

Islamabad, the 23rd January, 2019.

OFFICE MEMORANDUM

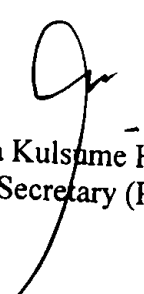
Subject: **PAYMENT OF GRATUITY IN ADDITION TO CONTRIBUTORY PROVIDENT FUND (CPF).**

The undersigned is directed to refer to this Division's O.M.No.F.15(3)R-14/84 dated 16.10.1984 (**Annex-I**), reiterated vide O.M No.F.10(1)R-7/2009-412 dated 21st January, 2015 (**Annex-II**) on the subject noted above and to say that Finance Division has received some references from different Organizations for regularization of un-authorized payment of gratuity in addition to paid Contributory Provident Fund (CPF) in violation of Finance Division's policy dated 16.10.1984. Some Autonomous/Semi-autonomous Bodies /Corporations etc. have also requested Finance Division that the benefits of gratuity, in addition to CPF, may be allowed to their employees.

2. For this purpose, a committee is being constituted to review the issues and Finance Division's policy dated 16.10.1984, wherein the payment of gratuity was disallowed in addition to CPF contribution.

3. Hence, in order to initiate the exercise of reviewing Finance Division's Policy O.M No. 15(3)R-14/84 dated 16-10-1984, reiterated vide O.M No.F.10(1)R-7/2009-412 dated 21st January, 2015, all Ministries and Divisions are requested to provide the following information in respect of Autonomous / Semi-Autonomous Bodies and Corporations etc administered by them:-

- (i) List of all Autonomous / Semi-Autonomous Bodies and Corporations administered under respective Ministries / Divisions.
- (ii) Copies of the Acts/Ordinances and Financial Rules etc, if any, of the autonomous/semi-autonomous bodies and corporations.
- (iii) Current retirement benefits granted by autonomous / semi-autonomous and corporations etc to their employees.
- (iv) Total expenditure incurred during previous financial year in lieu of current retirement benefits granted by autonomous / semi-autonomous bodies and corporations to their employees, at present.



(Syeda Kulsum Hai)
Deputy Secretary (R-III)

To

ALL MINISTRIES/DIVISIONS,

Copy also forwarded for information to:

1. President's Secretariat (Public), Islamabad.
2. President's Secretariat (Personal), Islamabad.
3. Prime Minister's Office (Public), Islamabad.
4. Prime Minister's Office (Internal), Islamabad.
5. National Assembly Secretariat, Islamabad.
6. Senate Secretariat, Islamabad.
7. The Election Commission of Pakistan, Islamabad.
8. The Supreme Court of Pakistan, Islamabad.
9. Federal Shariat Court, Islamabad.
10. Auditor General of Pakistan, Islamabad.
11. The AGPR, Islamabad/Lahore/Peshawar / Karachi/Quetta.
12. Pakistan Mint, Lahore.
13. Federal Public Service Commission, Islamabad.
14. Capital Development Authority, Islamabad.
15. Cost Accounts Organization, Islamabad.
16. Military Accountant General, Rawalpindi.
17. Central Directorate of National Savings, Islamabad.
18. Chief Accounts Officer, M/O Foreign Affairs, Islamabad.
19. Financial Adviser and Chief Accounts Officer, Pakistan Railways, Lahore.
20. All Financial Advisers/Deputy Financial Advisors attached to Ministries/Divisions etc and all officers of Finance Division.
21. Secretariat Training Institute, Islamabad.
22. Federal Tax Ombudsman's Secretariat, Islamabad.
23. DG Post Offices, Islamabad.
24. Office of the Chief Commissioner, Islamabad
25. Secretary, Wafaqi Mohtasib (Ombudsman)'s Secretariat, Islamabad.
26. Pakistan Atomic Energy Commission, Islamabad.
27. The Finance Secretary, Government of the Punjab, Lahore/Sindh, Karachi/Khyber Pakhtunkhwa, Peshawar/ Balochistan, Quetta and Gilgit Baltistan, Gilgit.
28. The Federal Board of Revenue, Islamabad.
29. Directorate General of Inspection & Training, Customs & Central Excise, 8th Floor, New Custom House, Karachi.
30. Earthquake Reconstruction & Rehabilitation Authority (ERRA), Islamabad.
31. National Accountability Bureau, Islamabad.
32. Intelligence Bureau, Islamabad.
33. Member (Finance), KRL, P.O.Box.No.1384, Islamabad.
34. Controller General of Accounts, Islamabad.
35. Economic Adviser, Economic Adviser Wing, Finance Division, "S" Block, Pak. Secretariat, Islamabad.
36. The Web Master, Finance Division, Islamabad.


