



EAST COAST RAILWAY

प्रमुख मुख्य कार्मिक अधिकारी का कार्यालय/
Office of the Principal Chief Personnel Officer
द्वितीय तल, - 751 017
Rail Sadan, IInd Floor, Bhubaneswar-751 017

स्थापना क्रमांक/ Estt.Srl. No.288/2019
पूतरे/कार्मिक/आर/ECOR/Pers/R/Pension

RBE No-210/2019
Date: 31.12.2019

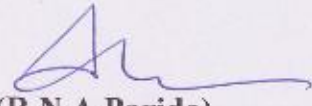
सेवा मे,
सभी प्रमुख विभागाध्यक्षों/समन्वयक विभागाध्यक्षों, पू त रे/भुवनेश्वर
मं.रे.प्र.व.मं.का.अधिकारी/मं.का.अधिकारी-खोरधारोड,वालातेरू, संबलपुर,
मु;कारखाना प्रबंधक/कारखाना कार्मिक अधिकारी- मंचेश्वर, अतिरिक्त रजिस्ट्रार/रेल दावा अधिकरण,
व.का अधिकारी(नि)/भुवनेश्वर
महा सचिव/इकोर श्र. कां., महा सचिव/इकोर श्र. यू.,
महा सचिव/एआई ओ बी सी आर ई ए, महा सचिव/ ए आई एस सी एस टी आर ई ए

Sub: Master Circular No-60 on Pension and Retirement /Death Gratuity.

उपर्युक्त विषय पर बोर्ड पत्र सं D-43/16/2019-F(E)III दिनांक 23.12.2019 की प्रतिलिपि सूचना, मार्गदर्शन एवं आवश्यक कार्रवाई हेतु अग्रेषित है।

A copy of the Board's Lr. No D-43/16/2019-F(E)III dated-23.12.2019 on the above quoted subject is forwarded herewith for information, guidance and necessary action.

Encl: As above,


(R.N.A Parida)
Ch/RRC cum Dy. Chief Personnel Officer(IR)
For Pr. Chief Personnel Officer

Encl: As above,

(R.N.A Parida)

- 1) महाप्रबंधक क साचिव/पूव तट रेलव, भुवनेश्वर
- 2) मुकाधि/मुकाधि(प्रशा.), उप म.प्र. अध्यक्ष(रेलवे भर्ती प्रकोष्ठ)
- 3) उप मुख्य प्रबंधक(सू.प्रौ), उप मुकाधि(औ.सं. एवं कल्याण), वकाधि(इंजी.)
- 4) वकाधि(मुख्या.), वकाधि(स्टाफ), वकाधि(राज. एवं न्याया.)
- 5) मुकाधि के निजी सचिव/महा.कार्मिक अधि.(मुख्या.-1), महा.कार्मिक अधि.(कल्याण),



सत्यमेव जयते

भारत सरकार (Government of India)

रेल मंत्रालय (Ministry of Railways)

(रेलवे बोर्ड/ Railway Board)

पेंशन तथा सेवानिवृत्ति/मृत्यु उपदान

पर

मास्टर परिपत्र सं. 60

(दिसम्बर, 2019 में अपडेटेड)

Master Circular No. 60

(Updated in December, 2019)

On

Pension and Retirement/Death Gratuity

GOVERNMENT OF INDIA (BHARAT SARKAR)
MINISTRY OF RAILWAY (RAIL MANTRALAYA)
(RAILWAY BOARD)

No. D-43/16/2019-F(E)III

New Delhi, Dated 13.12.2019

The GMs/Principal Financial Advisers,
All Zonal Railways/Production Units etc,
(As per mailing list)

Sub: Master Circular on Pension and Retirement/ Death Gratuity.

Master Circular No.60 on the concept of "Pension and Retirement/Death Gratuity" was last brought out and circulated vide Board's letter no. F(E)III/93/MC-4/Pension & DCRG dated 17.10.1994. Railway Board have now decided to issue a consolidated Revised Master Circular on the subject for the information and guidance of all concerned.

2. While referring to this circular, the original letters referred to herein should be read for a proper appreciation. This circular is only a consolidation of the instructions issued so far and should not be treated as a substitution to the originals. In case of doubt, the original circular should be relied upon as authority.
3. The instructions contained in the original circulars referred to above, have only prospective effect from the date of issue unless specifically indicated otherwise in the concerned circular. For dealing with old cases, the instructions in force at the relevant time should be referred to; and
4. If any circular on the subject, which has not been superseded, has not been taken into consideration while preparing this consolidated letter, the said circular, which has been missed through oversight, should be treated as valid and operative. Such, a missing circular, if any, may be brought to the notice of the Railway Board.

Part-I

PENSION

1. Eligibility to Pension and amount of pension

- 1.1 Pension is admissible to a permanent railway servant with a minimum of 10 years qualifying service on his quitting service on account of either abolition of post or medical invalidation or retirement on completion of 30 years service or superannuation. However, with effect from 1.1.1986, temporary railway servants retiring on

superannuation or on being declared permanently incapacitated for future railway service by the appropriate medical authority with 10 years qualifying service shall be eligible for superannuation/ invalid pension, retirement gratuity and family pension at the same scale as admissible to permanent employee. Temporary employees on seeking voluntary retirement after completion of 20 years service shall continue to be eligible for pension, retirement gratuity and family pension as per the scheme of Voluntary retirement.

1.2 Linkage of full pension with 33 years of qualifying service shall be dispensed w.e.f 01.01.2006. Once a Railway servant has rendered the minimum qualifying service of twenty years pension shall be paid at 50% of the emoluments or average emolument received during the last 10 months, whichever is more beneficial to him.

1.3 In the case of a railway servant retiring in accordance with the provisions of these rules after completing the qualifying service of not less than ten years, the amount of pension shall be calculated at fifty percent of emoluments or average emoluments, whichever is more beneficial to him, subject to a minimum of Nine Thousand Rupees per mensem and a maximum of One Lac Twenty Five Thousand Rupees per mensem w.e.f 01.01.2016.

