CHAPTER 20: SEPARATION

20.1. Policy
20.1.1. Retire a civil servant with dignity, respect and mutual appreciation upon completing superannuation age.
20.1.2. Promote financial security to civil servant in retirement through post retirement benefits/schemes.
20.1.3. Provide appropriate separation schemes.

20.2. General Rules
The RCSC shall adopt the following strategies:
20.2.1. Superannuation

20.2.1.1. A civil servant shall retire from service on completing the following superannuation age.

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Position Category</th>
<th>Age of Superannuation</th>
</tr>
</thead>
<tbody>
<tr>
<td>i.</td>
<td>Executive and Specialist Position Category</td>
<td>60 years</td>
</tr>
<tr>
<td>ii.</td>
<td>Professional and Management Position Category</td>
<td>58 years</td>
</tr>
<tr>
<td>iii.</td>
<td>Supervisory &amp; Support Categories</td>
<td></td>
</tr>
<tr>
<td></td>
<td>a. SS4 – SS1</td>
<td>58 years</td>
</tr>
<tr>
<td></td>
<td>b. S5 – S1</td>
<td>56 years</td>
</tr>
<tr>
<td>iv</td>
<td>Operational category</td>
<td>56 years</td>
</tr>
</tbody>
</table>

20.2.1.2. The Agency shall have the authority to issue separation orders for civil servants of P1 and below upon completing superannuation age.

20.2.1.3. The date of birth recorded in the service record at the time of the initial appointment of a civil servant shall be the basis for deciding the date of retirement.
20.2.1.4. Unless otherwise specifically provided by this Rule, the actual retirement on superannuation shall be effective on the first day of the month following the actual date of retirement. The gratuity and other post retirement benefits shall be computed as on the effective day of retirement.

20.2.1.5. No civil servant shall be retained in regular or contract service beyond the age of superannuation. Agency shall notify the civil servants six months prior to superannuation.

20.2.1.6. An Agency shall issue the Office Order of superannuation for personnel as per the delegation of authority to accept resignation.

20.2.2. Resignation

20.2.2.1. The powers to accept voluntary resignation submitted by a civil servant shall be vested with the following authorities respectively, based on the Position Category of the civil servant:

<table>
<thead>
<tr>
<th>Sl. No</th>
<th>Position Category</th>
<th>Authority</th>
</tr>
</thead>
<tbody>
<tr>
<td>i.</td>
<td>ESC</td>
<td>RCSC</td>
</tr>
<tr>
<td>ii.</td>
<td>PMC, SSC and OC</td>
<td>HR Committee of the Agency</td>
</tr>
</tbody>
</table>

20.2.2.2. A civil servant, subject to other rules, on his own may seek voluntary resignation from service after giving notice of at least one month in advance.

20.2.2.3. A civil servant who fails to give the prescribed period of notice of resignation shall be liable to pay an amount equal to the basic pay for the prescribed period of notice.
20.2.2.4. A civil servant shall resign from service prior to standing as a candidate for any election conducted under the electoral laws of the Kingdom or holding any paid or unpaid post in any political party. He shall not be entitled to re-employment in the regular Civil Service.

20.2.2.5. The authority that recommends and accepts the resignation shall ensure that the resigning civil servant has complied with the conditions of service laid down in the training, secondment and other rules.

20.2.2.6. A civil servant shall submit resignation to a competent authority, as per the delegation of authority, through the respective Supervisor or Head of the Agency for approval.

20.2.2.7. In Public interest, HR Committee may withhold a voluntary resignation up to a maximum period of six months from the notified date.

20.2.2.8. A civil servant who suffers from prolonged illness and unable to perform regular duties for three years or more, shall be compulsorily retired from the service with full retirement benefits.

20.2.2.9. A civil servant shall be entitled for one month preparatory leave before superannuation age.

20.2.2.10. An ex-civil servant who exited from the Civil Service on superannuation, compulsory retirement or termination shall not be eligible to apply for any form of re-employment in the Civil Service.

