



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.289/2019
पूतरे/कार्मिक/आर/ECOR/Pers/R/Pension

RBE NO-211/2019
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,वालातेरु, संबलपुर,
मु;कारखाना प्रबंधक/कारखाना कार्मिक अधिकारी- मंचेश्वर, अतिरिक्त रजिस्ट्रार/रेल दावा अधिकरण,
व.का अधिकारी(नि)/भुवनेश्वर
महा सचिव/इकोर थ्र. कां., महा सचिव/इकोर थ्र. यू.,
महा सचिव/एआई ओ बी सी आर ई ए, महा सचिव/ ए आई एस सी एस टी आर ई ए

Sub: Master Circular -61 on Commutation of Pension for Railway Servants.

उपर्युक्त विषय पर बोर्ड पत्र सं 2019/F(E)III/7/3 दिनांक 16.12.2019 की प्रतिलिपि सूचना, मार्गदर्शन एवं आवश्यक कार्रवाई हेतु अग्रेषित है।

A copy of the Board's Lr. No2019/F(E)III/7/3 Dated 16.12.2019 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

प्रतिलिपि प्रेषित/Copy to :

- 1) महाप्रबंधक के सचिव/पूर्व तट रेलवे, भुवनेश्वर
- 2) मुकाधि/मुकाधि(प्रशा.), उप म.प्र. अध्यक्ष(रेलवे भर्ती प्रकोष्ठ)
- 3) उपा 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/सहा.कार्मिक अधि.(मुख्या.-1),सहा.कार्मिक अधि.(कल्याण),

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

No. 2019/F(E)III/7/3

New Delhi, Dated : 16.12.2019

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

Sub: Master circular on Commutation of Pension for Railway Servants.

Master Circular No. 61 on the concept of "Commutation of Pension for Railway Servants" was last brought out and circulated vide Board's letter No. F(E)III/93/M.C.(5)/Commutation dated 28.11.1994. 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.

COMMUTATION OF PENSION

A railway servant shall be entitled to commute for a lumpsum payment a fraction not exceeding forty percent of his pension and shall indicate the percentage of pension which he desires to commute and shall either indicate maximum limit of forty percentage of pension or such lower limit as he may desire to commute.

A Railway servant shall be entitled to commute for lump sum payment of an amount not exceeding forty percent of his pension.

2. In an application for commutation in Form 8 of the Railway Services (Pension) Rules, 1993 or in Form 1 or Form 2 or Form 3 of the Railway Services (Commutation of Pension) Rules, 1993, as the case may be, an applicant shall indicate the percentage of pension which he desires to commute and shall indicate the maximum limit of forty percent of pension or such lower limit as he may desire to commute.

(Authority:- Railway Board File No. 2015/F(E)III/1(2)/8 dated 22.09.2015 -
RBE No.:- 113/2015)

3. If percentage of pension to be commuted results in fraction of rupee, such fraction of rupee, shall be ignored for the purpose of commutation.

(Authority:- Railway Board's letter No. 2011/F(E)III/1(2)/13 dated 14.01.2013)

4. Personal pension sanctioned in the case of those retired on or after 31.03.1985 but before 01.01.1986 will not be taken into account for the purpose of determining commuted value of pension and relief on pension.

(Authority:- Railway Board letter No. PC IV/87/Imp/PN/1 dated 15.04.1987)

5. Commutation of pension to become absolute:-

The commutation of pension shall become absolute in the case of an applicant who is in receipt of -

- (i) Superannuation pension.
- (ii) Retiring pension.
- (iii) Pension on absorption in or under a corporation or company or body and who elects to receive monthly pension and retirement gratuity.
- (iv) Compensation pension on abolition of permanent post.
- (v) Pension in whole or in part on the finalization of departmental or judicial proceedings and issue of final orders thereon.