(Parveen Mubarak)
Section Officer (R-7)
Phone # 9245871

No.F.10(1)R-7/2009-412
Government of Pakistan
Finance Division
(Regulation Wing)

Islamabad, the 21st January, 2015.

OFFICE MEMORANDUM

Subject: **PAYMENT OF GRATUITY IN ADDITION TO CONTRIBUTORY PROVIDENT FUND (CPF).**

The undersigned is directed to refer to this Division's O.M.No.F.15(3)R-14/84 dated 16.10.1984 on the subject noted above and to say that Finance Division has received some references from different Organizations for regularization of un-authorized payment of gratuity in addition to paid Contributory Provident Fund (CPF) in violation of Finance Division's policy dated 16.10.1984. Some Autonomous/Semi-autonomous Bodies /Corporations etc. have also requested Finance Division that the benefits of gratuity, in addition to CPF, may be allowed to their employees.

2. For this purpose, a committee was constituted to review the issues and Finance Division's policy dated 16.10.1984, wherein the payment of gratuity was disallowed in addition to CPF contribution.

3. In the light of recommendations of the committee, Finance Division has decided that the policy regarding non-payment of gratuity in addition to Contributory Provident Fund issued vide O.M. dated 16.10.1984 will remain intact.

4. All Ministries / Divisions are requested to implement the said policy in true spirit and direct all such Autonomous / Semi-Autonomous Bodies and Corporations etc. under their administrative control where the pension scheme does not exist that the payment of 'gratuity' in addition to Contributory Provident Fund should not be allowed to their employees on their quitting service.



(Muhammad Shahid Ahmed Ch.)
Deputy Secretary (R-III)

All Ministries / Divisions etc.

No.F.15(3)R-14/84-
Government of Pakistan
Finance Division
(Regulations Wing II)

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Islamabad, the 16th October, 1984.

OFFICE MEMORANDUM

Subject:- PAYMENT OF GRATUITY IN ADDITION TO CONTRIBUTORY PROVIDENT FUND

The undersigned is directed to say that it has come to the notice of this Division that in a number of autonomous/semi-autonomous bodies and corporations etc., under the administrative control of the Federal Government, where the Pension Scheme does not exist, the payment of 'gratuity' is allowed in addition to the benefit of contributory provident fund. Under the Pension Scheme, 'gratuity' is admissible on surrender of 1/4th of gross pension, if a pensioner so desires and the remaining amount is paid as net pension if no part thereof is commuted. The payment of 'gratuity' cannot, therefore, be made part of the CPF Scheme, and as such it should not be paid in addition to CP Fund contribution.

2. The Ministries/Divisions may like to direct all such autonomous/semi-autonomous bodies and corporations etc. under their administrative control, where the pension scheme does not exist that the payment of 'gratuity' in addition to Contributory Provident Fund should not be allowed to their employees on their quitting the service.

3. Further all the Ministries/Divisions should direct all such autonomous/semi-autonomous bodies and corporations etc., under their administrative control, where the Contributory Provident Fund Scheme is applicable to their employees, to strictly follow the instructions contained in this Division's d.o. letter No.653-RS-I/68, dated 20.8.1968 (copy enclosed) in regard to the rate of employer's contributions to Contributory Provident Fund, which are summarised

as under :-

- (a) 81% of emoluments in the bodies and organisations where the pay scales are generally in line with those obtaining in Government and the fringe benefits are not excessive.
- (b) 6% of emoluments where the pay scales and the fringe benefits taken together are deemed to be excessive compared with the pay scales and fringe benefits allowed by the Federal Government.
- (c) 10% of emoluments in case of those bodies and organisations where the pay scales and/or fringe benefits taken together compare unfavourably with Government or other institutions similarly placed.

(MAFIZ KHALID MAHMOOD)
Deputy Secretary (RIV)
Tel: 327842

All Ministries/Divisions etc.