining any connection with his former post. In such a case, his subscription together with interest thereon shall be transferred :-

- (a) to his account in the other Fund in accordance with the Rules of the Fund, if the new post is in another department of the State Government, or
- (b) to a new account under the Government concerned if the new post is under any other Government and that Government consents, by general or special order, to such transfer of subscription and interest.

**Note.** Transfers should be held to include cases of resignation from service in order to take up appointment in another Department of the State Government or under any other Government in India, without any break and with proper permission of the State Government. In cases where there has been a nominal break it should strictly be limited to the joining time allowed on transfer to a different station. The same shall hold good in cases of retrenchment followed by immediate employment whether under the same or different Government.

**Explanation III.** -- When a subscriber is transferred without any break, to the service under a body corporate, owned or controlled by Government the amount of subscription together with interest thereon, shall not be paid to

him but shall be transferred, with the consent of that body, to his new Provident Fund Account under that body.

Transfers shall include cases of resignation from service in order to take up appointment under the body corporate, owned or controlled by Government without any break and with proper permission of the Government. The time taken to join the new post shall not be treated as a break in service, if it does not exceed the joining time admissible to a Government employee on transfer from one post to another.

**Note 1.** In cases where the corporate bodies do not have any provident fund scheme or whose provident fund rules do not provide for the acceptance of balances from other provident funds, the amount in question should be finally paid to the subscriber concerned at the time of his permanent transfer to such a body.

**Note 2** In cases where the Provident Fund money is accepted by the corporate body subject to fulfillment of certain conditions, viz., that the Government employee should complete the probationary period with them or that he should be confirmed in a post under them, the Provident Fund money of the persons concerned may be retained with Government till such time as it is transferred to the body concerned. In such cases the Provident Fund Accounts of the individual concerned would cease to be alive on the date of permanent transfer of the persons concerned to such a body. In other words, no withdrawals from the Provident Fund will be permitted for any purpose including payment of premia towards life insurance policies. Fresh subscription to the fund, except recoveries in respect of outstanding advances shall not be accepted. The Provident fund money held by Government would continue to earn interest at the normal rate till the date of transfer of the amount to the corporate body.

**13.28-A.-Deposit Linked Insurance Scheme -(1)-**Subject to the provisions of sub-rule (2), on the death of a subscriber in service, the person or persons entitled to receive the amount standing to the credit of the deceased subscriber in the Fund shall also be entitled to an additional amount equal to the average amount standing to the credit of the deceased subscriber in the Fund during a period of thirty-six months immediately preceding the date of his death subject to a maximum of ten thousand rupees.

(2) The additional amount referred to in sub-rule (1) shall be sanctioned subject to the fulfillment of the following conditions :--

(i) The amount standing to the credit of the subscriber in the Fund should not have fallen below the following limits at any time during the period of thirty-six months immediately preceding the date of death of the subscriber :-

In the case of Class I employees. Four thousand rupees.

In the case of Class II employees. Two thousand and five hundred rupees.

In the case of Class III employees One thousand and five hundred rupees.

In the case of Class IV employees One thousand rupees :

Provided that in case where the subscriber held post(s) borne on the different groups during the thirty-six months immediately preceding the date of his death, the appropriate minimum qualifying balance in the case of such a deceased subscriber shall be the one relating to the group in which he held the post for the greater part of the said period of thirty-six months:

Provided further that in the case of a subscriber whose death occurred during the period from the 8<sup>th</sup> day of January, 1975 to the 31<sup>st</sup> day of March, 1978 (both days inclusive), the condition of minimum balance shall not be insisted upon and in such a case Government shall pay an amount equal to the average of whatever amount stood at the credit of such a subscriber at the end of each of thirty-six months immediately preceding the death of the subscriber but all other conditions of the scheme will continue to apply in all such cases ; and

(ii) the subscriber should have put in at least five years regular Government service at the time of his death.

(3) the Accountant-General, Punjab, shall authorise the payment of the additional amount referred to in this rule without any further sanction. It shall be accounted for under the head "288--Social Security and Welfare--E--Other Social Security Welfare Programmes--C--Other Programmes--Expenditure on Deposit Linked Insurance Scheme".

"the Head of Office in the case of a Class IV employee and the Accountant-General, Punjab, in other cases."

13.26. When a subscriber :-

- (a) has preceded on leave preparatory to retirement or, if he is employed in a vacation department, on leave preparatory to retirement combined with vacation, or
- (b) while on leave, has been permitted to retire or been declared by a competent medical authority to be unfit for further service.

the amount standing to his credit in the Fund, shall, upon application made by him in that behalf to the Accounts Officer, become payable to the subscriber :

Provided that the subscriber, if he returns to duty, shall, except where the Government decides otherwise,

repay to the Fund, for credit to his account the whole or part of any amount paid to him from the Fund in pursuance of this Rule with interest thereon at the rate provided in Rule 13.13 in cash or securities or partly in cash and partly in securities, by instalments or otherwise, by recovery from his emoluments or otherwise, as may be directed by the authority competent to grant an advance under clause (1) of Rule 13.14.

Note. -- When vacation precedes the leave preparatory to retirement, the amount standing at the credit of a subscriber shall, upon application made to the Accounts Officer becomes payable at any time between the commencement of such vacation and the date of actual retirement.

13.29-A. Omitted.

13.29-B. If a retired Government employee who, before his retirement was a subscriber to a Provident Fund governing his conditions of service, is re-employed, under the Punjab Government (whether immediately after his retirement or sometime afterwards, but before having drawn the balance outstanding in his old Provident Fund Account) and is permitted as a condition of his service to join the Punjab General Provident Fund Account, he shall be given the option to carry forward the balance in his old Account to the new one. If he opts to carry forward the balance in his old Account to the new one, he shall be allotted a new Account Number. In respect of balance carried forward interest shall be due at the privileged rate of interest (if he was entitled to such rate before retirement) up to the end of the month preceding the date intimated by the Accounts Officer as being the date on which he is prepared to make payment in cash or up to the end of the 6<sup>th</sup> month after the month in which such an amount became payable, whichever period be less. thereafter, interest on such accumulations together with subscriptions during the period of re-employment shall be calculated at the rate sanctioned by Government from time to time and not at the privileged rate.

13.29-C. Omitted.

13.29-D. (1) A non-refundable advance may be granted to a subscriber at any time, after the completion of 10 years' service (including broken periods, if any) from the amount standing to his credit in the Fund at the discretion of the competent authority mentioned in Annexure E for one or more of the following purposes, namely :-

- (i) Building or acquiring a suitable house for his residence including the cost of the site or repaying any outstanding amount on account of loan, expressly taken for this purpose before the date of receipt of the application for withdrawal but not earlier than twelve months of that date, or reconstructing or making addition or alteration to a house already owned or acquired by a subscriber.
- (ii) Purchasing a house-site or repaying any outstanding amount on account of loan expressly taken for this purpose before the date of receipt of the application for withdrawal but not earlier than twelve months of that date.

- (iii) For constructing a house on a site purchased utilizing the sum withdrawn under sub-clause (ii) above.

(2) A competent authority may grant a second non-refundable advance out of the Fund Account for the constructing of a second house at a place other than Chandigarh to an employee who has already built a house at Chandigarh before the 14<sup>th</sup> December, 1967, and thereafter only one advance would be allowed or the construction of a house either at Chandigarh or at any other place :

Provident that a subscriber who has availed himself of an advance under the scheme of the Ministry of Housing for the grant of advances for house-building purposes or has been allowed any assistance in this regard from any other Government source, shall not be eligible for the grant of a final withdrawal under the provisions of this Rule except for the purpose of repayment of any loan taken under the aforesaid scheme.

(3) Any sum withdrawn by the subscriber with the sanction of the Administrative Department shall not exceed  $\frac{3}{4}$ <sup>th</sup> of the credit balance in his Fund Account. If sanctioned by any other authority, it shall not exceed one-half of his credit balance in his Fund Account or six months' pay, whichever is less, at the time he actually applies for the grant of such advance. The sanctioning authority may, however, recommend to the Administrative Department, the withdrawal of an amount in excess of this limit up to  $\frac{3}{4}$ <sup>th</sup> of the balance at the credit in the fund.

(4) The actual withdrawal from the Fund shall be made only on receipt of an authorization from the Accounts Officer concerned who will arrange this as soon as the formal sanction of the sanctioning authority has been issued.

(5) A subscriber who has been permitted to withdraw money from the Fund under this Rule shall satisfy the sanctioning authority within a reasonable period as may be specified by that authority that the money has been utilised for the purpose for which it was withdrawn and if he fails to do so, the whole of the sum so withdrawn, or so much thereof as has not been applied for the purpose for which it was drawn, shall forthwith be repaid in one lump-sum by the subscriber to the Fund, and in default of such payment it shall be ordered by the sanctioning authority to be recovered from his emoluments either in lump-sum or in such number of monthly instalments, as may be determined by the Finance Department.

"Provided that, before repayment of a withdrawal is enforced under this sub-rule, the subscriber shall be given an opportunity to explain in writing within fifteen days of the receipt of the communication why the repayment shall not be enforced and if the sanctioning authority is not satisfied with the explanation or no explanation is submitted by the subscriber within the said period of fifteen days, the sanctioning authority shall enforce the repayment in the manner prescribed in this sub-rule.

13.29-E. (1) A non-refundable advance may be granted to a subscriber any time, after the completion of 20 years service (including broken periods, if any) or within 10 years before the date of his retirement on superannuation,

whichever is earlier, from the amount standing to his credit in the Fund at the discretion of the competent authority mentioned in Annexure 'E' to meet the cost of education of himself or of children actually dependent on him in the following types of cases :-

- (i) for education outside India beyond the High School stage whether for an academic, technical, professional or vocational course; and
- (ii) for medical, engineering and other technical or specialised courses in India beyond the High School stage, provided that the course of study is not less than three years, duration.

