

**GOVERNMENT OF INDIA  
PERSONNEL,PUBLIC GRIEVANCES AND PENSIONS  
LOK SABHA**

UNSTARRED QUESTION NO:3240  
ANSWERED ON:25.04.2012  
LOSS OF PENSION BENEFITS  
Ray Shri Rudramadhab

**Will the Minister of PERSONNEL,PUBLIC GRIEVANCES AND PENSIONS be pleased to state:**

- (a) whether the Government plans to introduce 10% loss of pension for minor cases of corruption and 20% for major offences;
- (b) if so, the details thereof;
- (c) whether the Government also plans to attach the properties of corrupt officials and their kith and kin, and also ban their appointment by the State Governments and other Government departments in various capacities;
- (d) if so, the details of rules and guidelines in this regard; and
- (e) the steps proposed to award heavy punishments and deny total pension and other retirement benefits?

**Answer**

Minister of State in the Ministry of Personnel, Public Grievances and Pensions and Minister of State in the Prime Minister's Office.  
(SHRI V. NARAYANASAMY)

(a)&(b): Under extant instructions, cases involving moral turpitude and failure to maintain integrity would justify proceedings for imposition of a major penalty including dismissal and removal from service in which case the official will not be entitled to any pension.

The question of reduction in pension can arise only in disciplinary proceedings continued after retirement or initiated after retirement under the relevant provisions of the Pension Rules.

However, the Group of Ministers (GOM), constituted by the Government to consider and suggest measures that can be taken by the Government to tackle corruption, has, recently, recommended that mere superannuation should not be a ground for dropping proceedings for minor penalty and a cut in pension upto 20% should be imposed in this type of cases. The Government has accepted this recommendation with the modification that a ceiling of "upto 10%" may be fixed in place of "upto 20%".

The GoM has also recommended that 'major penalty of compulsory retirement with full benefits' should be changed to 'compulsory retirement with upto 33% cut in pension'. The Government has accepted this recommendation with the modification that the competent authority may impose upto 20% cut in pension in such cases.

(c)&(d): As far as confiscation/attachment of property of corrupt public servants is concerned, action is taken as per provisions of Criminal Law (Amendment) Ordinance, 1944 and the provisions of Prevention of Money Laundering Act, 2002. The offences punishable under the Prevention of Corruption Act, 1988 are scheduled offences under the Criminal Law (Amendment) Ordinance, 1944 and the provisions of Prevention of Money Laundering Act, 2002. Accordingly, property acquired by corrupt means by public servants is liable to be confiscated under these enactments.

As far as ban of appointment of corrupt public servants is concerned, the existing Disciplinary Rules provide that in every case in which the charge of possession of assets disproportionate to known sources of income or the charge of acceptance from any person of any gratification, other than legal remuneration, as a motive or reward for doing or forbearing to do any official act is established, any of following two penalties may be imposed:-

- (i) removal from service which shall not be a disqualification for future employment under the Government;
- (ii) dismissal from service which shall ordinarily be a disqualification for future employment under Government.

(e): In cases where the penalty of removal from service or dismissal from service is imposed, the Government servant is not entitled to get any pension or other retirement benefits.

Under the Pension Rules, the President reserves to himself the right of withholding a pension or gratuity, or both, either in full or in part, or withdrawing a pension in full or in part, whether permanently or for a specified period, and of ordering recovery from a pension or gratuity of the whole or part of any pecuniary loss caused to the Government, if, in any departmental or judicial proceedings, the pensioner is found guilty of grave misconduct or negligence during the period of service, including service rendered upon re-employment after retirement.

