

Annexure II

1. Introduction.

The Scheme for Compassionate Appointment of our bank has long stood as a testament to the Bank's commitment to employee welfare, offering timely support to families affected by the untimely demise or premature medical retirement of employees. Rooted in empathy and responsibility, the scheme has provided a vital safety net, ensuring continuity of livelihood and financial stability for bereaved families.

To make the scheme more transparent with changing socio and economic scenario, modifications have been carried out under certain parameter in this policy document.

2. Name of the Scheme: Scheme for Compassionate Appointment

The Scheme is to be called the **"SCHEME FOR COMPASSIONATE APPOINTMENT TO A DEPENDENT FAMILY MEMBER OF A DECEASED EMPLOYEE/ EMPLOYEE RETIRED ON MEDICAL GROUNDS DUE TO INCAPACITATION BEFORE REACHING THE AGE OF 55 YEARS"**.

This revised scheme for Compassionate Appointment shall be applicable for cases of death (including suicide) while in service, or retirement on medical grounds due to complete and permanent incapacitation before the age of 55 years, occurring on or after 01.03.2026.

3. Object of the Scheme:

To enable family of a deceased employee/employee retired on medical grounds due to incapacitation before reaching the age of 55 years, tide over the sudden financial crisis.

4. Definitions under the scheme:

- a) 'Employee' would mean and include only a confirmed regular employee who was serving full time or part-time on scale wages, at the time of death/retirement on medical grounds, before reaching age of 55 years. The term does not include any one engaged on contract/temporary/casual or any person who is paid on commission basis.
- b) 'Bank' means Punjab National Bank.
- c) 'Board' means Board of Directors of Punjab National Bank.

- d) 'Competent Authority' means an Official as approved by the Board in terms of the Scheme.
- e) 'MD & CEO' means Managing Director & Chief Executive Officer of Punjab National Bank.
- f) 'Executive Director' would mean Executive Director of Punjab National Bank.
- g) 'Chief General Manager' and 'General Manager' would mean Chief General Manager and General Manager of Punjab National Bank, an Executive of the Bank designated as such, and would include an Executive who may work or officiate in a stop-gap arrangement as such, irrespective of his actual designation.
- h) 'Scheme' would mean "Scheme for Compassionate Appointment"

5. Coverage

5.1 To a dependent family member of permanent employee of the Bank who :

- a) dies while in service (including death by suicide).
- b) is retired on medical grounds due to incapacitation before reaching the age of 55 years. (Incapacitation is to be certified by a duly appointed Medical Board in a Government Medical College/Government District Head Quarter Hospitals/Panel of Doctors nominated by the Bank for the purpose).

5.2 For the purpose of the Scheme, "employee" would mean and include only a confirmed regular employee who was serving full time or part-time on scale wages, at the time of death/retirement on medical grounds, before reaching age of 55 years and does not include any one engaged on contract/ temporary /casual or any person who is paid on commission basis.

6. Dependent Family Member

- 6.1** Spouse; or
- 6.2** Wholly dependent son (including legally adopted son); or
- 6.3** Wholly dependent daughter (including legally adopted daughter); or
- 6.4** Wholly dependent brother or sister in the case of unmarried employee.
- 6.5** Married Dependent Son.

7. Authority Competent to Make Compassionate Appointment

7.1 Managing Director & Chief Executive Officer.

7.2 Executive Director holding current charge of MD&CEO.

7.3 Board of Directors in special types of cases.

7.4 While dealing with proposals for appointment on compassionate grounds in otherwise eligible cases, where disciplinary action was pending against the deceased employee/employee retired on medical grounds or if the deceased employee was involved in serious financial irregularities, embezzlement of funds, committing frauds etc., bank will continue to abide by the guidelines issued by the Government of India, requiring consideration and decision in each case by the Board of the Bank/Authority appointed by the Board.

8. Posts to Which Appointments can be Made

8.1 The appointment shall be made in the **clerical** and **sub-staff cadre** only, depending upon the educational qualifications.

8.2. Qualifications: At present, the qualification for recruitment is as under: -

8.2.1 For Clerical Cadre (Customer Service Associate): Graduate in any discipline or equivalent qualification and working knowledge of operating computer systems.

8.2.2 Sub-staff (Office Assistant) : Pass in XII standard or its equivalent, with basic reading/ writing knowledge of English.

8.2.3 Sub-Staff (Part Time Housekeeper): Not passed 10th class/standard. There is no minimum qualification and even illiterates are eligible for appointment as PTHK

9. Age & Relaxation

The minimum & maximum age of the applicant for recruitment in the bank for candidate (unreserved category) is as under:

Sub Staff : Minimum 18 years & max 24 years.