(2) Any sum withdrawn by the subscriber with the sanction of the Administrative Department shall not exceed  $\frac{3}{4}$ <sup>th</sup> of the credit balance in his Fund Account. If sanctioned by any other authority, it shall not exceed one-half of his credit balance in his Fund Account or six months pay, whichever is less, at the time he actually applies for the grant of such advance.

(3) The withdrawal will be permissible once every six month, i.e., twice in any financial year and the withdrawal will not ordinarily be allowed before the expiry of six months from the date of the previous withdrawal :

Provided that the subscribers concerned satisfy the sanctioning authority within a period of six months from the date of drawing the money that it has been utilised for the purpose for which it was intended; otherwise the whole amount of withdrawal will be liable to recover, in one lump-sum :

Provided further that in cases where a portion of the money withdrawn is not likely to be spent within six months of the date of withdrawal and the officer contemplates making a further withdrawal during the following half-year, he may, by notifying in writing to the sanctioning authority before the expiry of the said period of six months, adjust the excess amount in the proposed withdrawal, provided that such excess amount is not more than 10 per cent of the amount utilised and action to withdraw the further amount is taken within one month of the expiry of the six months period. If no further withdrawal is contemplated, the excess amount should be deposited forthwith in the provident fund.

(4) The actual withdrawal from the fund will be made only on receipt of an authorisation from the Accountant-General, Punjab, who will arrange this as soon as the formal sanction of the competent authority has been issued. After the withdrawal has been made by the subscriber concerned, the sanctioning authorities will satisfy themselves within six months of withdrawal that the conditions mentioned above are fulfilled and they should furnish a certificate to that effect to the Accountant-General, Punjab.

(5) While sanctioning non-refundable advances by the competent authority, the temporary advances outstanding against the subscriber, if any, will not be taken into account.

Note 1. - The courses detailed below should be treated as technical in nature provided that the course of study is

of not less than 3 years duration and is beyond High School stage in India or outside India :-

- (a) Diploma courses in the various fields of Engineering and Technology, e.g., Civil Engineering, Mechanical Engineering, Electrical Engineering, Tele-communication/ Radio Engineering, Metallurgy, Automobile Engineering, Textile Technology, Leather Technology, Printing Technology, Chemical Technology, etc., etc., conducted by recognized technical institutions.
- (b) Degree courses in the various fields of Engineering and Technology, e.g., Civil Engineering, Mechanical Engineering, Electrical Engineering, Tele-Electrical Communications Engineering and Electronics, Mining Engineering, Metallurgy, Aeronautical Engineering, Chemical Engineering, Chemical Technology, Textile Technology, Leather Technology, Pharmacy, Ceramics, etc., etc., conducted by Universities and recognised technical institutions.
- (c) Post-Graduate courses in the various fields of Engineering and Technology conducted by the Universities and recognised institutions.
- (d) Degree and Diploma courses in Architecture, Town Planning and allied fields conducted by recognised institutions.
- (e) Diploma and Certificate courses in Commerce conducted by recognized institutions.
- (f) Diploma courses in Management conducted by recognised institutions.
- (g) Degree courses in Agriculture, Veteriniary Science and allied subjects conducted by recognised Universities and institutions.
- (h) Courses conducted by Junior Technical Schools.
- (i) Courses conducted by Industrial Training Institutes under the Ministry of Labour and Employment (D.G.E.&T.).
- (j) Degree and Diploma courses in Art/ Applied and allied subjects conducted by recognized institutions.
- (k) Draftsmanship courses by recognised institutions.
- (l) Medical courses.
- (m) All M.Sc. (Hons. School) courses of Punjab University.

- (n) B.Sc. (Home Science) course of three years duration.

Note 2. - The following courses, irrespective of their duration, shall also be treated as technical/ specialized for purpose of allowing advances/ final withdrawals :-

- (i) Degree and Post-Graduate courses in Home Science.
- (ii) Pro-Professional course in Medicine if part of regular 5 years course in Medicine.
- (iii) Ph.D. in Biochemistry.
- (iv) Bachelor and Masters Degree courses in Physical Education.
- (v) Honours course in Microbiology.
- (vi) Associateship of the Institute of Chartered Accountants.
- (vii) Associateship of the Institute of Costs and Works Accountants.
- (viii) Degree and Masters courses in Business Administration or Management.
- (ix) Diploma course in Hotel Management.
- (x) M.Sc. course in Statistics.
- (xi) The payment of initial charges for admission to the National Defence Academy, Khadakvasala, will also qualify for advances for final withdrawal.
- (xii) The Company Secretaryship Course of the Institute of Company Secretaries of India.
- (xiii) The course of pre-sea training imparted on the training ship 'Rajendra' to the prospective navigation officers on merchantships.

13.29-F. A non-refundable advance may be granted to a subscriber any time, after the completion of 20 years' service (including broken periods, if any) or within 10 years before the date of his retirement on superannuation whichever is earlier, from the amount standing to his credit in the Fund, at the discretion of the competent authority mentioned in Annexure 'E' to meet the expenses in connection with each marriage of the subscriber's daughters and if the subscriber has no daughter, for any female relation dependent on him, on the following conditions :-

- (1) Any sum withdrawn by the subscriber with the sanction of the Administrative Department shall

not exceed 3/4<sup>th</sup> of the credit balance in his Fund Account. If sanctioned by any other authority, it shall not exceed one-half of his credit balance in his Fund Account or six months pay, whichever is less, at the time he actually applies for the grant of such advance.

Note 1. - When a Government employee subscribes to more than one Provident Fund, withdrawal in terms of these Rules will be permitted only in respect of one of these Funds, which may be selected for the purpose by the subscriber the amount being regulated with reference to total sum at the credit of the Government employee in all the Provident Funds to which he is subscribing.

Note 2. -- If two or more marriages are to be celebrated simultaneously the amount admissible in respect of each marriage will be determined as if the advances are sanctioned separately one after the other.

- (2) In respect of the same marriage, a subscriber may either withdraw the money in terms of this Rule or draw an advance under the ordinary Rules.
- (3) A subscriber who draws a refundable advance under the ordinary rules, may convert at his discretion by written request addressed to the Accounts Officer through the sanctioning authority, the balance outstanding against him into a final withdrawal on his satisfying the conditions laid down in this rule.
- (4) The withdrawal may be allowed to the subscriber not earlier than three months preceding the month in which the marriage actually takes place.
- (5) The subscriber shall furnish a certificate to the sanctioning authority mentioned in Annexure 'E' within a period of one month from the date of marriage, or if he is on leave, within one month on return from leave, that the money withdrawn has actually been utilised for a purpose for which it was intended. If the subscriber fails to furnish the requisite certificate or if the amount withdrawn is utilised for a purpose other than that for which sanction was accorded, the entire amount together with interest thereon at the rate provided in Rule 13.13 from the month of withdrawal, shall be re-deposited into the Fund in a lump-sum.
- (6) Any amount actually with drawn from the fund, which in found in encess of that actually utilised by the subscriber for the purpose, shall be re-deposited forthwith into the Fund, together with interest due thereon at the rate provided in Rule 13.13 from the money of such withdrawal.
- (7) The actual withdrawal from the Fund will be made only on receipt of an authorization from the Accountant-General, Punjab, who will arrange this as soon as the formal sanction of the competent authority has been issued.

- (8) In sanctioning non-refundable advances under these Rules, the temporary advances outstanding against the subscriber, if any, will not be taken into account.

Note. -- Marriage is a foreseeable event and ordinarily it should not be difficult for the Government employee concerned to make up his mind beforehand whether he would be able to meet the entire expenditure thereon from his private resources or whether he would have to resort to a final withdrawal from his provident fund account for the purposes mentioned above. In the latter case, the subscriber has to apply for final withdrawal sufficiently in advance of the date of marriage. Where, however, an officer applies for the withdrawal well before the date of the marriage, but the application is sanctioned after the aforesaid date or, if sanctioned before that date, the case is received in audit office for the issue of authority for payment after that date, there will be no objection to the payment of the amount being made after the date of marriage. The certificate in terms of clause (5) of this Rule should be furnished in such cases to the sanctioning authority within a month of the actual withdrawal of the amount from the Fund. Cases in which the withdrawal is applied for after the marriage is over should not ordinarily be entertained.

13.29-G. A non-refundable advance may be granted to a subscriber any time, after the completion of 20 years' service (including broken periods, if any) or within 10 years before the date of his retirement on superannuation whichever is earlier from the amount standing to his credit in the Fund at the discretion of the competent authority mentioned in Annexure 'E' to meet the expenses in connection with each marriage of the subscriber's sons, on the following conditions :-

(1) Any sum withdrawn by the subscriber with the sanction of the Administrative Department shall not exceed  $\frac{3}{4}$ <sup>th</sup> of the credit balance in his Fund Account. If sanctioned by any other authority, it shall not exceed one-half of his credit balance in his Fund Account or three months' pay of the subscriber, whichever is less, at the time of he actually applies for the grant of such advance.

In special cases, however, the sanctioning authority, if it is other than the Administrative Department, relax the limit of three months' pay but in no case it will exceed six month's pay.

(2) The other conditions will be the same as those laid down in rule 13.29F.

Note. -- It is not necessary that the daughter or the son should be actually dependent on the subscriber for the purpose of final withdrawal from the Fund.

13.29-H. A non-refundable advance may be granted to a subscriber any time, after the completion of 25 years of service or within a period of less than five years prior to his attaining the age of superannuation for purchasing a motor car or for repaying a Government loan already taken by him for the purpose, subject to the following conditions :-

- (i) the officer's pay is Rs.1,000 or more;

- (ii) the amount of withdrawal is limited to Rs.16,000 or 1/3<sup>rd</sup> of the amount standing to the credit of the subscriber in General Provident Fund or the actual price of the car, whichever is less. The sanctioning authority may, however, sanction the withdrawal is less. The sanctioning authority may, however, sanction the withdrawal of an amount in excess of this limit up to one-half of the balance at subscriber's credit in the General Provident Fund Account, if considered necessary, as a special case.