1.4 In addition to pension admissible in accordance with the provisions of para 1.3, after completion of eighty years of age and above, the additional pension shall be payable to a retired railway servant in the following manner, namely:—

Sl.No	Age of Pensioner	Additional Pension
(1)	(2)	(3)
1.	From 80 years to less than 85 years	20 percent of basic pension
2.	From 85 years to less than 90 years	30 percent of basic pension
3.	From 90 years to less than 95 years	40 percent of basic pension
4.	From 95 years to less than 100 years	50 percent of basic pension
5.	100 years or more	100 percent of basic pension

In calculating the length of qualifying service fraction, of a year equal to three months and above shall be treated as a completed one half year and reckoned as qualifying service.

1.5 The amount of pension finally determined under para 1.3 shall be expressed in whole rupees and where the pension contains a fraction of a rupee it shall be rounded off to the next higher rupee.

(Authority: Railway Board's letter No. 2011/F (E) III/1(1)9 dated 23.09.13)

2. Classes of Pension

2.1 Superannuation Pension - A superannuation pension shall be granted to a railway servant who is retired on his attaining the age of compulsory retirement. (Superannuation i.e. 60 years at present.)

2.2 Retirement on the last day of the month in which superannuation falls.

With effect from 1.11.1973 Railway servants in Group B, C & D services or posts and from 1.5.1974, Railway servants in Group A services or posts shall retire from service with effect from the afternoon of the last day of the month in which their date of retirement according to Rule

2046-RII falls without prejudice to clauses (h) (i) (k) and (l) of that Rule. (Corresponding Rules in 1987 edition of R-II Rules 1802 and 1804).

(Letter No. PCIII/73/RT/4 dt 18.12.1973, 20.5.1974 and 2.8.1974)

2.3 Retiring Pension

Retirement on completion of 30 years qualifying service –(1) At any time after a railway servant completed thirty years qualifying service –

(a) he may retire from service; or

(b) he may be required by the appointing authority to retire in the public interest, and in the case of such retirement the railway servant shall be entitled to a retiring pension:

Provided that –

- (i) a railway servant shall give a notice in writing to the appointing authority at least three months before the date on which he wishes to retire; and
- (ii) the appointing authority may also give a notice in writing to a railway servant at least three months before the date on which he is required to retire in the public interest or three months' pay and allowances in lieu of such notice:

Provided further that where the railway servant giving notice under clause (i) of the first provision is under suspension, it shall be open to the appointing authority to withhold permission to such railway servant to retire under this rule:

Provided also that the provisions of (a) above shall not apply to a railway servant, including Scientist or technical expert who is –

- (i) on assignment under the Indian Technical and Economic Cooperation (ITEC) Programme of the Ministry of External Affairs and other aid programmes;
- (ii) posted abroad in foreign based offices of the Ministries or Departments;
- (iii) on a specific contract assignment to a foreign Government.

Unless after having been transferred to India, he has resumed the charge of the post in India and served for a period of not less than one year.

(2) (a) A railway servant referred to in (i) of the first proviso may make a request in writing to the appointing authority to accept notice of less than three months giving reason there for;

(b) on receipt of a request under (a) the appointing authority may consider such request for curtailment of the period of notice of three months on merits and if it is satisfied that the curtailment of the period of notice will not cause any administrative inconvenience, the appointing authority may relax the requirement of notice of three months on the condition that the railway servant shall not apply for commutation of a part of his pension before the expiry of the period of notice of three months.

(3) A railway servant who has elected to retire under this rule and has given the necessary intimation to that effect to the appointing authority shall be precluded from withdrawing his election subsequently except with the specific approval of such authority.

Provided that the request for withdrawal shall be within the intended date of his retirement.

Explanation – For the purpose of this rule, "appointing authority" means the authority which is competent to make appointments to the service or post from which the railway servant retires.

Retirement on completion of 20 years qualifying service – (1) At any time after a railway servant has completed twenty years' qualifying service, he may, by giving notice of not less than three months in writing to appointing authority retire from service:

Provided that this shall not apply to a railway servant including Scientists or technical expert who is –

- (i) on assignment under the Indian Technical and Economic Cooperation (ITEC) Programme of the Ministry of External Affairs and other aid programmes;
- (ii) Posted abroad in foreign based offices of the Ministries or Departments;
- (iii) on a specific contract assignment to a foreign Government unless, after having been transferred to India, he has resumed the charge of a post in India and served for a period of not less than one year.

(2) The notice of voluntary retirement given under (1) shall require acceptance by the appointing authority:

Provided that where the appointing authority does not refuse to grant the permission for retirement before the expiry of the period specified in the said notice, the retirement shall become effective from the date of expiry of the said period.

(3)(a) A railway servant referred to in (1) may, make a request in writing to the appointing authority to accept notice of voluntary retirement of less than three months giving reasons therefor;

(b) On receipt of a request under clause 3 (a), the appointing authority subject to the provisions above, may consider such request for the curtailment of the period of notice of three months on merits and if it is satisfied that the curtailment of the period of notice will not cause any administrative inconvenience, the appointing authority may relax the requirement of notice of three months on the condition that the railway servant shall not apply for commutation of a part of his pension before the expiry of the period of notice of three months.

(4) A railway servant, who has elected to retire under this rule and has given the necessary notice to that effect to the appointing authority, shall be precluded from withdrawing his notice except with the specific approval of such authority:

Provided that the request for withdrawal shall be made before the intended date of his retirement.

(5) **Omitted (Authority: Railway Board's letter No. 2011/F (E) III/1(1)9dated 23.09.13)**

(6) This rule shall not apply to a railway servant who retires from railway service for being absorbed permanently in an autonomous body or a public sector undertaking to which he is on deputation at the time of seeking voluntary retirement.