Clerical Cadre : Minimum 20 years & max 28 years.

For reserved category, additional age relaxation as per the Govt of India guidelines shall be applicable.

The upper age limit may be relaxed wherever found to be necessary. Authority competent to take a final decision for making compassionate appointment in a case shall be competent to grant relaxation of age limit also for making such appointment. Age eligibility shall be determined with reference to the date of application and not the date of appointment.

10. Exemptions

Compassionate Appointment under the Scheme are exempted from observance of the following requirements:

10.1 Normal Recruitment Procedure i.e., without the agency of selection like IBPS/Employment Exchange, Recruitment Board of Bank, etc.

10.2 The ban orders on filling up of posts issued by Government of India or any controlling authority.

11. Eligibility

11.1 Applicant for compassionate appointment should be eligible and suitable for the post in all respect under the provisions of the relevant recruitment rules.

11.2 The family is in need and deserves immediate assistance for relief from financial crunch arises due to demise of employee.

To ensure this:-

11.2.1 Eligibility Based on Monthly Family Income

Compassionate appointment is to be granted to the dependent of the deceased employee or an employee retired on medical grounds due to incapacitation before reaching the age of 55 years, where the monthly income of the family, from all the sources is less than 75% of the last drawn gross monthly salary (net of taxes), including Defence pension, if any, of the employee.

11.2.2 Special Consideration in Exceptional Cases

In cases where the assessed monthly family income exceeds 75% of the last drawn/payable gross monthly salary (net of taxes), including defence pension, if any, compassionate appointment may still be considered, if the monthly family income is less than ₹35,000/- for workmen cadre and ₹50,000/- for Officer Cadre.

Note 1 : The family's financial eligibility shall be assessed based on their financial position at the time of the employee's death/retirement on medical grounds due to incapacitation before reaching the age of 55 years. If there is any subsequent change in the family's income (e.g., due to the demise of another earning member), decisions regarding such operational matters will be taken by the Committee of Officers at the Head Office. This would be the same Committee of Officers, entrusted with considering the compassionate appointment (as defined in para 15.3 of Procedure).

Note 2: The eligibility criteria outlined above, shall also apply to "The Scheme for consideration of extending financial assistance as Ex-Gratia (lump-sum) amount to family of employees who expire while in service" circulated vide HRMD Circular No. 495/2020 dated 26.03.2020.

11.3 Calculation of monthly Income

(A) Terminal Benefits

- a. Provident Fund/NPS
- b. Gratuity
- c. Leave Encashment
- d. Any other amount paid under Bank's Scheme(s)

Sub-total (A)

(B) Liabilities:

- a. Loans taken from bank and/or other financial institutions with the prior approval of the bank.
- b. Any other dues payable to Bank

Sub-total (B)

(C) Corpus of terminal benefits (C = A-B)

(D) Investments

- a. LIC / other policies

Sub-total (D)

(E) Net Corpus available (C+D)

If the corpus of terminal benefits (C) is negative i.e. total liabilities are more than the terminal benefits, the negative corpus (C) shall be adjusted from investments (D), if any.

(F) Monthly income of the family from all sources

- a. Monthly interest at the bank's maximum ROI on term deposit (public rate) prevailing on date of death, on 80% amount of the net corpus available (E)@
- b. Family Pension and Defence Family Pension, if any #
- c. Monthly Gross Salary of Spouse (if Employed)
- d. Monthly Income of family members*

Total monthly income of the family F= (a+b+c+d)

(G) Last Drawn Gross monthly salary (Net of taxes) and Defence Pension of deceased employee

- a. Last Drawn Gross monthly salary of employee (for the complete month)
- b. Amount of income tax (notional)
- c. Gross monthly salary (net of taxes) (a - b)
- d. Defence Pension, if any
- e. Total income from salary & defence pension (c + d)
- f. Amount to be taken into account (notional Eligible amount i.e. **75%** of e)

@ Income on the 80% of net corpus available in order to allow part of the corpus for certain contingencies viz funeral, medical, children's education expenses etc., which the family has to spend immediately out of the funds available after death.

In case of ex-serviceman, the last drawn defence pension, if any, should be added with the last drawn monthly salary received from the Bank and similarly the defence family pension should be added with proposed family pension from the Bank along with other income accrued to the family of the deceased employee for the purpose of calculation of monthly income.

*In case the deceased employee was married, income of parents shall not be taken into consideration while calculating the Monthly income of family members.

Note :- Refer Annexure C1 for above calculation.

11.4 Where there is an Earning Member

11.4.1 The compassionate appointment is a welfare measure rooted in the Indian value system of familial support and collective responsibility. Accordingly, the financial eligibility assessment must reflect the true economic condition of the family, beyond the immediate applicant.