Note 1. - The withdrawal shall be allowed only on one occasion. in the case of withdrawal for purchase of another car, the car advance under the provisions of rule 10.20 of the Punjab Financial Rules, Volume I, as supplemented by instructions issued from time to time will not be admissible.

Note 2. -- The subscriber is to be allowed to withdraw the amount admissible under the provision of rule 10.21 of the Punjab Financial Rules, Volume I, as supplemented by the executive instructions issued from time to time, so as to make the total of both the advances equal to Rs.16,000 or the actual price of the car, whichever is less.

Note 3. -- The procedural details will be as in the case of other withdrawals.

13.29-I. A non-refundable advance may be granted to a subscriber any time after the completion of 20 years' service (including broken periods, if any) or within 10 years before the date of his retirement on superannuation whichever is earlier, from the amount standing to his credit in the Fund at the discretion of the competent authority mentioned in Annexure 'E' to meet the expenses in connection with each betrothal of subscriber's sons and daughters and if the subscriber has no son or daughter, for any other male or female relation actually dependent on him, on the following conditions :-

(1) The amount of withdrawal in respect of each betrothal will normally be limited to :-

(a) three months' pay of the subscriber; or

(b) 20% of the amount standing to the credit of the subscriber; whichever is less.

(2) The other conditions will be the same as those laid down in rule 13.29-F.

13.29-II. Whenever a subscriber is in a position to satisfy the competent authority about the amount standing to his credit in the General Provident Fund Account with reference to the latest available statement of General Provident Fund Account together with the evidence of subsequent contribution to that Fund, the competent authority may under rules 13.29-D, 13.29-E, 13.29-F, 13.29-G, 13.29-H and 13.29-I, sanction withdrawal from the said Fund within the prescribed limits, as in the case of a refundable advance. In doing so, the competent authority shall take into account any withdrawal or refundable advance already sanctioned by it in favour of the subscriber. Where, however, the subscriber is not in a position to satisfy the competent authority about the amount standing to his credit or where there

is any doubt about the admissibility of the withdrawal applied for, a reference may be made to the Accounts Officer by the competent authority for ascertaining the amount standing to the credit of the subscriber with a view to enable the competent authority to determine the admissibility of the amount of withdrawal. The sanction for withdrawal should invariably be endorsed to that Accounts Officer. The sanctioning authority shall be responsible to ensure that an acknowledgement is obtained from the Accounts Officer that the sanction for withdrawal has been noted in the ledger account of the subscriber. In case the Accounts Officer reports that the withdrawal as sanctioned is in excess of the amount standing to the credit of the subscriber or is otherwise inadmissible, the sum withdrawn by the subscriber shall forthwith be repaid in one lump-sum together with interest thereon and in default of such repayment, it shall be ordered by the sanctioning authority to be recovered from his emoluments either in a lump-sum or in such number of monthly instalments as may be determined by the Government.

Note. -- The following certificate shall be recorded on all sanctions issued for withdrawal :-

"Sh./ Shrimati \_\_\_\_\_ was last sanctioned a part final withdrawal by this office for an amount of Rs. \_\_\_\_\_, vide \_\_\_\_\_".

or

"Sh. / Shrimati \_\_\_\_\_ is understood (as stated by him/ her) to have been last sanctioned a part final withdrawal of Rs. \_\_\_\_\_."

Sanctioning Authority

"(The alternate certificate mentioned above is to be recorded in the sanction of those subscribers in whose case the particulars of last sanction for part-final withdrawal, are not available with office for reasons such as transfer of an employee from another office, etc., etc.)."

13.29-J. (i) A non-refundable advance may be granted by the Heads of Department to a subscriber at any time after the completion of 10 years' service from the General Provident Fund for purchasing a Motor-Cycle or Scooter or Moped or for repaying a loan already taken by him for the said purpose subject to the following conditions:-

- (a) The subscriber's basic pay is not less than Rs.500 per mensem.
- (b) The amount of withdrawal is limited to Rs.4,500 or 15 months' pay of the subscriber or one-half of the amount standing to the credit of the subscriber in the Fund or the actual price of Motor-Cycle or Scooter, or Moped whichever is the least.
- (c) A second advance for this purpose shall not be granted until at least 8 years have passed since the grant of the first advance.

- (ii) A non-refundable advance may be granted by the appointing authority to a subscriber from the General Provident Fund for the purchase of a bicycle subject to the following conditions :-
- (a) The subscriber has not less than five years of service at his credit.
  - (b) The amount of withdrawal is limited to Rs.250 or one-half of the balance in the Fund or the actual price of the bicycle, whichever is the least.
  - (c) A second advance for this purpose shall not be granted until at least 8 years have passed since the grant of the first advance.
- (iii) The authority of Accountant-General, Punjab will not be necessary for the withdrawal of the sanctioned amount. The Treasury Officer shall allow the withdrawal on the basis of sanction issued by the competent authority.

13.27. On the death of a subscriber before the amount standing to his credit has become payable (see Annexure 'E' to this Chapter), or where the amount has become payable, before payment has been made;

- (i) When the subscriber leaves a family --
- (a) if a nomination made by the subscriber in accordance with the provisions of Rule 13.7 or the corresponding rule heretofore in force, in favour of a member or members of his family subsists, the amount standing to his credit in the Fund or the part thereof to which the nomination relates shall become payable to his nominee or nominees in the proportion specified in the nomination ;
  - (b) if no such nomination in favour of a member or members of the family of the subscriber subsists or if such nomination relates only to a part of the amount standing to his credit in the Fund the whole amount or the part thereof to which the nomination does not relate, as the case may be, shall notwithstanding any nomination purporting to be in favour of any person or persons other than a member or members of his family become payable to the members of his family in equal share :

Provided that no share shall be payable to --

- (1) sons who have attained legal majority;
- (2) sons of a deceased son, who have attained legal majority;
- (3) married daughters whose husbands are alive;

(4) married daughters of a deceased son whose husbands are alive;

if there is any member of the family other than those specified in clauses (1), (2), (3) and (4):

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 the subscriber and had been exempted from the provisions of clause (1) of the first proviso;

(ii) When the subscriber leaves no family, if a no family, if a nomination made by him in accordance with the provisions of Rule 13.7 or of the corresponding Rule heretofore in force, in favour of any person or persons subsists, the amount standing to his credit in the Fund or the part thereof to which the nomination relates, shall become payable to his nominee or nominees in the proportion specified in the nomination.

Note 1. -- A posthumous child of the deceased or the posthumous child of a son of the deceased who, had he been alive would have been entitled to a share of the sum at the subscriber's credit shall be treated as a member of the family provided the existence (en ventre da sa mere) of the posthumous child is brought to the notice of the disbursing officer.

Note 2. -- When a person named in a form of nomination under Rule 13.7, dies before the subscriber, the nomination shall in the absence of a direction to the contrary in the form of nomination, become null and void in respect of that person only and his or her share shall be distributed in the manner prescribed in sub-clause (b) of clause (i) above.

13.28. (1) When the amount standing to the credit of a subscriber in the Fund becomes payable, it shall be the duty of the Accounts Officer to make payment, as provided in section 4 of the Provident Fund Act, 1925 (See Appendix IV).

(2) If the person to whom under these rules, any amount or policy is to be paid, assigned, reassigned or delivered, is a lunatic, for whose estate a manager has been appointed in this behalf under the Indian Lunacy Act, 1912, the payment or reassignment or delivery will be made to such manager, and not to the lunatic :

Provided that where no manager has been appointed and the person to whom the sum is payable is certified by a Magistrate to be a lunatic, the payment under the orders of the collector be made in terms of sub-section (1) of section (1) section 95 of the Indian Lunacy Act, 1912, to the person having charge of such Lunatic and the Accounts Officer shall pay only the amount which he thinks fit to the person having charge of the lunatic and the surplus, if any, or such part thereof as he thinks fit, shall be paid for the maintenance of such members of the lunatic's family as are dependent on him for maintenance.

(3) Any person who desires to claim payment under this rule shall send a written application in that behalf to the Accounts Officer. Payment of amounts withdrawn shall be made in India only. The persons to whom the amounts are payable shall make their own arrangements to receive payment in India.

Note 1. -- When the amount standing to the credit of a subscriber has become payable under Rules 13.28, 13.29 or 13.30 the Accounts Officer shall authorise prompt payment of that portion of the amount standing to the credit of a subscriber in regard to which there is no dispute or doubt, the balance being adjusted as soon after as may be

Note 2. -- When the amount standing to the credit of a subscriber has become payable under Rules 13.28, 13.29 and 13.30 the Heads of Department / Office should immediately take up the preparation of G.P.Fund papers for furnishing them to the Audit Office. In the case of the subscribers who are likely to retire in a particular year, their papers should be prepared and furnished in the requisite forms in time (i.e. 6 months in advance of the anticipated date of retirement). The Heads of Department/ Office should see to it that these forms are furnished to the Audit in time.

13.29. (a) If a Government employee who is a subscriber to any other General Provident Fund, which is a non-contributory provident fund, is permanently transferred to pensionable service under the Punjab Government, the amount of the subscriptions, together with interest thereon, standing to his credit in such other Fund at the date of transfer shall, with the consent of the other Government concerned, if any, be transferred to his credit in the Fund.

(b) If a Government employee who is a subscriber to the State Railway Provident Fund or any other Central Provident Fund of the Central Government, or a State Contributory Provident Fund is permanently transferred to pensionable service under the Punjab Government and elects or is required to earn pension in respect of such pensionable service:--

(i) the amount of subscriptions, with interest thereon, standing to his credit in such Central Provident Fund at the date of transfer shall, with the consent of the other Government, if any, be transferred to his credit in the Fund;

(ii) the amount of Government contribution with interest thereon standing to his credit in such Central Provident Fund shall with the consent of the other Government, if any, be repaid to Government and credited to State revenues;and

(iii) he shall in exchange be entitled to count towards pension such part of the period during which he subscribed to such Central Provident Fund as the competent authority may determine.