Explanation – For the purpose of this rule, "appointing authority" means the authority which is competent to make appointments to the service or post from which the railway servant seeks voluntary retirement.

2.4 Clarification has been issued providing that whenever the officer/employee has more than three months service at the time of seeking retirement under Rule 67, the commutation will be payable after three months but where normal superannuation is within the notice period of three months, the date of superannuation will be the date to apply for commutation of a part of pension subject to fulfillment of all other conditions specified in this regard.

(Authority Letter No. 2016/F(E)III/1(1)/8 dated 25.04.2017)

2.5 Pension on absorption in or under a corporation company or Body

Pension on absorption in or under a corporation, company or body- (1) A railway servant who has been permitted to be absorbed in a service or post in or under a corporation or company wholly or substantially owned or controlled by the Central Government or a State Government or in or under a body controlled or financed by the Central Government or a State Government shall be deemed to have retired from service from the date of such absorption and subject to certain condition, he shall be eligible to receive retirement benefits, if any, from such date as may be determined, in accordance with the orders of the Railway applicable to him.

(Authority: Railway Board's letter No. F(E)III/2003/PN1/25 dated 20.01.05)

2.6 Conditions for payment of pension on absorption consequent upon conversion of a Railway Department into a public sector undertaking.—

(1) On conversion of a Department of the Railway into a public sector undertaking, all railway servants of that Department shall be transferred en-masse to that public sector undertaking, on terms of foreign service without any deputation allowance till such time as they get absorbed in the said undertaking, and such transferred railway servants shall be absorbed in the public sector undertaking with effect from such date as may be notified by the Government.

(2) The Government shall allow the transferred railway servants an option to revert back to the railway or to seek permanent absorption in the public sector undertaking.

(3) The option referred to above shall be exercised by every transferred railway servant in such manner and within such period as may be specified by the Government.

(4) The permanent absorption of the railway servants as employees of the public sector undertaking shall take effect from the date on which their options are accepted by the Government and on and from the date of such acceptance, such employees shall cease to be Government servants and they shall be deemed to have retired from railway service.

(5) Upon absorption of railway servants in the public sector undertaking, the posts which they were holding in the Government before such absorption shall stand abolished.

(6) The employees who opt to revert to railway service shall be redeployed through the surplus cell of the Government.

(7) The employees including quasi-permanent and temporary employees but excluding casual labourers, who opt for permanent absorption in the public sector undertaking shall, on and from the date of absorption, be governed by the rules and regulations or bye-laws of the public sector undertaking.

(8) A permanent railway servant who has been absorbed as an employee of a public sector undertaking his family shall be eligible for pensionary benefits (including commutation of pension, gratuity, family pension or extraordinary pension), on the basis of combined service rendered by the employee in the Railways and in the public sector undertaking in accordance with the formula for calculation of such pensionary benefits as may be in force at the time of his retirement from the public sector undertaking or his death or at his option, to receive benefits for the service rendered under the Railways in accordance with the orders issued by the Government.

Explanation: - The amount of pension or family pension in respect of the absorbed employee on retirement from the public sector undertaking or on death shall be calculated in the same way as calculated in the case of a railway servant retiring or dying on the same day.

(9) The pension of an employee shall be calculated on fifty per cent of emoluments or average emoluments, whichever is more beneficial to him.

(10) In addition to pension or family pension, as the case may be, the employee who opts for pension on the basis of combined service shall also be eligible to dearness relief as per industrial dearness allowance pattern.

(11) The benefits of pension and family pension shall be available to quasi-permanent and temporary transferred railway servants after they have been confirmed in the public sector undertaking.

(12) A permanent railway servant absorbed in a public sector undertaking or a temporary or quasi-permanent railway servant who has been confirmed in a public sector undertaking subsequent to his absorption therein, shall be eligible to seek voluntary retirement after completing ten years of qualifying service with the Government and the public sector undertaking taken together, and such person shall be eligible for pensionary benefits on the basis of qualifying service.

(13) The Government shall create a pension fund in the form of a trust and the pensionary benefits of absorbed employees shall be paid out of such pension fund.

(14) The Member Staff, Railway Board shall be the Chairperson of the Board of Trustees which shall include representatives of the Ministries of Finance, Personnel, Public Grievances and Pensions, Labour, concerned public sector undertaking and their employees and experts in the relevant field to be nominated by the Government.

(15) The procedure and the manner in which pensionary benefits are to be sanctioned and disbursed from the pension fund shall be determined by the Government on the recommendations of the board of trustees.

(16) The Government shall discharge its pensionary liability by paying in lump sum as a one time payment to the pension fund the pension or service gratuity and retirement gratuity for the service rendered till the date of absorption of the railway servant in the public sector undertaking.

(17) The manner of sharing the financial liability on account of payment of pensionary benefits by the public sector undertaking shall be determined by the Government.

(18) Lump sum amount of the pension shall be determined in accordance with the Table of the values in Appendix to the Railway Services (Commutation of Pension) Rules, 1993.

(19) The public sector undertaking shall make pensionary contribution to the pension fund for the period of service to be rendered by the concerned employees under that undertaking at the rates as may be determined by the board of trustees so that the pension fund shall be self supporting.

(20) If, for any financial or operational reason, the trust is unable to discharge its liabilities fully from the Pension Fund and the public sector undertaking is also not in a position to meet the shortfall, the Government shall be liable to meet such expenditure and such expenditure shall be debited to either the fund or to the public sector undertaking.

(21) Payments of pensionary benefits of the pensioners of a railway Department on the date of conversion of it into a public sector undertaking shall continue to be the responsibility of the Government and the mechanism for sharing its liabilities on this account shall be determined by the Government.