On the date on which the application in Form 1 is received by the Head of Office. If, however, a railway servant who is due to retire on superannuation and desires payment of the commuted value of pension being authorized at the time of issue of the PPO and applies in Form 8 of the Railway Services (Pension) Rules, 1993 for commutation of a percentage of

pension along with pension papers prior to the date of retirement the commutation of pension becomes absolute on the date following the date of retirement.

Subject to the condition that –

- (a) the railway servant retires on superannuation pension only;
- (b) the application is submitted to the Head of Office in Form 2 of these rules or in Form 8 of the Railway Services (Pension) Rules, 1993, so as to reach the Head of Office not later than three months before the date of superannuation;
- (c) no such application shall be entertained if the period is less than three months from the date of superannuation of the railway servant; and
- (d) the railway shall have no liability for the payment of the commuted value of pension if the Railway servant dies before the date of superannuation or forfeits claim to pension before such retirement.

(Authority:- Railway Board File No. 2015/F(E)III/1(2)/8 dated 22.09.2015 – RBE No. 113/2015)

Provided that –

- (a) In the case of an applicant who is drawing his pension from a treasury or Accounts Officer, the reduction in the amount of pension on account of commutation shall be operative from the date of receipt of the commuted value of pension or at the end of three months after issue of authority by the Accounts Officer for the payment of commuted value of pension, whichever is earlier;
- (b) In the case of an applicant who is drawing pension from a branch of a Nationalized bank or Post Office, the reduction in the amount of pension on account of commutation shall be operative from the date on which the commuted value of pension is credited by the bank to the applicant's account to which pension is being credited; and
- (c) In case of an applicant in whose case the commuted value of pension becomes payable on the day following the date of his retirement, the reduction in the amount of pension on account of commutation shall be operative from its inception. Where payment of commuted value of pension could not be made within the first month after the date of retirement, the difference of monthly pension for the period between the day following the date of retirement and the date preceding the date on which the commuted value of pension is deemed to have been paid shall be authorized by the Accounts Officer.

5.2 In the case of applicant who is in receipt of provisional pension under Rule 91 of the Railway Services (Pension) Rules, 1993 or whose pension has retrospectively been enhanced,

the commuted value is paid in two or more stages. Accordingly, the reduction in the amount of pension shall be made from the respective dated of the payments as laid down in clause (a) or clause (b) of the provision to para 5.

(Authority: Railway Board's letter No.2011/F(E)III/1(2)/13 dated 14.01.2013)

5.3 The date on which the payment of the commuted value of pension was credited to the applicant's accounts shall be entered in both halves of the pension payment order by the disbursing authority under intimation to the Accounts Officer who authorized the payment of commuted value of pension.

**(Authority: Railway Board's letter No. F(E)III/76/PN1/24 dated 04.01.1979 and
08.08.1983,**

No. F(E)III/85/PN1/16 dated 12.09.1985)

5.4 A railway servant who is in receipt of pension on absorption in or under a corporation or company or body and who elects to receive monthly pension and retirement gratuity and in whose case the order retiring him from railway service has been issued from a retrospective date, the period of one year for applying commutation of pension in Form 1 without medical examination shall be reckoned from the date of issue of such retirement order.

5.5 A railway servant who has been sanctioned in whole or in part on the finalization of department or judicial proceedings and issue of final orders thereon, the period of one year for applying commutation of pension in Form 1 without medical examination shall reckon from the date of the issue of the orders consequent on the finalization of the departmental or judicial proceedings.

5.6 In cases, where the commutation of pension is allowed only after the Medical Examination, the commutation will become absolute on the date on which the medical authority signs the medical report in Part III of Form 5.

6. Nomination:-

An applicant shall make a nomination in Form 6, along with the application for commutation conferring on one or more persons the right to receive the commuted value of pension in case the applicant dies without receiving the commuted value of pension in case the applicant dies without receiving the commuted value of pension in case the applicant dies without receiving the commuted value, on or after the date on which commutation became absolute.

6.2 If there is no such nomination, or if the nomination does not subsist, the commuted value shall be paid to the family in the manner indicated in clause (a) of sub-rule (1) of **Rule 71 of the Railway Pension Rules**

6.3 If in any case the commuted value cannot be paid in the manner indicated in para 6 and 6.2 above, the same shall be paid to his heirs.