(c) If a Government employee who is a subscriber to any other Non-Contributory Provident Fund of the State Government, is permanently transferred to pensionable service in a Department of the State Government in which he is governed by these rules, the amount of subscription together with interest thereon standing to his

credit in such other Fund on the date of transfer shall be transferred to his credit in the Fund.

Note 1-- The provisions of this rule do not apply to a subscriber who has retired from service and is subsequently re-employed with or without a break in service, or to a subscriber who was holding the former appointment on contract.

Note 2:-- The provision of this rule shall, however, apply to persons who are appointed without break whether temporarily or permanently to a post carrying the benefits of these rules after resignation /retrenchment from service under another Department of State Government or under any other Government.

13.33 If a subscriber to the Fund is subsequently admitted to the benefits of the Punjab Contributory Provident Fund Rules, vide Chapter XIV, the amount of the subscription, together with interest thereon shall be transferred to the credit of his account in Punjab Contributory Provident Fund.

Note. -- The provisions of this rule do not apply to a subscriber, who is appointed on a contract or who has retired from service and is subsequently re- employed with or without a break in service in other post carrying contributory provident fund benefits.

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## ADVANCES FROM THE FUND

14.13. (1) A temporary advance may be granted to a subscriber from the amount standing to his credit in the Fund at the discretion of the authority specified in clause (2) subject to the following conditions:

(a) No advance shall be granted unless the sanctioning authority is satisfied that the applicant's pecuniary circumstances justify it, and that it will be expended on the following object or objects and not otherwise :

(i) to pay expenses incurred in connection with the prolonged illness of the applicant or any person actually dependent on him;

(ii) to pay for the overseas passage only for reasons of health or education of the applicant or any person actually dependent on him. Advances from Provident Funds may also be granted to a subscriber, subject to the usual conditions to meet the cost of education of himself or of any person actually dependent on him in the following types of cases.

(1) for education outside India, whether for an academic, technical, professional or vocational course:

(2) for medical, engineering and other technical or specialised courses in India beyond the High School stage, provided, that the course of study is not less than three years;

(3) for Company Secretaryship Course of the Institute of Company Secretaries of India ; and

(4) for course of pre-sea training imparted on the training ship "Rajendra" to the prospective navigation officers on merchantships.

(iii) to pay obligatory expenses on a scale appropriate to the applicant's status which by customary usage the applicant has to incur in connection with marriage, funerals, or other ceremonies of persons actually dependent on him :

Provided that the condition of actual dependence shall not apply in the case of son or daughter of the subscriber;

(iv) to meet the cost of legal proceedings instituted by the subscriber for vindicating his position in regard to any allegations made against him in respect of any act done or purporting to have been done by him in the discharge of his official duty, the advance in this case being available in addition to any advance admissible for the same purpose from any other Government source;

Provided that the advance under this sub-clause shall not be admissible to a subscriber who institutes legal proceedings in any court of law either in respect of any matter unconnected with his

official duty or against government, in respect of any condition of service or penalty imposed on him;

- (v) to meet the cost of his defence when he is prosecuted by Government in any court of law in respect of any alleged official misconduct on his part.

Note 1. - Advances under sub-clause (iii) are also permissible for meeting expenditure in connection with marriage or other ceremonies of the subscriber himself / herself.

Note 2. - IN cases falling under item (I) above, advances may be granted by the sanctioning authority to pay debts incurred : Provided an application is made within a reasonable time after the event to which it relates, what is a reasonable time will be determined on the merits of each case. Advances to pay debts incurred in cases falling under items (ii) and (iii) require the sanction of Government.

- (b) An advance shall not, except for special reasons to be recorded in writing by the sanctioning authority, exceed eight months' pay and shall in no case exceed the amount of subscriptions and interest thereon standing to the credit of the subscriber in the Fund.
- (c) An advance shall not, except for special reasons to be recorded in writing by the sanctioning authority be granted until at least twelve months after the final payment of all previous advances, unless the amount already advanced does not exceed two-thirds of the amount admissible under sub-clause (b).
- (d) Notwithstanding anything contained in clauses (b) and (c), the advance to be sanctioned for the purposes of sub-clause (iv) or sub-clause (v) of clause (a) shall not exceed three months' pay or Rs.500, whichever is greater, and shall in no case exceed the amount of subscriptions and interest thereon standing to the credit of the subscriber in the Fund.
- (e) The sanctioning authority shall record in writing its reasons for granting the advance :

Provided that if the reason is of a confidential nature, it may be communicated to the Accounts Officer personally and / or confidentially.

(2) The authority competent to grant an advance --

- (a) (i) exceeding three months' pay, or
- (ii) within twelve months of the final repayment of all previous advances together with interest thereon,

shall be the authority competent to dismiss the subscriber.

Note. - For the purpose of this Rule, pay shall include dearness pay, where admissible.

- (b) in any case not specified in sub-clause (a) shall be the authority competent to grant an advance of pay on transfer under the rules in the Punjab Financial Rules, Volume I.

Note. - An authority competent to sanction an advance of pay for himself on transfer can not sanction an advance for himself under clause (2) (b). The authority competent to sanction an advance in such case will be next higher administrative authority.

- (3) When an advance is sanctioned under clause (c) of sub-rule (2), before payment of last instalment of any previous advance is completed, the balance of any previous advance not recovered shall be added to the advance so sanctioned and the instalments for recovery shall be fixed with reference to the consolidated amount.

14.14. (1) An advance shall be recovered from the subscriber in such number of equal monthly instalments as the sanctioning authority may direct; but such number shall not be less than twelve unless the subscriber so elects, or, in any case more than twenty-four. A subscriber may, at his option, make repayment in a smaller number of instalments than that prescribed. Each instalment shall be a number of whole rupees the amount of the advance being raised or reduced, if necessary, to admit of the fixation of such instalments.

(2) Recovery shall be made in the manner prescribed in Rule 14.10 for the realization of subscriptions and shall commence with the issue of pay for the month following the one in which the advance was drawn. Recovery shall not be made, except with the subscriber's consent while he is on leave for ten days or more in a calendar month or is in receipt of subsistence grant, and may be postponed by the sanctioning authority during the recovery of an advance of pay granted to the subscriber.

Note 1. - The expression "advance of pay:" includes any ordinary advance of pay granted under the relevant Rules, such as Rules 10.25 (a), (b) and (f) of the Punjab Financial Rules, Volume I, but does not include advances for the building or repair of a house, or for the purchase of a conveyance or for the payment of passages overseas. This ruling shall apply only in respect of advances from the Punjab Contributory Provident Fund sanctioned on or after the 1<sup>st</sup> September, 1936.

Note 2. - For the purposes of repayment of an advance vacation combined with leave shall be treated as leave.

(3) If an advance has been granted to a subscriber and drawn by him and the advance is subsequently disallowed before repayment is completed, the whole or balance of the amount withdrawn, shall, forthwith be repaid by the subscriber to the Fund, or in default, be ordered by the Accounts Officer to be recovered by deduction from the emoluments of the subscriber in a lump-sum or in monthly instalments not exceeding twelve, as may be directed by the authority laid down in sub-clause (a) of clause (2) of Rule 14.13.

(4) Recoveries made under this Rule shall be credited as they are made, to the account of the subscriber in the Fund.

## PAYMENT TOWARDS INSURANCE POLICIES

14.15. Subject to the conditions contained in Rules 14.16 to 14.23 :-

- (a) Payments towards policy of life insurance may, at the option of a subscriber, be substituted for the whole or part of subscriptions to the Funds;
- (b) The amount of subscriptions with interest thereon standing to the credit of a subscriber in the Fund may be withdrawn to meet -
  - (i) payments towards a policy of life insurance;
  - (ii) purchase of a single payment insurance policy :

Provided that no amount shall be withdrawn (1) before the details of the proposed policy have been submitted to the Accounts Officer and accepted by him as suitable, or (2) to meet any payment or purchase made or effected more than three months before the withdrawal; or (3) in excess of the amount required to meet a premium actually due for payment within three months of the date of drawal :

Provided further that payments towards an educational endowment policy may not be substituted for subscriptions to the Fund and that no amounts may be withdrawn to meet any payment or purchase in respect of such a policy if that policy is due for payment in whole or part before the subscriber's age of normal superannuation.

- (c) Any amount withdrawn under clause (b) shall be paid in whole rupees only rounded to the nearest rupee, in the manner provided in the last proviso to Rule 13.16.

14.15-A. (1) The number of policies in respect of which substitution for subscriptions due to the Fund or withdrawal of subscription from the Fund may be permitted under Rule 14.17 shall not exceed four:

Provided that where immediately before the 22<sup>nd</sup> June, 1953, substitution for subscription due to Fund or withdrawal of subscriptions from the Fund, is permitted in respect of more than four policies, such substitution or withdrawal shall continue to be permitted in respect of those policies.

(2) The premium for a policy (including any policy referred to in the proviso to sub-rule (1) in respect of which withdrawal of subscriptions from the Fund may be permitted under Rule 14.17) shall not be payable otherwise

than annually.

**Explanation.** - In computing the maximum number of policies specified in sub-rule (1), policies which have matured or have been converted into paid up ones shall be excluded.

14.16. (1) If the total amount of any subscriptions or payments substituted under clause (a) of Rule 14.15 is less than the amount of the minimum subscription payable to the Fund under Rule 14.8, the difference shall be rounded to the nearest rupee in the manner provided in clause (6) of Rule 14.11 and paid by the subscriber as a subscription to the Fund.

(2) If the subscriber withdraws any amount standing to his credit in the Fund for any of the purposes specified in clause (a) of Rule 14.15, he shall, subject to his option under clause (a) of that Rule, continue to pay to the Fund the subscription payable under Rule 14.8.