(22) Upon conversion of a Railway Department into a public sector undertaking,—

(a) the balance of provident fund standing at the credit of the absorbed employees on the date of their absorption in the public sector undertaking shall with the consent of such undertaking, be transferred to the new provident fund account of the employees in such undertaking;

(b) Earned leave and half pay leave at the credit of the employees on the date of absorption shall stand transferred to such undertaking;

(c) the dismissal or removal from service of the public sector undertaking of any employee after his absorption in such undertaking for any subsequent misconduct shall not amount to forfeiture of the retirement benefits for the service rendered under the Railways and in the event of his dismissal or removal or retrenchment, the decisions of the undertaking shall be subject to review by the Ministry of Railways with the undertaking.

(23) In case the Government disinvests its equity in any public sector undertaking to the extent of fifty-one per cent or more, it shall specify adequate safeguards for protecting the interest of the absorbed employees of such public sector undertaking.

(24) The safeguards specified above shall include option for voluntary retirement or continued service in the undertaking or voluntary retirement benefits on terms applicable to railway servants or employees of the public sector undertaking as per option of the employees and assured payment of earned pensionary benefits with relaxation in period of qualifying service, as may be decided by the Government.

2.7 Conditions for payment of pension on absorption consequent upon conversion of a Railway Department into a Central autonomous body:-

- (1) On conversion of a Department of the Railway into an autonomous body, all railway servants of that Department shall be transferred en-masse to that autonomous body on terms of foreign service without any deputation allowance till such time as they get absorbed in the said body and such transferred railway servants shall be absorbed in the autonomous body with effect from such date as may be notified by the Government.
 - (2) The Government shall allow the transferred railway servants an option to revert back to the Government or to seek permanent absorption in the autonomous body.
 - (3) The option referred to above shall be exercised by every transferred railway servant in such manner and within such period as may be specified by the Government.
 - (4) The permanent absorption of the railway servants of the autonomous body shall take effect from the date on which their options are accepted by the Government and on and from the date of such acceptance, such employees shall cease to be railway servants and they shall be deemed to have retired from railway service.
 - (5) Upon absorption of railway servants in the autonomous body, the posts which they were holding in the Government before such absorption shall stand abolished.
 - (6) The employees who opt to revert to railway service shall be redeployed through the surplus cell of the Government.
 - (7) The employees including quasi-permanent and temporary employees but excluding casual labourers, who opt for permanent absorption in the autonomous body, shall on and from the date of absorption, be governed by the rules and regulations or bye-laws of the autonomous body.
 - (8) A permanent railway servant who has been absorbed as an employee of an autonomous body and his family shall be eligible for pensionary benefits (including commutation of pension, gratuity, family pension or extra-ordinary pension), on the basis of combined service rendered by him in the Railways and autonomous body in accordance with the formula for calculation of such pensionary benefits as may be in force at the time of his retirement from the autonomous body or death or at his option, to receive benefits for the service rendered under the Railways in accordance with the orders issued by the Government.
- Explanation:** - The amount of pension or family pension in respect of the absorbed employee on retirement from autonomous body or death shall be calculated in the same way as would be the case with a railway servant retiring or dying on the same day.
- (9) The pension of an employee above (8) shall be calculated at fifty per cent of emoluments or average emoluments, whichever is more beneficial to him.
 - (10) In addition to pension or family pension, as the case may be, the absorbed employees who opt for pension on the basis of combined service shall also be eligible to dearness relief as per central dearness allowance pattern.

- (11) The benefits of pension and family pension shall be available to quasi- permanent and temporary transferred railway servants after they have been confirmed in the autonomous body.
- (12) The Government shall create a pension fund in the form of a trust and the pensionary benefits of absorbed employees shall be paid out of such pension fund.
- (13) The Member Staff, Railway Board shall be the Chairperson of the board of trustees which shall include representatives of the Ministries of Finance, Personnel, Public Grievances and Pensions, Labour, concerned autonomous body and their employees and experts in the relevant field to be nominated by the Government.
- (14) The procedure and the manner in which pensionary benefits are to be sanctioned and disbursed from the pension fund shall be determined by the Government on the recommendations of the board of trustees.
- (15) The Government shall discharge its pensionary liability by paying in lump sum as a one time payment to the pension fund the pension or service gratuity and retirement gratuity for the service rendered till the date of absorption of the railway servant in the autonomous body.
- (16) The manner of sharing the financial liability on account of payment of pensionary benefits by the autonomous body shall be determined by the Government.
- (17) Lump sum amount of the pension shall be determined in accordance with the Table of the values in Appendix to the Railway Services (Commutation of Pension) Rules, 1993.
- (18) The autonomous body shall make pensionary contribution to the pension fund for the period of service to be rendered by the concerned employees under that body at the rates as may be determined by the Board of Trustees so that the pension fund shall be self-supporting.
- (19) If, for any financial operational reason, the trust is unable to discharge its liabilities fully from the pension fund and the autonomous body is also not in a position to meet the shortfall, the Government shall be liable to meet such expenditure and such expenditure shall be debited to either the fund or to the autonomous body, as the case may be.
- (20) Payments of pensionary benefits of the pensioners of a Railway Department on the date of conversion of it into an autonomous body shall continue to be the responsibility of the Government and the mechanism for sharing its liabilities on this account shall be determined by the Government.
- (21) Upon conversion of a Department of the Railway into an autonomous body.—
- (a) the balance of provident fund standing at the credit of the absorbed employees on the date of their absorption in the autonomous body shall, with the consent of such body, be transferred to the new provident fund account of the employees in such body;
- (b) earned leave and half pay leave at the credit of the employees on the date of absorption shall stand transferred to such body;
- (c) the dismissal or removal from service of the autonomous body of any employee after his absorption in such body for any subsequent misconduct shall not amount to forfeiture of the retirement benefits for the service rendered under the Railways and in the event of his dismissal

or removal or retrenchment, the decisions of the body shall be subject to review by the Ministry of Railways.

(22) In case the Government disinvests its equity in any autonomous body to the extent of fifty-one per cent. or more, it shall specify adequate safeguards for protecting the interest of the absorbed employees of such autonomous body.