20.2.3. Early Retirement Scheme (ERS)
20.2.3.1. The objective of the ERS is to facilitate civil servants to retire early.

20.2.3.2. Eligibility:
A civil servant shall be eligible for ERS, if they fulfill any of the following criteria:

a) Is 51 years and above;
b) Is below 51 years of age fulfilling the following conditions:
i. A civil servant has served for a minimum of 20 years
ii. A civil servant does not possess a minimum of Bachelor Degree; and
iii. A civil servant has no obligations to the Government.
c) Has exhausted admissible Medical Leave of........3years??;
d) Has completed tenure as a Govt Secretary prior to attaining superannuation age.

20.2.4. Disqualification
A civil shall not be eligible for ERS, if:

a) He has impending disciplinary or corruption case (s); and
b) His service is determined to be required by the Government based on scarcity of such skills and expertise.

20.2.4.1. The working Agency shall process and provide the ERS benefits, less other adjustment with the Agency, to the employee.

20.2.4.2. The HR Committee/Council of the Agency concerned shall accept, scrutinize and accord
approval for the decentralised positions for availing ERS benefits.

20.2.4.3. The ERS benefits to be granted shall be a one-time lump sum compensation based on the following calculation:

a) For a civil servant 51 years and above shall be entitled to three months’ basic salary for every remaining year of service to superannuation subject to a maximum of 18 months’ basic salary;

b) For a civil servant below 51 years of age shall be entitled to two month’s basic salary for every remaining year of service to superannuation subject to a maximum of 18 months’ basic salary.

20.2.4.4. Besides the ERS, the above categories will be eligible for other regular retirement benefits as per the Civil Service Rule in force.

20.2.4.5. Six months or more shall be considered a full year of service for the purpose of calculating the total number of ‘years’ to be credited, provided a civil servant has served a minimum of 10 years of active service.

20.2.5. Special Retirement Scheme

The Commission in consultation with the Government may implement periodic Special Retirement Scheme to right-size and address redundancy in order to enhance efficiency and performance in the Civil Service.

20.2.6. Compulsory Retirement

RCSC/Agency may compulsorily retire a civil servant:

20.2.6.1. On disciplinary grounds in accordance with Section 19.2.6 under Administrative Discipline; and
20.2.6.2. A civil servant shall be compulsorily retired from service with post service benefit if he or she is convicted by the court of law for a criminal offence of misdemeanor and above for offences not related to discharge of official functions.

20.2.7. Termination

RCSC/Agency may terminate a civil servant:

20.2.7.1. A civil servant shall be terminated from service if he or she is convicted by the court of law for a criminal offence of misdemeanor and above for offences related to discharge of official functions.

20.2.7.2. On disciplinary grounds in accordance with Section 19.2.6 under Administrative Discipline.

20.2.8. Agency Severance

The services of a civil servant shall be separated from the Civil Service upon corporatisation/privatisation of his Agency, unless his service is required in the Civil Service. [U1]

20.3. Retirement Benefits

20.3.1. For the purpose of payment of salary in event of death of the civil servant, the remuneration shall be paid for the entire month.

20.3.2. Gratuity

20.3.2.1. Eligibility

a) A civil servant who is separated from service shall be entitled to receive gratuity after rendering a minimum of 10 years of service, except, those on contract and death cases while in service.

b) A civil servant terminated from service shall not be eligible for gratuity.
20.3.2.2. Amount
The amount of Gratuity payable under this Rule shall be computed based on the last basic pay drawn times the number of completed years of service.
However, service of six months and above shall be considered as a complete year for the purpose of calculating gratuity, provided a civil servant has served a minimum of 10 years active service.