7. **Calculation of commuted value of pension:-**

The lumpsum payable to an applicant shall be calculated in accordance with the Table of values prescribed from time to time and applicable to the applicant on the date on which the commutation becomes absolute.

7.2 The amount of commuted value of pension as finally calculated should be rounded off to the next higher rupee.

8. **Commutation of provisional pension:-** A railway servant to whom, pending assessment of final pension, provisional pension has been sanctioned under **Rule 91** of the Railway Services (Pension) Rules, 1993 shall be eligible to commute a fraction of such provisional pension subject to the limit specified under the Rules.

8.2 For the purpose of commutation of provisional pension, the provisions relating to commutation with Medical Examination or without Medical Examination, as the case may be, shall apply.

8.3 The provisions of para 8.2 shall apply to an applicant who for the purpose of commutation of provisional pension is governed by the provisions relating to commutation with Medical Examination.

- (i) Where an applicant desires to commute a **percentage** of his provisional pension which works out to be not exceeding **Six thousand rupees** per mensem and in whose case it is expected that the amount which he would be entitled to commute when the final amount of pension has been authorized would exceed **Six thousand rupees** per mensem, his application shall be deemed to be for commutation of amount exceeding **Six thousand rupees** per mensem.
- (ii) Where the applicant does not indicate the possibility of his entitlement to commutation of pension exceeding **Six thousand rupees** per mensem on the determination of final pension due to him, he shall be treated as having applied for commutation of pension not exceeding one hundred rupees per mensem.
- (iii) If on the determination of final pension, the applicant becomes entitled to commute his pension up to **Six thousand rupees** per mensem, he shall not be

required to undergo medical examination for payment to him of the difference between the commuted value of the pension originally commuted and the pension commuted subsequently.

- (iv) If on the determination of final pension, the applicant becomes entitled to commute a sum exceeding **Six thousand rupees**, he shall, for commutation of pension exceeding **rupees Six thousand**, be required to apply afresh in Form 2.

(Authorities: Railway Board's letter No. 2011/F(E)III/1(2)/13 dated 14.01.2013)

9. Retrospective revision of final pension –

An applicant who has commuted a percentage of his final pension, and after commutation, his pension has been revised and enhanced retrospectively as a result of Railway Board's decision, the applicant shall be paid the difference between the commuted value determined with reference to enhanced pension and the commuted value determined with reference to enhanced pension and the commuted value already authorised. For the payment of difference the applicant shall not be required to apply afresh:

Provided that in the case of an applicant who has commuted a **percentage** of his original pension not exceeding **Six thousand rupees** after being declared fit by a Civil Surgeon or a District Medical Officer and as a result of retrospective enhancement of pension, he becomes eligible to commute an amount exceeding **Six thousand rupees** per mensem, he shall be allowed the difference between the commuted value of **Six thousand rupees** per mensem and the commuted value of the **percentage** of the original pension without further medical examination. The commutation of any further amount beyond **Six thousand rupees** per mensem shall be treated as fresh commutation and allowed subject to examination by a Medical Board.

(Authority:- Railway Board File No. 2011/F(E)III/1(2)/13 14.01.2013)

10. Restoration of commuted pension:-

Restoration of commuted pension- The commuted amount of pension shall be restored on completion of fifteen years from the date the reduction of pension on account of commutation becomes operative.

Provided that when the commutation amount was paid on more than one occasion on account of upward revision of pension, the respective commuted amount of the pension shall be restored on completion of fifteen years from the respective date(s).

(Authority: Railway Board's letter No. 2011/F(E)III/1(2)/13 dated 14.01.2013)

11. Commutation of pension without medical examination:-

An applicant who is authorized one of the following types of pensions shall, subject, to the prescribed limit under the Rules is eligible to commute a **percentage** of his pension without medical examination.