(23) The safeguards specified above shall include option for voluntary retirement or continued service in the body, as the case may be or voluntary retirement benefits on terms applicable to railway employees or employees of the autonomous body as per option of the employees, assured payment of earned pensionary benefits with relaxation in period of qualifying service, as may be decided by the Government."

(Authority: Railway Board's letter No. 2011/F (E) III/1(1)9 dated 23.09.13)

2.8 Invalid pension

Invalid Pension- (1) Invalid pension may be granted to a railway servant who retires from service on account of any bodily or mental infirmity, which permanently incapacitates him for the service.

(2) A railway servant applying for an invalid pension shall submit a medical certificate, from a duly constituted medical authority, of his permanent incapacity for service due to bodily or mental infirmity.

(3) Where the medical authority referred to above has declared a railway servant fit for further service of less laborious character than that which he had been doing he should, provided he is willing to be so employed, be employed on a lower post and if there be no means of employing him even on a lower post, he may be admitted to invalid pension.

(4) A railway servant may, if he considers that he is not in a fit state of health to discharge his duties, apply to the appropriate authority for retirement on invalid gratuity or pension.

2.9 Compensation Pension

(1) If a railway servant is selected for discharge owing to the abolition of his permanent post, he shall, unless he is appointed to another post the conditions of which are deemed by the authority competent to discharge him, to be at least equal to those of his own have the option –

(a) of taking compensation pension to which he may be entitled for the service he had rendered, or

(b) of accepting another appointment on such pay as may be offered and continuing to count his previous service for pension.

(2)(a) Notice of at least three months shall be given to a railway servant in permanent employment before his services are dispensed with on the abolition of his permanent post.

(b) Where notice of at least three months is not given to the railway servant and he has not been provided with other employment on the date on which his services are dispensed with, the authority competent to dispense with his services, may sanction the payment of a sum not

exceeding the pay and allowances for the period by which the notice actually given to him falls short of three months.

(c) No compensation pension shall be payable for the period in respect of which he received pay and allowances in lieu of notice.

(3) In case a railway servant is granted pay and allowances for the period by which the notice given to him falls short of three months and he is re-employed before the expiry of the period for which he has received pay and allowances he shall refund the pay and allowances so received for the period following his re-employment.

(4) If a railway servant who is entitled to compensation pension accepts instead another appointment under the railways and subsequently becomes again entitled to receive a pension of any class, the amount of such pension shall not be less than what he could have claimed if he had not accepted the appointment.

3.0 Compulsory Retirement pension

Compulsory retirement pension – (1) A railway servant compulsorily retired from service as a penalty may be granted, by the authority competent to impose such penalty, pension or gratuity, or both at a rate not less than two-thirds and not more than full compensation pension or gratuity, or both admissible to him on the date of his compulsory retirement.

(2) Whenever, in the case of a railway servant the President passes an order (whether original, appellate or in the exercise of power of review) awarding a pension less than the full compensation pension admissible under these rule, the Union Public Service Commission shall be consulted before such order is passed.

Explanation – In this sub-rule, the expression "pension" includes "gratuity".

(3) A pension granted or awarded under (1) or, as the case may be, under (2), shall not be less than nine thousand rupees per mensem w.e.f 01.01.2016.

3.1 Compassionate Allowance

Compassionate allowance – (1) A railway servant who is dismissed or removed from service shall forfeit his pension and gratuity:

Provided that the authority competent to dismiss or remove him from service may, if the case is deserving of special consideration, sanction a compassionate allowance not exceeding two-thirds of pension or gratuity or both which would have been admissible to him if he had retired on compensation pension.

(2) A compassionate allowance sanctioned under (1) shall not be less than nine thousand rupees per mensem.

(Authority: Railway Board's letter No. 2016/F (E) III/1(1)8 dated 12.08.2016)

Retirement/Death Gratuity

1. Retirement/Death Gratuity

Retirement gratuity or death gratuity – (1) (a) In the case of a railway servant, who has completed five years' qualifying service and has become eligible for service gratuity or pension under Pension Rule shall, on his retirement, be granted retirement gratuity equal to one fourth of his emoluments for each completed six monthly period of qualifying service subject to a maximum of sixteen and one-half times the emoluments and there shall be no ceiling on reckonable emoluments for calculating the gratuity.

(b) If a railway servant dies while in service, the amount of death gratuity shall be paid to the family in the manner indicated in the Table below:-

Table

Length of qualifying service	Rate of gratuity
Less than one year	2 times of monthly emoluments
One year or more but less than 5 years	6 times of monthly emoluments
Five year or more but less than 11 years	12 times of monthly emoluments
11 years or more but less than 20 years.	20 times of monthly emoluments
20 years or more.	Half month's emoluments for every completed six monthly period of qualifying service subject to a maximum of thirty three times of emoluments.

(Authority: Para 6.1 of Railway Board's letter No. 2016/F (E) III/1(1)8 dated 12.08.2016)

The maximum limit of Retirement gratuity & Death gratuity shall be Rs 20 lacs. The ceiling on gratuity will increase by 25% whenever the dearness allowance rises by 50% of the basic pay.

Provided further that the amount of retirement or death gratuity as finally calculated shall be rounded of to the next higher rupees.

(2) If a railway servant, who has become eligible for a service gratuity or pension, dies within five years from the date of his retirement from service including compulsory retirement as a penalty and the sums actually received by him at the time of his death on account of such gratuity or pension including ad-hoc increase, if any, together with the retirement gratuity admissible and the commuted value of any portion of pension commuted by him are less than

the amount equal to twelve times of his emoluments, a residuary/gratuity equal to the deficiency may be granted to his family in the manner provided under the Rules.

(3) The emoluments for the purpose of gratuity admissible under this rule shall be reckoned in accordance with rule 49;

Provided that if the emoluments of a railway servant have been reduced during the last ten months of his service otherwise than as a penalty the average emoluments as referred to in the 50 shall be treated as emoluments.

Provided further that the dearness allowance admissible on the date of retirement or death, as the case may be, shall also be treated as emoluments for the purpose of this rule.