14.17. (1) A subscriber who desires to substitute a payment under clause (a) of Rule 14.15 may reduce his subscription to the Fund accordingly :

Provided that the subscriber shall --

- (a) intimate to the Accounts Officer on his pay bill or by letter the fact of any reason for the reduction;
- (b) send to the Accounts Officer, within such period as the Accounts Officer may require, receipts or certified copies of receipts in order to satisfy the Accounts Officer that the amount by which the subscription has been reduced was duly applied for the purposes specified in clause (a) of Rule 14.15.

(2) A subscriber who desires to withdraw any amount under clause (b) of Rule 14.15.

- (a) intimate to the Accounts Officer on his pay bill or by letter the fact of any reason for the reduction;
- (b) make arrangements with the Accounts Officer for the withdrawals;
- (c) send to the Accounts Officer, within such period as the Accounts Officer may require, receipts or certified copies of receipts in order to satisfy the Accounts Officer that the amount withdrawn was duly applied for the purposes specified in clause (b) of Rule 14.15.

(3) The Accounts Officer shall order the recovery of any amount by which subscriptions have been reduced, or any amount withdrawn, in respect of which he has not been satisfied in the manner required by sub-clause (b) of clause (1) and sub-clause (c) of clause (2), from the emoluments of the subscriber and place it to the credit of the subscriber in the Fund.

14.18. (1) The Government shall not make any payments on behalf of subscribers to insurance companies, not take steps to keep a policy alive.

(2) It is immaterial what form the policy takes, provided that it shall be one effected by the subscriber himself on his own life, and shall (unless it is a policy expressed on the face of it to be for the benefit of his wife, or of his wife and children, or any of them) be such as may be legally assigned by the subscriber himself to the Governor of the Punjab.

Explanation 1. - A policy on the joint lives of the subscriber and his wife shall be deemed to be a policy on the life of the subscriber himself for the purpose of this clause.

Explanation 2. - A policy which has been assigned to the subscriber's wife shall not be accepted unless either the policy is first reassigned to the subscriber or the subscriber and his wife both join in an appropriate assignment.

(3) The policy may not be effected for the benefit of any beneficiary other than the wife or the husband of the subscriber or his wife and children or any of them.

14.19 (1) The policy, within six months after the first withholding of a subscription or withdrawal from the Fund in respect of the policy; or in the case of an insurance company whose headquarters are outside India, within such further period as the Accounts Officer, if he is satisfied by the production of the completion certificate (interim receipt) may fix, shall --

- (a) unless it is a policy effected by a male subscriber which is expressed on the face of it to be for the benefit of the wife of subscriber or of his wife and children, or any of them (except an Endowment policy of the usual type) be assigned to the Governor of the Punjab, as security for the payment of any sum which may become payable to Fund under Rules 14.21 to 14.23 and delivered to the Accounts Officer, the assignment being made by endorsement on the policy in Form P.F. 3 or Form P.F. 4 or Form P.F.5 or Form P.F.6 or Form P.F.6-A according as the policy is on the life of the subscriber or on the joint lives of the subscriber and his wife, or the policy has been assigned to the subscriber's wife or where a subscriber to the General Provident Fund who has effected an insurance policy under the Rules of that Fund is admitted to the Punjab Contributory Provident Fund;
- (b) if it is a policy effected by a male subscriber which is expressed on the face of it to be for the benefit of the wife of the subscriber, or of his wife and children, or any of them be delivered to the Accounts Officer.

(2) The Accounts Officer shall satisfy himself by reference to the insurance company where possible, that no prior assignment of the policy exists.

(3) Once a policy has been accepted by an Accounts Officer for the purpose of being financed from the Fund, the terms of the policy shall not be altered nor shall the policy be exchanged for another policy without the prior consent of the Accounts Officer to whom details of the alteration or of the new policy shall be furnished.

Note - The provisions of Notes 1 to 5 under Rule 13.20(3) apply mutatis mutandis here also.

(4) If the policy is not assigned and delivered, or delivered within the said period of six months or such further period as the Accounts Officer may, under clause (1), have fixed, any amount withheld or withdrawn from the Fund in respect of the policy shall, forthwith be paid or repaid, as the case may be, by the subscriber to the Fund, or in default be ordered by the Accounts Officer to be recovered by deduction from the emoluments of the subscriber, by instalments, or otherwise as may be directed by one of the authorities laid down in sub-clause (a) of clause (2) of Rule 14.13.

(5) Notice of assignment of the policy shall be given by the subscriber to the insurance company, and the acknowledgement of the notice by the insurance company shall be sent to the Accounts Officer within three months of the date of assignment.

Note 1. - A subscriber who is required to assign his policy to the Governor of the Punjab in accordance with sub-clause (a) of clause (1) may execute the prescribed form of assignment on the policy itself either in his own handwriting or in type or alternatively paste on the blank space provided for the purpose on the policy a typed or printed slip containing the endorsement. A typed or printed endorsement must be duly signed and if pasted on the policy initiated across all four margins.

Note 2. - Subscribers are advised to send notice of the assignment to the insurance company in duplicate, accompanied in cases in which the notice has to be sent to a company in Great Britain or Ireland, by a remittance of five shillings which is the fee for the acknowledgement authorised by the policies of Assurance Act, 1867. The policy itself, bearing the assignment endorsed thereon, need not be sent to the company, as insurance companies do not ordinarily require the production of the original instruments affecting a policy holder's title until the policy becomes a claim.

Note 3. - See also Note 2 under Rule 13.20 (5).

14.20. The subscriber shall not, during the currency of the policy, draw any bonus the drawal of which during such currency is optional under the terms of the policy, and the amount of any bonus which under the terms of the policy the subscriber has no option to refrain from drawing during its currency shall be paid forthwith into the Fund by the subscriber or in default recovered by deduction from his emoluments by instalments or otherwise as the Governor may direct.

14.21. (1) Save as provided by clause (3) of Rule 14.23 when a subscriber --

- (a) quits the service, or
- (b) has proceeded on leave preparatory to retirement and applies to the Accounts Officer for reassignment or return of the policy,
- (c) while on leave, has been permitted to retire or declared by competent medical authority to be unfit for further service and applies to the Accounts Officer for reassignment or return of the policy, or
- (d) pay or repays to the Fund the whole of any amount withheld or withdrawn from the Fund for any of the purposes mentioned in sub-clause (ii) of clause (a) of the Rule 14.15 and sub-clauses (i) and (ii) of clause (b) of Rule 14.15, the Accounts Officer shall --
  - (i) if the policy has been assigned to the Governor of the Punjab under Rule 14.19, reassign the policy in Part I of Form P.F.-7 to the subscriber or to the subscriber and the joint assured, as the case may be, within one month from the date of application of the subscriber and make it over to the subscriber, together with the signed notice of the re-assignment addressed to the insurance company;
  - (ii) if the policy has been delivered to him under sub-clause (b) of clause (1) of Rule 14.19 make over the policy to the subscriber :

Provided that, if the subscriber, after proceeding on leave preparatory to retirement or after being, while on leave, permitted to retire or declared by competent medical authority to be unfit for further service, returns to duty, any policy so re-assigned or made over shall, if it has not matured or been assigned or charged or encumbered in any way, be again assigned to the Governor of the Punjab and delivered to the Accounts Officer, or again be delivered to the Accounts Officer, as the case may be, in the manner provided in Rule 14.19, and thereupon the provisions of these Rules shall, so far as may be, again apply in respect of the policy.

Provided further, that if the policy has matured or been assigned or charged or encumbered in any way, the provisions of clause (4) of Rule 14.19 applicable to a failure to assign and deliver a policy shall apply.

(2) Save as provided by clause (3) of rule 14.23, when the subscriber dies before quitting the service, the Accounts Officer shall :-

- (i) if the policy has been assigned to the Governor of the Punjab under rule 14.19, re-assign the policy in Part II of Form P.F.-7 to such person or persons as may be legally entitled to receive

it, and shall make over the policy to such person or persons together with assigned notice of the re-assignment addressed to the insurance company;

- (ii) if the policy has been delivered to him under sub-clause (b) of clause (I) of rule 14.19 make over the policy to the beneficiary, if any, or, if there is no beneficiary, to such person or persons as may be legally entitled to receive it.

14.22. (1) If a policy assigned to the Governor under rule 14.19 matures before the subscriber quits the service, or if a policy on the joint lives of a subscriber and the subscriber's wife or husband, assigned under the said rule, falls due for payment by reason of the death of the subscriber's wife or husband, the Accounts Officer shall, save as provided by rule 14.23, realise the amount assured together with any accrued bonuses and shall place the amount so realised to the credit of the subscriber in the Fund :-

- (i) if the amount assured together with the amount of any accrued bonuses is greater than the whole of the amount withheld or withdrawn from the Fund in respect of the policy, the Accounts Officer shall re-assign the policy in Form P.F.-8 to the subscriber or to the subscriber and the joint assured, as the case may be, and make it over to the subscriber, who shall pay or repay to the Fund the whole of any amount withheld or withdrawn and in default, the provisions of rule 14.24 shall apply as they apply in relation to cases where money withheld or withdrawn from the Fund under clause (a) or clause (b) of rule 14.15 has been utilised for a purpose other than that for which sanction was given to the withholding or withdrawal :
- (ii) if the amount assured together with the amount of any accrued bonuses is less than the whole of the amount withheld or withdrawn the Accounts Officer shall realise the amount assured together with any accrued bonuses and shall place the amount so realised to the credit of the subscriber in the Fund.

(2) Save as provided by clause (2) of rule 14.23 if a policy delivered to the Accounts Officer under sub-clause (b) of clause (1) of rule 14.19 matures before the subscriber quits the service, the Accounts Officer shall make over the policy the subscriber :

Provided that if the interest in the policy of the wife of the subscriber, or of his wife and children or any of them, as expressed on the face of the policy, expires, when the policy matures, the subscriber, if the policy moneys are paid to him by the insurance company, shall immediately on receipt thereof, pay or repay to the Fund either

- (i) the whole of any amount withheld or withdrawn from the fund in respect of the policy.

or

- (ii) an amount equal to the amount assured together with any accrued bonuses, whichever is less, and, in default, the provisions of rule 14.24 shall apply as they apply in relation to cases where

money withheld or withdrawn from the Fund under clause (a) or clause (b) of rule 14.15 has been utilised for a purpose other than that for which sanction was given to the withholding or withdrawal.