- (a) a superannuation pension.
- (b) a retiring pension.
- (c) a pension on absorption in or under a corporation or company or body in terms of **Rule 53 of Railway Services (Pension) Rules, 1993** and who elects to receive monthly pension and retirement gratuity; or
- (d) a compensation pension on abolition of permanent post under **Rule 63 of Railway Services (Pension) Rules, 1993**.
- (e) a pension in whole or in part on the finalization of departmental or judicial proceedings referred to in **Rule 9 of Railway Services (Pension) Rules, 1993** and issue of final orders thereon.

(Authority: Railway Board's letter No. 2011/F(E)III/1(2)/13 dated 14.01.2013)

Provided that he applies for commutation of pension in accordance with the provisions of application for commutation of pension without medical examination.

11.2 An applicant who is in receipt of any one of the pensions mentioned in para 11 and desires to commute a **percentage** of the pension any time after the date following the date of his retirement from service but before the expiry of one year from the date of retirement, shall apply to the Head of Office but not later than one year from the date of his retirement;

And ensure that the application in Form 1, duly completed, is delivered to the Head of Office as early as possible but not later than one year of the date of his retirement:

Provided that in the case of an applicant –

- (a) Referred to in clause (c) of para 11 above, where order retiring him from Railway service had been issued from a retrospective date, the period of one year shall reckon from the date of issue of such retirement order;
- (b) Referred to in clause (e) of para 11 above, the period of one year shall reckon from the date of the issue of the orders consequent on the finalization of the departmental or judicial proceedings.

11.3 An applicant who applies for commutation of pension within one year of the date of his retirement but his application is received by the Head of Office after one year of the date of his retirement shall not be eligible to get his pension commuted, without medical examination. Such an applicant, if he desires to commute a **percentage** of his pension, shall apply afresh in Form 2 in accordance with the procedure laid down for commutation of pension after medical examination –

(Authority:- Railway Board File No. 2011/F(E)III/1(2)/13 14.01.2013)

12. A railway servant who is due to retire on superannuation and desires payment of the commuted value of pension being authorised at the time of issue of the pension payment order, shall be eligible to apply for commutation of a percentage of pension along with pension papers prior to the date of retirement.

However, if such railway servant desires to apply for commutation of a percentage of pension after submission of pension papers and Form 8 of the Railway Services (Pension) Rules, 1993, he shall apply for the same in Form 2.

12.2 The application for commutation of a percentage of pension under para 12 above shall be subject to the following; namely:-

- (a) the railway servant retires on superannuation pension only;
- (b) the application is submitted to the Head of Office, so as to reach the Head of Office not later than three months before the date of superannuation;
- (c) no such application shall be entertained if the period is less than three months from the date of superannuation of the railway servant; and
- (d) the railway shall have no liability for the payment of the commuted value of pension if the Railway servant dies before the date of superannuation or forfeits claim to pension before such retirement.

(Authority:- Railway Board File No. 2015/F(E)III/1(2)/8 dated 22.09.2015-RBE No.113/2015)

12.3 The commuted value of pension in such cases becomes payable on the day following the day of retirement. The reduction in the amount of pension on account of commutation shall be operative from its inception.

12.4 If for some reasons it is not possible to arrange payment of commuted value of pension within the first month after the date of retirement of the Railway servant, the Accounts Officer shall authorize payment of difference of monthly pension for the period between the day

following the date of retirement and upto the date preceding the date on which the commuted value of pension is deemed to have been paid.

13 Commutation of pension with medical examination:-

An applicant who retires on one of the following pension including provisional pension sanctioned under **Rule 9** of the **Railway Services (Pension) Rules, 1993** is eligible to commute a **percentage** of his pension subject to the limit specified under the rules after he has been medically examined by the appropriate medical authority and declared fit.