(Authority: Railway Board's letter No. 2011/F (E) III/1(1) dated 23.09.13)

Family

1.1 'Family' in relation to railway servant, for payment of Retirement/Death gratuity means –

- (i) Wife or wives including judicially separated wife or wives in the case of a male railway servant.
- (ii) Husband including judicially separated husband in the case of a female railway servant.
- (iii) Sons including step-sons and adopted sons.
- (iv) Unmarried daughters including step-daughters and adopted daughters.
- (v) Widowed daughters including step-daughters and adopted daughters.
- (vi) Father including adoptive parents in the case of individuals whose personal law permits adoption.
- (vii) mother.
- (viii) brother below the age of eighteen years including step brothers
- (ix) unmarried sisters and widowed sisters including step sisters.
- (x) married daughters.
- (xi) children of pre-deceased son.

2. Persons to whom gratuity is payable

Persons to whom gratuity is payable –(1) (a) The gratuity payable under pension rules shall be paid to the person or persons on whom the right to receive the gratuity is conferred by the railway servant by making a nomination under the rules;

(b) If there is no such nomination or if the nomination made does not subsist, the gratuity shall be paid in the manner indicated below: -

(i) If there are one or more surviving members of the 'family' as in items (i), (ii), (iii), (iv) and (v) of para 1.1, to all such members in equal shares;

(ii) If there are no such surviving members of the family as in item (i) above, but there are one or more members as in items (vi), (vii), (ix), (x) and (xi) of para 1.1 to all such members in equal shares.

(2) If a railway servant dies after retirement without receiving the gratuity admissible under the rules, the gratuity shall be disbursed to the family in the manner indicated in above.

(3) The right of a female member of the family, or that of a brother of a railway servant who dies while in service or after retirement, to receive the share of gratuity shall not be affected if the female member marries or re-marries or the brother attains the age of eighteen years, after the death of the railway servant and before receiving his or her share of gratuity.

(4) Where the gratuity is granted to a minor member of the family of the deceased railway servant, it shall be payable to the guardian on behalf of the minor.

Nomination

(1) A railway servant shall on his initial confirmation in a service or post, make a nomination conferring on one or more persons the right to receive the death-cum-retirement gratuity.

(Authority: File No. 2015/F(E)III/1(1)/4 dt.17.06.16 RB NO.70)

Provided that if at the time of making the nomination –

- (i) the railway servant has a family, the nomination shall not be in a favour of any person or persons other than the members of his family; or
- (ii) the railway servant has no family, the nomination may be made in favour of a person or persons, or a body of individuals, whether incorporated or not.

(2) If a railway servant nominates more than one person, he shall specify in the nomination the amount of share payable to each of the nominees in such manner as to cover the entire amount of gratuity.

(3) A railway servant may provide in the nomination –

- (i) that in respect of any specified nominee who pre-deceases the railway servant, or who dies after the death of the railway servant but before receiving the payment of gratuity, the right conferred on that nominee shall pass to such other person as may be specified in the nomination;

Provided that if at the time of making the nomination the railway servant has a family consisting of more than one member, the person so specified shall not be a person other than a member of his family.

Provided further that where a railway servant has only one member in his family, and a nomination has been made in his favour, it is open to the railway servant to nominate alternate nominee or nominees in favour of any person or a body of individuals, whether incorporated or not.

- (ii) that the nomination shall become invalid in the event of the happening of the contingency provided therein.

(4) The nomination made by a railway servant who has no family at the time of making it, or the nomination made by a railway servant under the second proviso to clause (1) of (3) above where he has only one member of his family shall become invalid in the event of the railway

servant subsequently acquiring a family, or an additional member in the family, as the case may be.

(5) A railway servant may, at any time, cancel nomination by sending a notice in writing to the authority mentioned in (7):

Provided that he shall, along with such notice send a fresh nomination made in accordance with the rules.

(6) Immediately on the death of a nominee in respect of whom no special provision has been made or on the occurrence of any event by reason of which the nomination becomes invalid, the railway servant shall send a notice in writing canceling the nomination together with a fresh nomination.

(7)(a) Every nomination made, and every notice of cancellation given by a railway servant under these rules, shall be sent by the railway servant to his Accounts Officer in the case of a gazetted railway servant and to the Head of his office in the case of non gazetted railway servant.

(b) Immediately on receipt of a nomination from non-gazetted railway servant, the Head of Office shall countersign it indicating the date of receipt and keep with him or other responsible officer nominated by him for this purpose, and a clear note made in the service record or service book, as the case may be, of the railway servant as to what nomination and related notices have been received from him and where they have been lodged for safe custody and an acknowledgement to the railway servant concerned confirming that the nominations made by him and the related notices have been duly received and placed on record shall invariably be sent to every railway servant making or cancelling a nomination, by the Accounts Officer in the case of gazetted railway servants and by the Head of Office in the case of non-gazetted railway servants.

Note: - The power to countersign nomination form sent by non-gazetted railway servants may be delegated by the Head of Office to his subordinate gazetted officer.

(8) Every nomination made, and every notice of cancellation given by a railway servant shall, to the extent that it is valid, take effect from the date on which it is received by the concerned authority.

Lapse of death-cum-retirement gratuity – Where a railway servant dies while in service; or after retirement without receiving the amount of gratuity and leaves behind no family, and –

(a) has made no nomination or

(b) the nomination made by him does not subsist the amount of death-cum retirement gratuity payable in respect of such railway servant under the rules shall lapse to the Government; Provided that the amount of death gratuity or retirement gratuity shall be payable to the person in whose favour a succession certificate has been granted by the Court of law.

Pension

Various orders on matters concerning pension issue from time to time.

2. On introduction of pension scheme on the Railways vide Board's letter No. F(E)50/RT1/6 dated 16.11.1957, Pension Rules as in force at that time were also circulated to the Railways. As per Pension Rules, pension and/or gratuity was admissible in the following cases.