14.23. (1) If the policy lapses or becomes assigned otherwise than to the Governor of the Punjab under rule 14.19 charged, or encumbered, the provisions of clause (4) of rule 14.19 applicable to the failure to assign and deliver a policy shall apply.

(2) If the Accounts Officer receives notice of -

(a) an assignment (other than an assignment to the Governor of the Punjab) under Rule 14.19, or

(b) a charge or encumbrance on, or

(c) an order of a court restraining dealings with the policy or any amount realised thereon, the Accounts Officer shall not --

(i) re-assign or make over the policy as provided in rule 14.21, or

(ii) realise the amount assured by the policy, or re-assign or make over the policy as provided in rule 14.22 but shall forthwith refer the matter to the Government.

14.24. Notwithstanding anything contained in these rules, if the sanctioning authority is satisfied that money drawn as an advance from the Fund under rule 14.13 or withheld or withdrawn from the Fund under clause (a) or clause (b) of rule 14.15 has been utilized for a purpose other than that for which sanction was given to the drawal, withholding or withdrawal, of the money the amount in question, shall forthwith be repaid or paid, as the case may be, by the subscriber to the Fund, or in default, be ordered to be recovered by deduction in one sum from the emoluments of the subscriber, even if he be on leave. If the total amount to be repaid or paid, as the case may be, be more than half the subscriber's emoluments, recoveries shall be made in monthly instalments of moieties of his emoluments, till the entire amount recoverable be repaid or paid, as the case may be, by him.

Note . - The term "emoluments" as used in this rule does not include subsistence grant.

## CIRCUMSTANCES IN WHICH ACCUMULATIONS ARE PAYABLE

14.25. When a subscriber quits the service, the amount standing to his credit in the Fund shall, subject to any deduction under rule 14.28, become payable to him :

Provided that a subscriber, who has been dismissed from the service and is subsequently reinstated in the service, shall, except where the Government decides otherwise, repay to the Fund, for the credit to his account, the

amount paid to him from the Fund in pursuance of this rule, with interest thereon at the rate provided in rule 14.12 in the manner provided in the proviso to rule 14.27. The amount so repaid shall be credited to his account in the Fund, the part which represents his subscriptions and interest thereon, and the part which represents the Government contribution with interest thereon, being accounted for in the manner provided in Rule 14.6.

Explanation . - A subscriber, other than one who is appointed on contract or one who has retired and is subsequently re-employed, with or without a break in service shall not be deemed to quit the service, when he is transferred without any break in service to a new post under any other Government or in another Department of the State Government (in which he is governed by another set of Provident Fund Rules), and without retaining any connection with his former post. In such a case, his subscription and the Government contribution, together with the interest thereon, shall be transferred --

- (a) to his account in the other fund in accordance with the rules of that fund, if the new post is in another Department of the State Government, or
- (b) to a new account under the Government concerned, if the new post is under any other Government, and that Government consents by general or special orders, to such transfer of his subscriptions, the Government contribution, and interest.

Note. -- Transfers should be held to include cases of resignation from service in order to take up appointment in another Department of the State Government or under any other State Government or Government of India, without any break and with proper permission of the State Government. In cases where there has been a nominal break it should strictly be limited to the joining time allowed on transfer to a different station. The same shall hold good in cases of retrenchments followed by immediate employment whether under the same or different Government.

14.25-A. --**Deposit Linked Insurance Scheme** -(1) Subject to the provisions of sub-rule (2), on the death of a subscriber in service, the person or persons entitled to receive the amount standing to the credit of the deceased subscriber in the Fund shall also be entitled to an additional amount equal to the average amount standing to the credit of the deceased subscriber in the Fund during a period of thirty-six months immediately preceding the date of his death subject to a maximum of ten thousand rupees.

(2) The additional amount referred to in sub-rule (1) shall be sanctioned subject to the fulfilment of the following conditions :-

- (i) The amount standing to the credit of the subscriber in the Fund should not have fallen below the following limits at any time during the period of thirty-six months immediately preceding the date of death of subscriber :-

In the case of Class I employees.

Four thousand rupees.

In the case of Class II employees.	Two thousand and five hundred rupees.
In the case of Class III employees.	One thousand and five hundred rupees.
In the case of Class IV employees	One thousand rupees :

Provided that in case where the subscriber held post(s) borne on the different groups during thirty-six months immediately preceding the date of his death, the approximate minimum qualifying balance in the case of such a deceased subscriber shall be the one relating to the group in which he held the post for the greater part of the said period of thirty-six months.

Provided further that in the case of a subscriber whose death occurred during the period from the 8<sup>th</sup> day of January, 1975 to the 31<sup>st</sup> day of March, 1978 (both days inclusive), the condition of minimum balance shall not be insisted upon and in such a case Government shall pay an amount equal to the average of whatever amount stood at the credit of such a subscriber at the end of each of thirty-six months immediately preceding the death of the subscriber, but all other conditions of the scheme will continue to apply in all such cases ; and

(ii) the subscriber should have put in at least five years regular Government service at the time of his death.

(3) The Accountant-General, Punjab, shall authorise the payment of additional amount referred to in this rule without any further sanction. It shall be accounted for under the head "228 -- Social Security and Welfare --E--Other Social Security Welfare Programmes -- C --Other Programmes--Expenditure on Deposit Linked Insurance Scheme."

Explanation . -- (i) The period of thirty-six months for calculation of benefit under the scheme may be computed from the month preceding the month in which the death of the subscriber occurs.

(ii) The interest credited to the amount of the subscriber should be taken into account to check that the minimum prescribed balance has been maintained.

(iii) the average balance for the purpose of additional amount under sub-rule (1) should also include the amount of interest up to the end of the month preceding the month in which death of the subscriber occurs.

- (a) has proceeded on leave preparatory to retirement or if he is employed in a vacation department, on leave preparatory to retirement combined with vacation, or
- (b) while on leave, has been permitted to retire, or declared by a competent medical authority to be unfit for further service,

the amount of subscriptions and interest thereon standing to his credit in the Fund shall, upon application made by him in that behalf to the Accounts Officer, become payable to the subscriber :

Provided that the subscriber, if he returns to duty, shall, if required to do so by Government, repay to the Fund, for credit to his account the whole or part of any amount paid to him from the Fund in pursuance of this rule, with interest thereon at the rate provided in rule 14.12 in cash or securities or partly in cash and partly in securities, by instalments or otherwise, by recovery from his emoluments or otherwise, as Government may direct.

14.26-A. (a) In the case of a subscriber to this fund, construction of a house and purchase of a site at Chandigarh, shall, for the purpose of clause (a) of section 2 of the Provident Funds , 1925, be regarded as one of the contingencies, on the happening of which deposits in the Fund shall, at his option, become payable, up to a maximum of 50 per cent of the balance at his credit, excluding the Government share of contribution with interest thereon, on the date on which such withdrawal is applied for subject to such restrictions as Government may prescribe.

(b) Upon application made to the Accounts Officer in that behalf by a subscriber, a sum not exceeding 50 per cent of the amount standing to his credit excluding Government share of contribution plus interest thereon, shall become payable to him provided that any amount that may be outstanding against him in respect of an advance already granted to him for this purpose, shall be added to the amount standing to his credit on the date of such application for purpose of computing 50 per cent of the balance payable to him and the outstanding amount shall be adjusted against the amount actually payable.

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14.26-B. (1) Subject to the conditions specified below, withdrawals may be sanctioned by the competent authority, at any time after the completion of twenty years of service (including broken periods of service, if any), of a subscriber or within ten years before the date of his retirement on superannuation, whichever is earlier, from the amount standing to his credit in the Fund, for one or more of the following purposes, namely :

- (a) Meeting the cost of higher education of himself or of children actually dependent on him in the following types of cases :
  - (i) for education outside India beyond the High School stage, whether for an academic, technical, professional or vocational course ; and
  - (ii) for medical, engineering and other technical or specialised courses in India beyond the High School stage, provided that the course of study is not less than three years' duration.
- (b) Meeting the expenditure in connection with the marriage of the subscriber's daughters and if he has no daughter of any other female relation dependent on him.
- (c) Meeting the expenditure in connection with the marriage of the subscriber's sons.
- (d) Meeting the expenditure in connection with the betrothal of the subscriber's sons and daughters and if he has no son or daughter, for any other male or female relation dependent on him.

(2) The actual withdrawal from the Fund shall be made only on receipt of an authorization from the Accounts Officer concerned who will arrange this as soon as the formal sanction of the sanctioning authority has been issued.

(3) (i) The amount of withdrawal for the purpose mentioned in clause (a) above will be limited to that prescribed in the relevant Provident Fund Rules, for purposes of temporary advances and will be permissible once every six months, i.e., twice in any financial year and the withdrawal will not ordinarily be allowed before the expiry of six months from the date of the previous withdrawal :

Provided that the subscribers concerned satisfy the sanctioning authority within a period of six months from the date of drawing the money that it has been utilised for the purpose for which it was intended ; otherwise the whole amount of withdrawal will be liable to recovery in one lump-sum :

Provided further that in cases where a portion of the money withdrawn is not likely to be spent within six months of the date of withdrawal and the officer contemplates making a further withdrawal during the following half-year, he may, by notifying in writing to the sanctioning authority before the expiry of the said period of six months, adjust the excess amount in the proposed withdrawal, provided that such excess amount is not more than 10 per cent

of the amount utilised and action to withdraw the further amount is taken within one month of the expiry of the six months period. If no further withdrawal is contemplated, the excess amount should be deposited forthwith in the Provident Fund :

Provided that that after the drawal has been made by the subscriber concerned, sanctioning authorities will satisfy themselves within six months of withdrawal that the conditions mentioned above are fulfilled and they should furnish a certificate to that effect to the Accounts Officer concerned :

Provided further that while sanctioning non-refundable advances by the competent authority, the temporary advances outstanding against the subscriber, if any, will not be taken into account.