- (a) retires on invalid pension under Rule 55 of the Railway Services (Pension) Rules, 1993; or
- (b) is compulsorily retired from service as penalty and is granted pension under Rule 64 of the Railway Services (Pension) Rules, 1993.
- (c) is in receipt of compassionate allowance under Rule 65 of the Railway Services (Pension) Rules, 1993.
- (d) has retired from service on one of the pensions referred to in para 11 above but his application for commutation has not been received by the Head of Office within one year of his retirement, shall be eligible to commute a percentage of his pension subject to the limit specified after he has been declared fit by the appropriate medical authority.

(Authority: Railway Board's letter No. 2011/F(E)III/1(2)/13 dated 14.01.2013)

14. An applicant shall apply to the Head of Office for commutation of a **percentage** of his pension and the Head of Office on receipt of application shall-

- (a) acknowledge immediately the receipt of Form 3 in Part II of that Form and despatch the same to the applicant;
- (b) forward his application in original to the Accounts Officer in Part III of that Form with the request that Part IV of that Form may be completed immediately and returned to him as early as possible so that action for getting the applicant examined by the appropriate medical authority is taken.

14.2 The Accounts Officer on receipt of Form 3 from the Head of Office shall complete Part IV of that Form and transmit the same to the Head of Office as early as possible.

14.3 The Head of Office on receipt of Form 3 from the Accounts Officer shall address in Form 4 to the Chief Medical Authority where the applicant desire to be medically examined and forward to him the following documents:

- (i) Form 3 with Part IV of that Form duly completed in original;
- (ii) two copies of the applicant's photograph of which one shall be an attested copy;
- (iii) a copy of Form 5 with a spare copy of Part III of that form;
- (iv) report or statement of the applicant's case if he been granted invalid pension or has previously commuted part of his pension or declined to accept commutation on the basis of an addition of years to his actual age or has been refused commutation on medical grounds.

14.4 A copy of letter in Form 4 addressed to the Chief Medical Authority shall be endorsed to the applicant and the Accounts Officer by the Head of Office.

15. Action to be taken by the Chief Medical Authority:-

The medical authority on receipt of documents shall-

- (i) arrange as far as possible for the medical examination of the applicant by the medical authority at the nearest available station indicated by the applicant in Form 3;
- (ii) transmit the documents to the medical authority with the direction to examine the applicant;
- (iii) inform the applicant as to where and whom he should appear for medical examination or if necessary direct the medical authority to communicate to the applicant the date and time of such examination.

15.2 In fixing the date of medical examination is held, as far as possible, before the date of applicant's next birthday.

16. The Medical authority-

(1) Save as otherwise, the medical authority shall be a Medical Board, where an applicant for commutation of pension-

- (a) seeks commutation of invalid pension, or
- (b) seeks commutation of pension other than invalid pension but the amount of pension to be commuted together with the amount or amounts previously commuted exceeds six thousand rupees per mensem, or

(Authority: Railway Board's letter No. 2011/F(E)/III/1(2)/13 dated 14.01.2013)

- (c) has been refused commutation on medical grounds or if he having once declined accept commutation on the basis of addition of years to his actual

age recommended by the medical authority, applied for a second medical examination.

(2) In any other case not covered by the provisions mention in para 16(1), the medical authority shall be a Medical Officer not lower in status than that of a Divisional Medical Officer or a Civil Surgeon, as the case may be.

17. Fee for medical examination to be borne by the applicant- The applicant shall be required to pay for medical examination such fee as may be specified by the Railway Board.

18. **Failure to appear before medical authority:-**

If the applicant after receipt of communication from the Chief Medical Authority or the medical authority fails to appear for medical examination before the medical authority on the date and time communicated to him (including any change therein either at the request of the applicant or due to administrative reasons) and there is no reasonable ground for his failure, the medical authority shall report the fact to the Head of Office concerned and return the documents received from Head of Office.

18.2 With the return of documents to the Head of Office under as mentioned in para 18, the application for commutation shall be treated as having been withdrawn.

