

**PROVINCIAL ASSEMBLY OF SINDH
NOTIFICATION
KARACHI, THE 19TH SEPTEMBER, 2023.**

NO.PAS/LEGIS-B-10/2024-The following Bill is hereby published for general information as required by Rule 98 of Rules of Procedure of the Provincial Assembly of Sindh, 2013.

THE SINDH CIVIL SERVANTS (AMENDMENT) BILL, 2024.

SINDH BILL NO. 10 OF 2024.

**A
BILL**

to amend the Sindh Civil Servants Act, 1973.

WHEREAS it is expedient to amend the Sindh Civil Servants Act, 1973, in the manner hereinafter appearing; **Preamble.**

It is hereby enacted as follows:-

1. (1) This Act may be called the Sindh Civil Servants (Amendment) Act, 2024. **Short title and commencement.**
- (2) It shall come into force at once.
2. In the Sindh Civil Servants Act, 1973, hereinafter referred to as the said Act, for section 13, the following shall be substituted:- **Substitution of section 13 of Sindh Act No.XIV of 1973.**

“13. Retirement from service. (1) A civil servant shall retire from service –

- (i) on such date after he has completed twenty years of service qualifying for pension or other retirement benefits or twenty years of service participating in Defined Contribution Pension Scheme or other retirement benefits, as the case may be, as the competent authority, in the public interest, direct:

Provided that no civil servant shall be retired unless he has been informed in writing of the grounds of the action proposed to be taken against him and has been given reasonable opportunity of showing cause against that action; or

- (ii) where no direction is given under clause (i) –
 - (a) on the completion of the sixty years of his age; or

(b) voluntarily, on completion of twenty five years, subject to imposition of such amount of penalty, if any, as may be prescribed by Government.

(2) A Civil servant appointed on regular basis in the prescribed manner, on or after the commencement of the Sindh Civil Servants (Amendment) Act, 2024, shall upon retirement from service be entitled to benefits; as prescribed in the Defined Contribution Pension Rules to be framed by the Government.”.

3. In the said Act, for section 20, the following shall be substituted:-

Substitution of section 20 of Sindh Act No.XIV of 1973.

“20. Pension and gratuity.- (1) On retirement from service, a civil servant, appointed on regular basis in the prescribed manner, before the commencement of the Sindh Civil Servants (Amendment) Act, 2024, shall be entitled to receive such pension or gratuity as are admissible to him under the pension rules for the time being in force.

(2) In the event of the death of a civil servant, appointed on regular basis in the prescribed manner, before the commencement of the Sindh Civil Servants (Amendment) Act, 2024, whether before or after retirement, his family shall be entitled to receive such pension, or gratuity, or both, as may be prescribed.

(3) No pension shall be admissible to a civil servant, appointed on regular basis in the prescribed manner, before the commencement of the Sindh Civil Servants (Amendment) Act, 2024, who is dismissed or removed from service for reasons of discipline; provided that Government may sanction compassionate allowance to such a civil servant not exceeding two-thirds of the pension or gratuity which would have been admissible to him, had he been invalidated from service on the date of such dismissal or removal.

(4) If the determination of the amount of pension or gratuity admissible to a civil servant appointed on regular basis in the prescribed manner, before the commencement of the Sindh Civil Servants (Amendment) Act, 2024, is delayed beyond one month of the date of his retirement or death, he or his family, as the case may be, shall be paid provisionally such anticipatory pension or gratuity as may be determined by the prescribed authority, according to the length of service of the civil servant which qualifies for pension or gratuity; and any over payment consequent on such provisional payment shall be adjusted against the amount of pension or gratuity finally determined as payable to such civil servant or his family.

(5) A person appointed or regularized, regardless of the effective date of regularization in case of the later, as civil servant on or after the commencement of the Sindh Civil Servants

(Amendment) Act, 2024, shall, for all intents and purposes, be civil servant, except for the purpose of pension and gratuity; and he shall participate in a Defined Contribution Pension Scheme as may be prescribed. Such a civil servant shall, in lieu of pension and gratuity, be entitled to receive such amount contributed by him towards the Contribution Pension Fund, along with the contributions, made by Government to his account in the said Fund, in the prescribed manner.

Provided that in the event of death of such civil servant, whether before or after his retirement, his family shall be entitled to receive the amount of Contribution Pension Fund, as prescribed in the Defined Contribution Pension Rules to be framed by the Government.”.

STATEMENT OF OBJECTS AND REASONS.

Due to mammoth increase in pension bill alarmingly, over a period of last decade, a large portion of provincial budget is being spent upon the pension liabilities. According to a study on actuarial valuation of Employee Benefit Scheme, it was revealed that, from financial year 2015-16 to 2018-19, the Current Revenue Expenditure (CRE) grew at the average annual rate of 18.2%, the Employees Related Expenses (ERE) grew at average annual rate of 15.3% but the Pension Bill grew twice, in comparison to other variables at an average annual rate of 30.8%. Due to such extraordinary burden at present and keeping in view the future estimations, the Government of Sindh is considering to introduce a Defined Contribution Pension Scheme for the new entrants (civil servants) joining the service on or after 01st July, 2024. Such scheme shall contain mutual monthly contributions by the civil servants themselves and the Government, for post-retirement financial security of the civil servants, and shall serve as a viable alternate of the current defined benefit pension scheme. Hence, in order to minimize the extraordinary burden upon the public exchequer in future and to provide for the matters ancillary thereto, it is expedient amend the Sindh Civil Servants Act, 1975.

The Bill seeks to achieve the above object.

MEMBER-IN-CHARGE

**G.M.UMAR FAROOQ
SECRETARY
PROVINCIAL ASSEMBLY OF SINDH**