Note 1. - The courses detailed below should be treated as technical in nature provided that the course of study is not less than 3 years duration and is beyond High School stage in India or outside India :

- (a) Diploma courses in the various fields of Engineering and Technology, e.g., Civil Engineering, Mechanical Engineering, Electrical Engineering, Tele-Communication/ Radio Engineering, Metallurgy, Automobile Engineering, Textile Technology, Leather Technology, Printing Technology, Chemical Technology, etc., conducted by recognised technical institutions.
- (b) Degree courses in the various fields of Engineering and Technology, e.g., Civil Engineering, Mechanical Engineering, Electrical Engineering, Tele-Electrical-Communication Engineering and Electronics, Mining Engineering, Metallurgy, Aeronautical Engineering, Chemical Engineering, Chemical Technology, Textile Technology, Leather Technology, Pharmacy, Ceramics, etc., conducted by Universities and recognised technical institutions.
- (c) Post-Graduate courses in the various fields of Engineering and Technology conducted by the Universities and recognised institutions.
- (d) Degree and Diploma courses in Architecture, Town Planning and allied fields conducted by recognised institutions.
- (e) Diploma and Certificate courses in commerce conducted by recognised institutions.
- (f) Diploma courses in Management conducted by recognised institutions.
- (g) Degree courses in Agriculture, Veterinary Science and allied subjects conducted by recognised Universities and institutions.
- (h) Courses conducted by Junior Technical Schools.

- (i) Courses conducted by Industrial Training Institutes under the Ministry of Labour and Employment (D.G.E.&T.).
- (j) Degree and Diploma courses in Art/ Applied Art and allied subjects conducted by recognised institutions.
- (k) Draftsmanship courses by recognised institutions.
- (l) Medical Courses.
- (m) M.Sc., Zoology (Hons.) of Punjab University.
- (n) B.Sc. (Home Science), Course of three years' duration.

Note 2. - The following courses, irrespective of their duration, shall also be treated as technical / specialized for purposes of allowing advances/ final withdrawals :-

- (i) Degree and Post-Graduate courses in Home Science.
- (ii) Pro-Professional course in Medicine if part of regular 5 years course in Medicine.
- (iii) Ph.D. in Biochemistry.
- (iv) Bachelor and Masters Degree courses in Physical Education.
- (v) Honours course in Microbiology.
- (vi) Associate ship of the Institute of Chartered Accountants.
- (vii) Associate ship of the Institute of Costs and Works Accountants.
- (viii) Degree and Masters courses in Business Administration or Management.
- (ix) Diploma course in Hotel Management.
- (x) M.Sc. course in Statistics.
- (xi) The payment of initial charges for admission to the National Defence Academy, Khadakvasala, will also qualify for advances for final withdrawal.

- (xii) The Company Secretaryship Course of the Institute of Company Secretaries of India.
  - (xiii) The course of pre-sea training imparted on the training ship 'Rajendra' to the prospective navigation officers on merchant ships.
- (ii) The amount of withdrawal for the purpose mentioned in clause (b) above will normally be limited to :-
- (a) six months' pay of the subscriber, or
  - (b) the amount actually subscribed by him along with interest thereon standing to his credit in the Fund, whichever is less.
- (iii) The amount of withdrawal for the purpose mentioned in clause (c) above will normally be limited to :
- (a) three months' pay of the subscriber, or
  - (b) the amount actually subscribed by him along with interest thereon standing to his credit in the Fund, whichever is less.

In special cases, however, the sanctioning authority may relax the limit at (a) above, but in no case will more than six months' pay be sanctioned.

- (iv) In respect of the same marriage, a subscriber may either withdraw the money in terms of this rule or draw an advance under the ordinary rules.
- (v) A subscriber who draws a refundable advance under the ordinary rules may convert at his discretion by written request addressed to the Accounts Officer through the sanctioning authority, the balance outstanding against him into a final withdrawal on his satisfying the conditions laid down in this rule.
- (vi) The withdrawal may be allowed to the subscriber not earlier than three months preceding the month in which the marriage actually takes place.
- (vii) The subscriber shall furnish a certificate to the sanctioning authority within a period of one month from the date of marriage, or if he is on leave, within one month on return from leave that the money withdrawn has actually been utilised for a purpose for which it was intended. If the subscriber fails to furnish the requisite certificate or if the amount withdrawn is utilised for a purpose other than that for which sanction was given, the entire amount together with interest thereon at the rate provided in rule 14.12 from the month of withdrawal, shall be re-deposited forthwith into the Fund in one lump-sum.
- (viii) Any amount actually withdrawn from the Fund, which is found in excess of that actually utilised by

the subscriber for the purpose shall be redeposited forthwith into the Fund, together with interest due at the rate provided in rule 14.12 from the month of such withdrawal.

- (ix) In sanctioning non-refundable advance under these rules, the temporary advances outstanding against the subscriber, if any, will not be taken into account.

Note 1. - When a Government employee subscribes to more than one Provident Fund, withdrawal in terms of these rules will be permitted only in respect of one of these funds, which may be selected for the purpose by the subscriber, the amount being regulated with reference to total sum at the credit of the Government employee in all the Provident Funds to which he is subscribing.

Note 2. If two or more marriages are to be celebrated simultaneously the amount admissible in respect of each marriage will be determined as if the advances are sanctioned separately one after the other.

Note 3. - Marriage is a foreseeable event and ordinarily it should not be difficult for the Government employee concerned to make up his mind before hand whether he would be able to meet the entire expenditure thereon from his private resources or whether he would have to resort to a final withdrawal from his Provident Fund account for the purpose mentioned above. In the latter case, the subscriber has to apply for final withdrawal sufficiently in advance of date of marriage. Where, however, an officer applies for withdrawal well before the date of the marriage, but the application is sanctioned after the aforesaid date or, if sanctioned before that date, the case is received in audit office for the issue of authority for payment after that date or, if sanctioned will be no objection to the payment of the amount being made after the date of marriage. The certificate in terms of sub-rule (vii) above should be furnished in such cases to the sanctioning authority within a month of the actual withdrawal of the amount from the fund. Cases in which the withdrawal is applied for after the marriage is over, should not ordinarily be entertained.

Note 4. - It is not necessary that the daughter or the son should be actually dependent on the subscriber for the purpose of final withdrawal from the fund.

- (x) The authority competent to grant advances under the above rules will be the Departments of Government.

- (xi) The amount of withdrawal in respect of each betrothal will normally be limited to :-

(a) three months' pay of the subscriber ; or

(b) 20% of the amount standing to the credit of the subscriber ; whichever is less.

- (4) A non-refundable advance may be granted to a subscriber any time, after the completion of 25 years

of service or within a period of less than five years prior to his attaining the age of superannuation for purchasing a motor car or for repaying a Government loan already taken by him for the purpose subject to the following conditions :-

- (i) The subscriber's pay is Rs.1,000 or more;
- (ii) The amount of withdrawal is limited to Rs.16,000 or one-third of the amount of subscription with interest thereon standing at the credit of the subscriber in the Contributory Provident Fund or the actual price of the car whichever is less.

The sanctioning authority may, however, sanction the withdrawal of an amount in excess of this limit upto one-half of the balance at Contributory Provident Fund Account, if considered necessary, as a special case.

Note 1. - The withdrawal shall be allowed only on one occasion. In the case of withdrawal for purchase of another car, the car advance under the provisions of rule 10.20 of the Punjab Financial Rules, Volume I, as supplemented by instructions issued from time to time will not be admissible.

Note 2. - The subscriber is to be allowed to withdraw the amount admissible under the provisions of this rule from his Contributory Provident Fund Account and the balance as an advance under the provisions of rule 10.21 of the Punjab Financial Rules, Volume I, as supplemented by instructions issued from time to time, so as to make the total of both advances equal to Rs.16,000 or the actual price of the car whichever is less.

Note 3. - The procedural details will be as in the case of other withdrawals.

(5) (i) A non-refundable advance may be granted by the Heads of Department to a subscriber at any time after the completion of ten years of service, from the Punjab Contributory Provident Fund for purchasing a Motor Cycle or Scooter or Moped or (for repaying a loan already taken by him for the said purpose subject to the following conditions :-

- (a) The subscriber's pay is not less than Rs.500 P.M.
  - (b) The amount of withdrawal is limited to Rs.4,500 or 15 months pay of the subscriber or one-half of the amount of subscription with interest thereon standing to the credit of the subscriber in the Fund or the actual price of the Motor Cycle or Scooter, or Moped whichever is the least.
  - (c) A second advance for the purpose shall not be granted until at least 8 years have passed since the grant of the first advance.
- (ii) A non-refundable advance may be granted to a subscriber by the appointing authority for the

purchase of a bicycle subject to the following conditions :-

- (a) The subscriber has 5 years of service at his credit.
- (b) The amount of withdrawal is limited to Rs.250 or one-half of the amount of subscription with interest thereon standing to the credit of the subscriber in the Fund or the actual price of the bicycle, whichever is the least.
- (c) A second advance for this purpose shall not be granted until at least 8 years have passed since the grant of the first advance.
- (iii) Once during the course of a financial year, a non-refundable advance of an amount equivalent to one years subscription paid for by the subscriber towards the Group Insurance Scheme for the Punjab Government Employees on self financing and contributory basis may be granted by the Head of Office to a subscriber from the General Provident Fund."
- (iv) The authority of the Accountant-General, Punjab will be necessary for the withdrawal of the sanctioned amount. The Treasury Officer shall not allow the withdrawal on the basis of sanction issued by the competent authority.