19. **Procedure for Medical Examination –**

The medical authority shall –

- (a) obtain from the applicant a statement in Part I of Form 5, duly signed by the applicant in its presence;
- (b) subject the applicant to medical examination and enter the result thereof in Part II of Form 5;
- (c) attest the unattested copy of the photograph of the applicant;
- (d) complete the certificate contained in Part III of Form 5;

Provided that where-

- (i) an applicant has been granted invalid pension, or
- (ii) an applicant has previously commuted a part of his pension; or
- (iii) an applicant has been refused commutation on medical grounds; or
- (iv) an applicant has declined to accept the commutation on the basis of addition of years to his actual age, the medical authority shall, before completing the

certificate contained in Part III of Form 5, take into consideration the statement of the medical case of the applicant.

19.2 After complying with the requirements of para 19, the medical authority shall without delay forward to the Accounts Officer who has already completed Part IV of Form 3, the following documents, namely:-

- (a) Form 3 in original;
- (b) Attested copy of the applicant's photograph,
- (c) Form 5 in original; and
- (d) A certified copy of Form 5 to the Head of Office.

who has countersigned Part IV of Form 3.

19.3 The medical authority shall also send to the applicant a certified copy of Part III of Form 5.

20. Second medical examination:- The second medical examination in the case of an applicant mentioned in para 16(1)(c) shall take place after the expiry of a period of not less than one year from the date of the first medical examination.

20.2 If the applicant desires to be re-examined on the expiry of the period specified in para 20, the examination shall be by a Medical Board at his own expense. For this purpose, he shall address a letter to the Head of Office with the request that arrangements for his re-examination by a Medical Board may be made. He shall indicate in the letter.

- (i) the medical authority which examined him earlier and the date on which such examination took place.
- (ii) the place where he was examined,
- (iii) the opinion of the medical authority,
- (iv) the date of birth and the date of retirement,
- (v) designation of the post held at the time of retirement,
- (vi) the amount of pension authorised,
- (vii) the percentage of pension which was originally applied for commutation.

(Authority: Railway Board's letter No. 2011/F(E)III/1(2)/13 dated 14.01.2013)

20.3 The Head of Office on receipt of letter under para 20.2 above, shall address the Chief medical authority for arranging re-examination of the applicant by a Medical Board and forward the following documents to such authority –

- (i) letter in original received from the applicant.
- (ii) the certified copy of Form 5 received earlier by the Head of Office from the medical authority.

20.4 The Chief medical authority on receipt of the communication from the Head of Office under para 20.3 shall inform the applicant as to where and when he should appear for medical examination before the Medical Board or if necessary direct the Medical Board to communicate to the applicant the place, date and time of such examination.

20.5 The applicant after the receipt of communication under para 20.4 shall appear before the Medical Board at the place and on the date and time communicated to him.

20.6 The Medical Board shall examine the applicant and if after the examination it is of the view that the earlier opinion of the medical authority needs no revision or modification or needs revision or modification shall record its opinion and communicate the same to the Head of Office under intimation to the applicant. The documents received by the Medical Board under para 20.3 shall also be returned to the Head of Office.

20.7 If as a result of the opinion of the Medical Board received by the Head of Office under para 20.6, the applicant becomes eligible to commute a fraction of pension originally applied for, the Head of Office shall determine the commuted value with reference to the Table applicable on the date, the Medical Board recorded its opinion. The Head of Office thereafter shall request the Accounts Officer to take further action for the authorization of the commuted value and forward the following documents to him: -

- (i) letter in original received from the applicant under para 20;
- (ii) the opinion of the Medical Board received under para 20.6 in original;
- (iii) calculation sheet showing the commuted value determined with reference to the revised or modified opinion of the Medical Board.