- (a) Retirement on superannuation
- (b) Retirement on Medical invalidation
- (c) Retirement on completion of 30 years qualifying service
- (d) Abolition of post

3. The amount of pension finally determined shall be expressed in whole rupees and where the pension contains a fraction of rupee it shall be rounded off to the next higher rupee.

Clarification issued that orders for rounding off of the pension to the next higher rupee are applicable to all classes of pension including Extraordinary Pension, and the Compassionate Allowance which is in the nature of pension.

(Letter No. F(P) 66 PN 1/13 dated 7.4.1966, 14.4.1967 & 21.12.67)

4. Benefit of commutation allowed on the difference between the original pension and the enhanced pension fixed as a result of a portion of Dearness Allowance treated as Dearness Pay.

(Letter No. F(E) III 70 PN 1/28 dated 21.10.1971)

5. Pension including Compassionate Allowance shall not be reduced below the minimum permissible pension.

(Letter No. F(E) III 70PN 1/16 dated 1.4.1972 and F(E) III 75 PN 1/19 dated 27.3.1976)

6. With effect from 1.1.1973-

Gratuity shall be payable at the rate of 16 1/2 months' emoluments as against 15 months emoluments;

Maximum qualifying service for determining pension raised from 60 completed six monthly periods to 66 six monthly periods and the Invalid pension shall not be less than the amount of the family pension payable to the family of the deceased railway servant.

(Letter No. F(E) III 74 PN 1/3 dated 2.1.1974)

7. The recommendation of the Third pay Commission for grant of relief on pension to Class II, III and IV Railway servants retiring on and after 1.1.1973 was accepted.

(Letter No. PCIII/73/PN/3 dated 5.4.1974)

8. Relief on pension was also granted to Pre 1.1.1973 pensioners.

(Letter No. F (E) III/73 PN1/17 dated 15.5.1974)

9. Relief on pension was granted to Class I Officers.

(Letter No. PC III/73 PN/3 dated 18.7.1974)

10. Where the railway servant opted for the Railway Services (Revised Pay) Rules 1973 from a date subsequent to 1.1.1973, dearness pay, dearness allowance and the interim relief as in force on 31.12.1972 and drawn till the date the railway servant opted for the revised scale was treated as emolument for pensionary purposes.

(Letter No. PC III 73/PN/3 dated 9.9.1974)

11. Clarification was issued that relief on pension is admissible on Compassionate Allowance.

(Letter No.F(E)III 73 PN 1/17 dated 2.2.1976)

12. In the case of railway pensioner drawing another pension from the State Government, the relief on Railway pension shall be paid on the amount of pension as sanctioned by the Railway. The railway will have no objection if the State Government also pays the relief on the pension sanctioned by the State Government.

(Letter No.F(E)III 74 PN1/16 dated 27.2.1976)

13. The payment of provisional pension to the retiring railway servants against whom departmental or judicial proceedings had been instituted or continued after retirement is mandatory.

(Letter No.F(E)III 78 PN 1/11 dated 17.5.1978)

14. In respect of railway servants retiring on and after 31.3.1979, slab system was introduced under the Liberalisation of Pension Formula. The maximum pension alongwith relief was raised to Rs.1500/- per month as against the maximum pension of Rs.1000/-.

(Letter No.F(E)III/79/PN1/4 dated 1.6.1979)

15. Rules 2534, 2809, 2815, 2303, 2308/A and Form 30-D in Appendix XIII of the Indian Railway Establishment Code Vol. II authorising the competent authority to reduce pensionary benefits on grounds of unsatisfactory service record deleted.

(Letter no. F (E)III 80 PN 1/19 dated 18.11.1980)

16. Railway servants on retirement from service on attaining the age of superannuation or on being declared to be permanently incapacitated for further service by the appropriate authority after he has rendered temporary service of not less than 20 years allowed pension, gratuity and family pension. Hitherto pension was admissible only to a permanent railway servant. These orders were made applicable to railway servants who were in service on 31.12.1980.

(Letter No. F(E)III 78 PN 1/3 dated 21.12.1981)

17. In calculating the length of qualifying service, a fraction of a year equal to three months and above be treated as completed one half year and reckoned as qualifying service for determining the amount of pension.

(Letter No.F(E)III 79 PN 1/10 dt 25.8.1983)

18. Arrears of pension on the death of a pensioner are payable to his nominee. Railway servant at the time of retirement may submit nomination.

(Letter No. F (E)III 83 PN 1/25 dated 21.11.1983, 3.9.1984 and 26.2.1986).

19. As a result of Supreme Court Judgement, benefit of Liberalised Pension Formula was extended to all pensioners who were in receipt of superannuation, retiring Compensation and Invalid Pension as also Compassionate Allowance on 1.4.1979. The said formula provided for computation of average emoluments on the basis of emoluments drawn during the last 10 months (b) determination of pension with reference to 33 years qualifying service and the maximum pension restricted to Rs.1500/- per month as well as application of slab system in computing the pension from the average emoluments.

(Letters No. F(E)III PN 1/8 dated 29.11.1983, 8.5.1984 and 6.3.1986)

20. In the case of running staff retiring on and after 1.8.1981, 55% of pay element allowed to be counted as emoluments for retirement purposes.

(Letter No. E(P&A) II-82/Rs-7 dated 5.6.1984)

21. The scheme of voluntary retirement under rule 66 of the Railway Service (Pension) Rules, 1993 i.e after 30 years qualifying service shall not be applicable to those who are on assignment to ITDC, posted abroad in foreign based posts of the Government and those who are on specified assignment to foreign Governments.

(Letter No. F (E)III 85 PN 1/21 dated 19.9.1985)

22. With effect from 01.01.2016, the minimum pension (superannuation/retiring/invalid/Compensation) or family pension fixed at Rs.9000/- per month.