20.3.2.3. Ceiling
The ceiling on quantum of Gratuity shall be revised by the Royal Government from time to time.

20.3.2.4. Conditions
Gratuity shall be paid to a civil servant by the Agency only upon production of an Audit and Tax Clearance Certificates confirming that the retiree has no outstanding advances or loans from financial institution to which the Agency was the guarantor.

20.3.2.5. Recovery
a) The amount due from a civil servant, if any, at the time of retirement or demise and not recoverable otherwise, shall be recovered from the Gratuity payable to the incumbent, his nominees or other legal heir to whom such payments may be released.

b) In case of demise of a civil servant, the recovery or penalty against the service obligation shall be treated null and void.

c) Any outstanding in terms of training obligation as defined at Section 97.36 of the
CSAB 2010 and as per Section 9.5.17.4 of this Rule shall be recovered from the candidate’s gratuity and other retirement benefits payable to him.

20.3.2.6. Authority
Gratuity shall be sanctioned to a civil servant by a competent authority to which such powers are delegated in the financial manual after completing the required formalities and the sanction shall be accorded in the prescribed form.

20.3.3. Pension
20.3.3.1. A civil servant who has served a minimum of 10 years in the service and made 120 monthly contributions to the pension account or retires from service on completing Civil Service retirement age, shall be entitled to monthly pension benefits, as per the National Pension and Provident Fund Rules and Regulations.
20.3.3.2. If a civil servant is terminated, he shall not be eligible for the pension benefits but entitled to refund of his contributions made to the pension account.

20.3.4. Provident Fund
20.3.4.1. A civil servant who has served for a minimum of one year and retired from service, shall be entitled to the provident fund benefits, both the employee and employer contributions together with returns thereon credited to pension account as per the National Pension and Provident Fund Rules and Regulations.
20.3.4.2. A civil servant whose services are terminated shall be entitled only to his contribution together
with returns credited thereon to provident fund account.

20.3.4.3. Monthly Pension and Provident Fund.

20.3.4.4. The amount of monthly pension benefits and the Provident Fund payable to retired civil servants under the National Pension and the Provident Fund benefits shall be subject to the provisions in the National Pension and Provident Fund Rules and Regulations.

20.3.4.5. Conditions
A copy of the order relieving a civil servant on separation from Civil Service shall be endorsed to the National Pension and Provident Fund, which shall form the basis for the National Pension and Provident Fund to sanction the pension and provident fund benefits.

20.3.4.6. Recovery
The amount accumulated to a member under the National Pension and Provident Fund shall not be liable to attachments, garnishments, levy or seizure, except to pay any dues of the member payable to the National Pension and Provident Fund or to the employer.

20.3.4.7. Authority
Pension and Provident Fund Benefits shall be sanctioned to a retired civil servant by the National Pension and Provident Fund in
accordance with the National Pension and Provident Fund Rules and Regulations.

20.3.5. Verification of Service

The services of a civil servant claiming gratuity, pension and provident fund benefits under this Rule shall be verified with respect to the service book of the civil servant and certified in the prescribed form by a designated authority.

20.3.6. Travel Allowance

A civil servant who leaves the service for any reason, other than termination, shall be entitled to Travel Allowance of an amount equal to one month’s last basic pay of the civil servant.

20.3.7. Transfer Grant

A civil servant who leaves service for a reason other than termination shall be entitled to the transfer grant of one-month basic pay.

20.3.8. Transport Charge of Personal Effects

A civil servant, who leaves service for a reason other than termination, shall be entitled to receive transport of personal effects as per ANNEXURE 14/1 (5) of Chapter 14.

20.3.9. Group Insurance Scheme

A civil servant who leaves service shall be entitled to the benefit of Employees Group Insurance Scheme.

20.3.10. Benefits Payable to the Family

20.3.10.1. If a civil servant expires while in service including probation period, his family/legal nominee shall be entitled to all retirement benefits.
20.3.10.2. If a civil servant is required to resign due to illness or disability incurred while in service, he/his family/legal nominee shall be entitled to all retirement benefits.