For this purpose, the financial assessment shall **encompass the income of all immediate family members** of the deceased employee, including:

- (i) **Spouse;**
- (ii) **All children of the deceased employee, irrespective of marital status** or place of residence, **except those daughters who were married** at the time of the employee's death / retirement on medical grounds due to incapacitation before reaching the age of 55 years;
- (iii) In case the deceased employee was **unmarried, the income of the parents and all brothers and sisters, excluding those sisters who were married** at the time of the employee's death/ retirement on medical grounds due to incapacitation before reaching the age of 55 years.

11.4.2 Claims of non-support, separation, or independent living by family members shall not be considered for the purpose of financial assessment of family income..

11.4.3 All children and the spouse of the deceased employee and/or brothers and sisters, as applicable, must submit a Non-Employment Certificate confirming their employment status, duly issued by the Tehsildar, authorized Revenue Officer, or other Judicial Authority in accordance with prevailing state laws.

11.4.4 To ensure a fair and transparent evaluation of the family's financial condition as on the date of death or retirement on medical grounds, all immediate family members whose income is subject to assessment shall furnish their Income Tax Form 16 and/or Form 26AS or any other verifiable evidence of income pertaining to the financial year in which the death of employee or retirement occurred. These documents shall serve as credible and verifiable evidence of income during the relevant period, thereby enabling an accurate determination of economic eligibility.

12. Time Limit for Considering Applications

12.1 Application for compassionate appointment should be submitted within **One Year** from the date of death of employee / retirement on medical grounds due to incapacitation before reaching the age of 55 years.

12.2 In some cases, the dependent family may not be ready to submit the application for compassionate appointment in view of the fact that the dependent child is minor and may wait to attain the eligible age and qualification etc., required for appointment under compassionate ground or when the dependent child is in the midst of some higher course, he / she may require some more time to complete the course before applying for the job under compassionate ground. While considering such belated requests, it should, however, be kept in view that the concept of compassionate appointment is largely related to the need for immediate assistance to the family of the employee in order to relieve it from economic distress. The very fact that the family has been able to manage somehow all these years should normally be taken as adequate proof that the family had some dependable means of subsistence. Those belated applications received by the bank within five years from the date of death of employee or retirement of employee on medical grounds due to incapacitation before reaching the age of 55 years, shall be placed to MD & CEO for decision in capacity of Competent Authority.

In this connection, five years shall be the outside limit for submitting the complete application in the prescribed format along with all supporting documents, and application for compassionate appointment of a dependent family member, applied after five years from the date of 'death of employee' / 'retirement of the employee on medical grounds due to incapacitation', shall not be considered.

12.3 In cases where the deceased employee was a widower/widow/single parent, leaving behind only minor children, application received by the bank within three years from the date of attaining the age of majority of the eldest eligible child may be considered, with MD & CEO as the Competent Authority for approval of Compassionate Appointment.

13. Determination/Availability of Vacancies

13.1 Appointment on compassionate grounds shall be made only on regular basis and that too, only if regular vacancies meant for that purpose are available.

13.2 For the post of Customer Service Associate in Clerical Cadre: Compassionate appointments shall be made upto a maximum of 5% of vacancies falling under direct recruitment quota in clerical cadre. The Bank shall hold back 5% of vacancies in the aforesaid categories to be filled by appointment on compassionate grounds, which can be carried over till next Financial Year.

13.3 For the post of Office Assistant and Part-Time Housekeeper in Subordinate Cadre: In case of Subordinate Cadre (Office Assistant and Part Time Housekeepers), 5% of incremental vacancies shall be held back for compassionate appointments, which would be calculated annually, with assessments carried out at the start of each financial year based on operational factors such as retirement, promotion, death, or branch expansion, and in alignment with the Bank's policy and guidelines.

13.4 A person selected for appointment on compassionate grounds should be adjusted in the recruitment roster against appropriate category, viz., SC/ST/OBC/General Category, depending upon the category to which he/she belongs.

13.5 Widow appointed on compassionate ground upon re-marriage will be allowed to continue in service, even after re-marriage.

14. Missing Employee

Cases of missing employees are also covered under the scheme for compassionate appointment subject to the following conditions:-

14.1 A request to grant the benefit of compassionate appointment can be considered only after a lapse of at least 2 years from the date from which the Employee has been missing, provided that:

- (i) an FIR to this effect has been lodged with the Police,
- (ii) the missing person is not traceable, and
- (iii) the competent authority feels that the case is genuine;

14.2 This benefit will not be applicable to the case of an Employee: -

- (i) who had less than two years to retire on the date from which he has been missing; or
- (ii) who is suspected to have committed fraud, or suspected to have joined any terrorist organization or suspected to have gone abroad.