14.26-C. Whenever a subscriber is in a position to satisfy the competent authority about the amount standing to his credit in the Contributory Provident Fund account together with the evidence of subsequent contribution, the competent authority may under rule 14.26-A and 14.26-B, sanction withdrawal within the prescribed limits, as in the case of a refundable advance. In doing so, the competent authority shall take into account any withdrawal or refundable advance already sanctioned by it in favour of the subscriber. Where, however, the subscriber is not in a position to satisfy the competent authority about the amount standing to his credit or where there is any doubt about the admissibility of the withdrawal applied for, a reference may be made to the Accounts Officer by the competent authority for ascertaining the amount standing to the credit of the subscriber with a view to enable the competent authority to determine the admissibility of the amount of the withdrawal. The sanction for the withdrawal should prominently indicate the Contributory Provident Fund Account Number and the Accounts Officer maintaining the accounts and a copy of the sanction should invariably be endorsed to the Accounts Officer. The sanctioning authority shall be responsible to ensure that an acknowledgement is obtained from the Accounts Officer that the sanction for withdrawal has been noted in the ledger account of the subscriber. In case the Accounts Officer reports that the withdrawal as sanctioned is in excess of the amount standing to the credit of the subscriber or is otherwise inadmissible, the sum withdrawn by the subscriber shall forthwith be repaid in one lump-sum together with interest thereon and in default of such repayment, it shall be ordered by the sanctioning authority to be recovered from his emoluments either in a lump-sum or in such number of monthly instalments, as may be determined by the Government.

Note. - The following certificate shall be recorded on all sanctions issued for withdrawal :-

"Shri/ Shrimati \_\_\_\_\_ was last sanctioned a part final withdrawal by this office for an amount of Rs. \_\_\_\_\_ vide \_\_\_\_\_"

"Shri/ Shrimati \_\_\_\_\_ is understood (as stated by him/ her) to have been last sanctioned a part final withdrawal of Rs. \_\_\_\_\_ by \_\_\_\_\_".

Sanctioning Authority

"(The alternate certificate mentioned above is to be recorded in the sanction of those subscribers in whose case the particulars of last sanction for part-final withdrawal, are not available with office for reasons such as transfer of an employee from another office etc.)"

14.24. Subject to any deduction under rule 14.28, on the death of a subscriber before the amount standing to his credit has become payable, or when the amount has become payable before payment has been made --

- (i) when the subscriber leaves a family --
  - (a) if a nomination made by the subscriber in accordance with the provision of rule 14.5 in favour of a member or members of his family subsists, the amount standing to his credit in the Fund or the part thereof to which the nomination relates, shall become payable to his nominee or nominees in the proportion specified in the nominations;
  - (b) if no such nomination in favour of a member or members of the family of the subscriber subsists, or if such nomination relates only to a part of the amount standing to his credit in the Fund, the whole amount or the part thereof to which this nomination does not relate, as the case may be, shall notwithstanding any nomination purporting to be in favour of any person or persons other than a member or members of his family, become p-payable to the members of his family in equal shares :

Provided that no share shall be payable to --

- (1) sons who have attained legal majority ;
- (2) sons of a deceased son who have attained legal majority ;
- (3) married daughters whose husbands are alive;
- (4) married daughters of a deceased son whose husbands are alive;

If there is any member of the family other than those specified in clauses (1), (2), (3) and (4) :

Provided also 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 the subscriber and had been exempted from the provisions of clause (1) of the first proviso.

Note. - Any sums payable under these rules to a member of the family of a subscriber vests in such member under sub-section (2) of section 23 of Provident Fund Act, 1925 (See Appendix 4).

- (ii) When the subscriber leaves no family, if a nomination made by him in accordance with the provisions of rule 14.5 in favour of any person or persons subsists, the amount standing to his credit in the Fund or the part thereof to which the nomination relates, shall become payable to his nominee or nominees in the proportion specified in the nomination.

Note 1. - When a nominee is a dependent of the subscriber as defined in clause (c) of section 2 of the Provident Funds Act, 1925, the amount vests in such nominee under sub-section (2) of section 3 of the Act.

Note 2. - When the subscriber leaves no family and no nomination made by him in accordance with the provisions of rule 14.5 subsists, or if such nomination relates only to part of the amount standing to his credit in the Fund, the relevant provisions of clause (b) and sub-clause (ii) of clause (e) of sub-section (1) of section 4 of the Provident Funds Act, 1925, are applicable to the whole amount or the part thereof to which the nomination does not relate.

## DEDUCTIONS

14.25. Subject to the condition that no deduction may be made which reduces the credit by more than the amount of any contribution by Government with interest thereon credited under rule 14.11 and 14.12, before the amount standing to the credit of a subscriber in the Fund is paid out of the Fund, the Government may direct the deduction therefrom and payment to itself of --

- (a) any amount, if a subscriber has been dismissed from the service for grave misconduct :

Provided that, if the order of dismissal is subsequently cancelled the amount so deducted shall, on his reinstatement in the service, be replaced at his credit in the Fund;

- (b) any amount, if a subscriber resigns his employment under Government within five years of the commencement thereof, otherwise than by reason of superannuation or a declaration by a competent medical authority that he is unfit for further service;
- (c) any amount due under a liability incurred by the subscriber to Government.

Note . - The Heads of Department in the case of a gazetted Government employee and a Head of office in the case of a non-gazetted Government employee may order that the payment of any contributions by Government to the account of a subscriber and of interest thereon be postponed for any period not exceeding two months from the date on which the amount becomes payable under this rule to enable the recovery of any sums due which may not have been ascertained and advised to the Accounts Officer in time to enable him to make the recovery before the payment falls due. If within this period all possible outstandings have not been ascertained and adjusted, the authorities mentioned before may order that a sum not exceeding one month's pay of the subscriber be retained for a further period of one month.

## PAYMENT

14.26. (1) When the amount standing to the credit of a subscriber in the Fund, or the balance thereof after any deduction under rule 14.28, becomes payable, it shall be the duty of the Accounts Officer, after satisfying himself, when no such deduction has been directed under that rule, that no deduction is to be made, to make payment as provided in section 4 of the Provident Funds Act, 1925.

(2) If the person to whom, under these rules, any amount or policy is to be paid, re-assigned or delivered is a lunatic for whose estate manager has been appointed in this behalf under the Indian Lunacy Act, 1912, the payment or re-assignment or delivery will be made to such manager, and not to the lunatic.

Provided that where no manager has been appointed and the person to whom the sum is payable is certified by a Magistrate to be a lunatic, the payment under the orders of the Collector be made in terms of sub-section (1) of section 95 of the Indian Lunacy Act, 1912, to the person having charge of such Lunatic and the Accounts Officer shall pay only the amount which he think fit to the person having charge of the Lunatic and the surplus if any, or such part thereof as he thinks fit, shall be paid for the maintenance of such members of the lunatic's family as are dependent on him for maintenance.

(3) Any person who desires to claim payment under this rule shall send a written application in that behalf to the Accounts Officer. Payment of amounts withdrawn shall be made in India only. the persons to whom the amounts are payable shall make their own arrangements to receive payment in India.

Note. -- Where the amount standing to the credit of a subscriber has become payable under rule 14.25, 14.26 and 14.27, the Accounts Officer shall authorise prompt payment of that portion of the amount standing to the credit of a subscriber in regard to which there is no dispute or doubt, the balance being adjusted as soon after as may be.

## PENSIONABLE SERVICE

- 14.30. (1) If a subscriber is permanently transferred to pensionable service he shall at his option, be entitled --
- (a) to continue to subscribe to the Fund, in which case he shall not be entitled to any pension; or
  - (b) to earn pension in respect of such pensionable service, in which case, with effect from the date of his permanent transfer --
    - (i) he shall cease to subscribe to the Fund;
    - (ii) the amount of contributions by the Government with interest thereon, standing to his credit in the Fund shall be repaid to Government.
    - (iii) the amount of subscription together with interest thereon standing to his credit in the Fund shall be transferred to his credit in the General Provident Fund, to which thereafter he shall or may subscribe in accordance with the rules of that Fund ; and

(2) A subscriber shall communicate his option under clause (1) by letter to the Accounts Officer within three months of the date of the order transferring him permanently to pensionable service; and if the communication is not received in the office of the Accounts Officer within that period, the subscriber shall be deemed to have exercised his option in the manner referred to in sub-clause (a) of that clause.

Note . - Whenever a contract service officer is appointed to a pensionable Government service the provisions of this rule may be brought to the notice of the Government employee concerned by the appointing authority. If the Government employee fails to exercise his option within the prescribed time limit, the competent authority will not be prepared to relax the rules unless there are very strong reasons to justify such relaxation.

## PROCEDURE

14.31. All sums paid into the Fund under these rules shall be credited in the books of government to an account named "The Punjab Contributory Fund Account". Sums of which payment is not taken within six months after they become payable under these rules shall be transferred to "Deposits" after the 31<sup>st</sup> March of the year and treated under the ordinary rules relating to deposits.

14.32. When paying a subscription in India either by deduction from emoluments or in cash, a subscriber shall quote the number of his account in the Fund which shall be communicated to him by the Accounts Officer. Any change in the number shall similarly be communicated to the subscriber by the Accounts Officer.

14.33. (1) As soon as possible after the 3<sup>rd</sup> March of each year, the Accounts Officer shall send to each subscriber a statement of his account in the Fund, showing the opening balance as on the 1<sup>st</sup> April of the year, the total credited or debited during the year, the total amount of interest credited as on the 31<sup>st</sup> March of the year the closing balance on that date. The Accounts Officer shall attach to the statement of account an enquiry whether the subscriber -

(a) desires to make any alteration in any nomination made under rule 14.5.

(b) has acquired a family (in cases where the subscriber has made no nomination in favour of a member of his family under the proviso to clause (1) of Rule 14.5).

(2) Subscribers should satisfy themselves as to the correctness of the annual statement, and errors should be brought to the notice of the Accounts Officer within three months from the date of receipt of the statement.

(3) The Accounts Officer shall, if required by a subscriber once, but not more than once, in a year, inform the subscriber of the total amount standing to his credit in the Fund at the end of the last month for which his account has been written up.

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