20.3.11. Personal Pay: The personal pay, if any as per Section 11.4.4.3, shall be clubbed with the basic pay for calculation of retirement benefits [gratuity, TA, TG].

20.4. Incidence of Payment
Gratuity and other retirement benefits shall be paid to the retired civil servant.

20.4.1. Gratuity and other terminal benefits shall be claimed by a civil servant from the Agency from which he received his last pay.

20.4.2. For a civil servant who has served both in a Government Agency and public sector corporation, the gratuity shall be paid for the entire service period.

20.4.3. In the event the annual increment is due for a civil servant on the day following the date of retirement, the annual increment shall be released and it shall be considered for the purpose of calculating all retirement benefits.

20.4.4. Gratuity and other benefits shall also be payable to the nominee(s) of a civil servant who expires while in Civil Service.

20.4.5. Gratuity and other benefits payable to a civil servant who expires without filing the nomination shall be disbursed in accordance with the law of the country.

20.4.6. Travel allowance, transfer grant and transport charges of personal effects shall be payable to a civil servant only upon fulfillment of service obligation under Section 4.11.1 of Chapter 4 or Section 7.14.1 of Chapter 7, unless specified otherwise.
20.4.7. A retired civil servant or his survivor or nominee shall not be paid gratuity and other benefits if he:

20.4.7.1. Is under indictment or has charges outstanding against him referred under the rules of the Government for offences related to official functions;

20.4.7.2. Willfully remains outside the Kingdom of Bhutan with the knowledge of the indictment or charges, as the case may be; or

20.4.7.3. Fails to appear, testify, or produce a book, paper, record, or other document, relating to the service as an employee, before a Government-appointed authority or a Court of Law concerning the past or present relationship with a foreign Government/Agency or a matter involving or relating to an interference with or endangerment of, or involving or relating to a plan or attempt to interfere with or endanger the national security or sovereignty of the Kingdom of Bhutan.

20.5. Nomination

20.5.1. A civil servant shall submit to the Agency concerned a nomination in the prescribed Form conferring on one or more persons the right to receive the retirement benefits that may be due to him in the event of his demise.

20.5.2. A civil servant who desires to nominate more than one person under Section 20.5.1 above, shall specify the amount payable to each of the nominees.

20.5.3. A civil servant may, at any time, cancel a nomination and submit a fresh one in its place.

20.5.4. A civil servant may state in a nomination that in the event of the pre-decease of the nominee, the right conferred upon the nominee shall automatically change to another person or persons, as may be specified in the nomination.
20.5.5. A civil servant not having a family at the time of nomination shall file a fresh nomination on acquiring a family and if one fails to comply with this requirement, the benefits shall be paid to the nominees nominated earlier or disbursed in accordance with the law of inheritance, as the case may be.

20.5.6. Every nomination made and every notice of cancellation by a civil servant shall, to the extent it is valid, take effect on the date on which it is received by the Agency concerned.

20.6. **Formality**

20.6.1. There shall be a proper handing/taking over of the charge before a civil servant is relieved on retirement, including the Government property, including official passport, files and records.

20.6.2. Agency shall ensure that personal files of ESC are handed over RCSC.

20.6.3. Agency concerned shall take the responsibility to immediately process his postretirement benefits upon superannuation or retirement and settle all payments within one month.

20.6.4. A civil servant with clean service record shall be relieved with appreciation and dignity.

20.7. **Accountability**

20.7.1. A separation not carried out in conformity to the provisions of this Rule shall be regarded as illegal. HR Committee shall be held accountable for such separation.

20.7.2. A civil servant who dishonours the Office Order issued by the competent authority shall be accountable and liable for disciplinary actions.

20.8. **Commendation**

20.8.1. A civil servant retiring after minimum of 20 years of clean service record shall be awarded an “Expression of Commendation” in appreciation of his service in accordance
with delegation of authority (*Annexure 20/1 and Annexure 20/2*).