14.3 Compassionate appointment in the case of a missing employee also would not be a matter of right as in the case of others and it will be subject to fulfilment of all the conditions, including the availability of vacancy, laid down for such appointment under the scheme;

14.4 While considering such a request, the results of the Police investigation should also be taken into account; and

14.5 A decision on any such request for compassionate appointment should be taken only at the level of the MD & CEO of the Bank.

15. Procedure

15.1 The prescribed proforma is to be used for ascertaining necessary information and processing the cases of compassionate appointment.

15.2 A senior official of the bank should meet the members of the family of the employee in question immediately after his/her death to advise and assist to them in getting appointment on compassionate grounds. The applicant should be called in person at the very first stage and advised in person about the requirements and formalities to be completed by him/her. The application & supporting documents shall be obtained from the prospective applicant.

15.3 An application for appointment on compassionate ground should be considered by the Committee of Officers consisting of three officers as under:

- a. General Manager – HRMD in his absence GM-HRDD– Chairman of the Committee.
- b. Deputy General Manager or Asst. General Manager– HRMD– Member.
- c. Deputy General Manager or Asst. General Manager– HRDD –Member.

The Committee may meet during the second week of every month or at shorter intervals if necessary, to consider duly completed and complied requests/ proposals received during the previous month. The applicant may also be granted personal hearing by the committee, if necessary, for better appreciation of facts of the case. The recommendation of the committee should be placed before the Competent Authority for a decision. If the Competent Authority disagrees with the committee's recommendation, the case may be referred to the Board for decision.

16. Undertaking for Maintenance of the Family of the Deceased Employee

The person appointed on compassionate grounds under the Scheme, should give an undertaking in writing that he/she will maintain properly the other family members who were dependent on the deceased employee in question, and in case it is proved subsequently (at any time) that the family members are being neglected or are not maintained properly by him/her, his or her appointment may be terminated forthwith. This clause should be incorporated as one of the conditions in the offer of appointment applicable only in the case of appointment on compassionate ground.

17. Request for Change in Post / Person

When a person has been appointed on compassionate ground to a particular post, the set of circumstances, which led to such appointment should be deemed to have ceased to exist. Therefore –

- a) He/she should strive in his/her career like his/her colleagues for future advancement and any request for appointment to any higher post on considerations of compassion should invariably be rejected.
- b) An appointment on compassionate ground cannot be transferred to any other person and any request for the same on consideration of compassion should invariably be rejected.

18. Seniority

A person appointed on compassionate ground in a particular year may be placed at the bottom of all the candidates recruited/appointed through direct recruitment, promotion, etc. in that year, irrespective of the date of joining of the candidate on compassionate ground.

19. Termination of Service

The compassionate appointment can be terminated on the ground of non-compliance of any condition stated in the offer of appointment after providing an opportunity to the compassionate appointee by way of issue of show cause notice asking him/her to explain why his/her services should not be terminated for non-compliance of the condition(s) in the offer of appointment and it is not necessary to follow the procedure prescribed in the Disciplinary Action and Procedure therefor.

In order to check misuse of this provision, the power of termination of service for non-compliance of the conditions in the offer of compassionate appointment shall vest only with the Managing Director & Chief Executive Officer.

20. General

- a) Appointment made on grounds of compassion shall be done in such a way that persons appointed to the post do have the essential educational and technical qualifications and experience required for the post consistent with the requirement of maintenance of efficiency of administration.
- b) It is not the intention to restrict employment of a family member of the deceased or medically retired sub-staff employee to an erstwhile sub-staff post only. As such, a family member of such erstwhile sub-staff employee can be appointed to a clerical post for which he/she is educationally qualified, provided a vacancy in clerical post exists for this purpose.
- c) An application for compassionate appointment should, however, not be rejected merely on the ground that the family of the employee has received the benefits under the various welfare schemes. While considering a request for appointment on compassionate ground a balanced and objective assessment of the financial condition of the family has to be made taking into account its assets and liabilities (including the benefits received under the various welfare schemes mentioned above) and all other relevant factors such as the presence of earning member(s), size of the family etc.
- d) Compassionate appointment should be made available to the person concerned if there is a vacancy meant for compassionate appointment and he or she is found eligible and suitable under the scheme.
- e) Compassionate appointment will have precedence over absorption of surplus employees and regularization of temporary employees.
- f) All other guidelines, including the turnaround time for processing application for appointment on compassionate grounds circulated vide HRMD Circular No. 683 dated 10.02.2023, shall remain unchanged.