(Letter No. 2016/F(E)III/1(1)/8 dated 12.8.2016)

23. With effect from 28.10.1987, the benefit of added years of service under Rule 2423-A/RII shall be admissible to those who retired from service or post after 31.3.1960. This benefit contained in Rule 45 of Railway Services (Pension) Rules, 1993 discontinued w.e.f 01.01.2006.

(Letters No. F(E) III 87 PN 1/21 dated 4.12.1987 & F(E) III/92/PN 1/8 dated 20.4.1992)

24. Families of persons who retired prior to 1.1.1986 with not less than 10 years temporary service and were not eligible for pension were made eligible to the grant of family pension.

(Letter No. F(E) III 86 PN 1/4 dated 2.3.1988)

25. Pensioners is required to furnish on employment or employment/ re-employment certificate once in a year i.e in the month of November each year. Until such certificate is furnished, pension for the month of November and onward shall not be disbursed.

(Letter No. F (E) III/88/PN 1/21 dated 9.8.1988)

Gratuity

The following orders relating to Gratuity were issued from time to time.

2. The provisions regarding eligibility of DCRG, amount admissible and the persons entitled to receive the DCRG etc was given in the pension rules which were circulated at the time of introduction of the pension scheme on the railways vide letter No. F(P)50RT1/6 dated 16.11.1957.

3. Permanent railway servants are required to make nomination for payment of DCRG.

(Letter No. F(P)58 PN 1/5 III dated 31.10.1958 and F(P)59 PN 1/1 dated 5/17.2.1960)

4. Pensioner after retirement is not permitted to make nomination for payment of DCRG.

(Letter No. F (P) 58 PN 1/5 dated 10.2.1959)

5. Where the amount of ordinary gratuity/pension together with the DCRG and the commuted portion of pension, if any, were less than 12 times of the emoluments, residual gratuity making good the deficiency between the amount received and 12 times the emoluments be granted provided the railway servant had died within 5 years from the date of his retirement.

(Letter No. F(P) 58 PN 1/5 IV dated 28.5.1959)

6. Terminal gratuity is paid to a temporary railway servant who die while in service or retires on superannuation, medical invalidation or is discharged from service on account of reduction in establishment. The scale and the ceiling limit for grant of service gratuity/death gratuity is indicated in the following orders.

(Letters No. PC 60 RB-8/1 dated 31.10.1960

PC 60RB-2/3 dated 8.11.1960

F(P) 62 PN-1/4 dated 12.1.1962

F(P) 66 PN 1-21 dated 31.5.1967)

7. Personnel staff of Ministers and Deputy Ministers appointed at the discretion of the Minister/Deputy Minister and who on the date of their appointment are not Government servants are eligible to the payment of DCRG and family pension as admissible to the temporary employees.

(Letter No. F(P) 64 PN 1/22 dated 27.7.1961)

8. Adopted/step children are eligible to be included in the term 'family' for receiving terminal/death gratuity. The term 'father and mother' shall also include adoptive parents in case of individuals whose personal law permits such adoption. The order of preference of family members eligible to the payment of gratuity is given in the orders.

(Letter No F(P) 64 PN 1/42 dated 22.6.1966)

9. The term 'government dues' which can be deducted from the DCRG do not include dues payable by a railway servant to an autonomous organization while on deputation. Such dues however can be recovered from the DCRG with the express consent of the railway servant.

(Letter no. F(E)III 67 PN 1/24 dated 28.2.1968)

10. With effect from 22.7.1977, no deduction shall be made from the DCRG as contribution towards family pension as was required under the family Pension Scheme 1964.

(Letter No. F(E) III 76 PN 1/23 dated 6.10.1977)

11. The gratuity shall be calculated on the last pay drawn and not on the basis of average emoluments. Appropriate dearness pay shall also be taken into account for calculating the gratuity.

(Letter No. PCIII/79/DP/1 dated 26.9.1979)

12. Where disciplinary or judicial proceedings are pending against a railway servant on the date of retirement, no gratuity is paid until the conclusion of the proceedings and the issue of orders thereon. On conclusion of the proceedings, interest on delayed payment of DCRG may be paid if the railway servant is fully exonerated. The gratuity shall be deemed to have fallen due for payment on the day following the date of retirement.

(Letter No.F(E)III 79/PN 1/15 dated 25.5.1983)

Letter No. F(E)III 79/PN 1/15 dated 15.4.1991)

13. General Managers delegated powers to sanction interest on delayed payment of DCRG.

(Letter No. F(E) III 79 PN 1/15 dated 23.1.1987)

14. With effect from 1.1.1973, the maximum limit of DCRG was raised from 15 months emoluments to 16 ½ months emoluments.

(Letters No. PC III/73 PN/3 dated 2.1.1974)

15. In respect of railway servants retiring on and after 01.01.2016, upper ceiling limit of gratuity payable was enhanced to Rs.20 Lacs. The ceiling on gratuity will increase by 25% whenever the dearness allowance rises by 50% of the basic pay.

(Letter No. F(E) III 82 PN 1/3 dated 17.5.1985)

16. With effect from 12.2.1985, the amount of DCRG as also the commuted value of pension as finally calculated shall be rounded off to the next higher rupee.

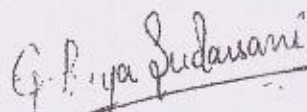
(Letter No. F(E)III 86 PN 1/3 dated 4.2.1986)

17. The service gratuity for qualifying service of less than 10 years shall be calculated at a uniform rate of half months emolument for every completed six monthly period of service.

(Letter No. PC-IV/87/Imp/PN 1 dated 15.4.1987)

18. The President has 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 or ordering recovery from pension or gratuity of the whole or part pecuniary loss caused to the Government, if, in any departmental or judicial proceedings, the pensioner is found guilty of grave mis-conduct or negligence during the period of his service, including service rendered upon reemployment after retirement. Here the term pension includes gratuity.

(Ref. F(E)III/91/PN1/29 dated 16.12.91 and F(E)III/88/LE1/1 dated 7.8.89).



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