20.8 The Accounts Officer on receipt of the documents mentioned in para 20.7, shall verify the correctness of the commuted value determined by the Head of Office and thereafter take action to authorise the commuted value to the applicant under intimation to the Head of Office

21. Appeal against the findings of medical authority:-

Notwithstanding anything contained in para 20, an applicant mentioned in para 16 (1) (c) shall be eligible for second medical examination before the expiry of the period specified in para 20, if he feels that the medical authority in refusing commutation on medical grounds or making addition of years to his actual age has committed an error of judgement. Such an applicant may, within one month of the receipt of the certified copy of Part III of Form 5, from the medical authority, prefer an appeal by addressing a letter to the Head of Office that the opinion of the medical authority may be got reviewed by another medical authority at his own expenses. He shall also indicate in the letter –

- (i) the medical authority which had examined him earlier and the date on which the examination took place;
- (ii) the place where he has examined;
- (iv) the opinion of the medical authority;
- (iv) the date of birth and the date of retirement;
- (v) the designation of the post held at the time of retirement.
- (vi) the amount of pension authorised;
- (vii) the percentage of pension which was originally applied for commutation;

(Authority: Railway Board's letter No. 2011/F(E)III/1(2)/13 dated 14.01.2013)

21.2 In case an applicant referred to in para 21 –

- (i) was examined previously by a Medical Officer, not lower in status than a Divisional Medical Officer or Civil Surgeon he shall be re-examined by a Medical Board, or
- (ii) was previously examined by a Medical Board, shall be re-examined by a second Medical Board, the members of which shall be different from those of the first Medical Board.

21.3 The Head of Office shall, within one month of the receipt of letter under para 21, take steps for arranging the re-examination of the applicant. For this purpose, he shall address the Chief Medical Authority, where the applicant was examined previously. He shall, while addressing the Chief Medical Authority invite his attention to the provisions of rule 21 and forward to it the following documents: -

- (i) letter received from the applicant in original.

(ii) certified copy of Form 5 received earlier by the Head of Office from the medical authority

21.4 The Chief Medical Authority on receipt of communication from the Head of Office under para 21.3 shall arrange for the second medical examination of the applicant by a Medical Board which shall be constituted in accordance with the provisions of para 21.2. The Chief Medical Authority, shall thereafter inform the applicant as to where and when he should appear for medical examination before the Medical Board or if necessary direct the Medical Board to communicate to the applicant the place, date and time of such examination.

21.5 The applicant on receipt of the communication under para 21.4 shall appear for the medical examination before the Medical Board on the date and time, communicated to him.

21.6 The Medical Board shall examine the applicant and if after the examination, it is of the view that the earlier opinion of the medical authority needs no revision or modification or needs revision or modification shall record its opinion and communicate the same to the Head of Office under intimation to the applicant and the findings of the Medical Board shall be binding on the applicant.

21.7 If the Medical Board as a result of the second medical examination of the applicant, sets aside or modifies the opinion of the first medical authority, the findings of the Medical Board shall be deemed to have come into force on the date on which the first medical authority recorded its opinion and the claim of the applicant for commutation shall be settled accordingly.

21.8 Nothing contained in para 21 shall apply to an applicant in whose case the medical authority as a result of the first medical examination had directed the applicant's age for the purpose of commutation should be assumed to be greater than his actual age and the applicant received the commuted value with reference to the enhanced age.

22. Withdrawal of application-

The applicant may after giving notice in writing, to the Head of Office, withdraw his application at any time before subjecting himself to medical examination before the medical authority but in no case after he has appeared before such authority.

22.2 In case the medical authority directs that the applicant's age for the purpose of commutation shall be assumed to be greater than his actual age, the applicant may, -

- (a) by giving notice in writing to the Head of Office withdraw his application within fourteen days from the date on which he receives the certified copy of Part III of Form 5 and endorse a copy of notice to the Accounts Officer, or

- (b) request the Head of Office within the period specified in clause (a) under intimation to the Accounts Officer that he may be permitted to reduce the amount of pension already applied for commutation to an amount to be indicated by the applicant.

22.3 Where a request for withdrawal has not been made by the applicant within the time specified in clause (a) of para 22.2, it shall be presumed that he has accepted the findings of the medical authority and the Accounts Officer shall take action to authorize the payment of commuted value of pension.

22.4 If a request for reduction in the amount of pension to be commuted is made as provided in clause (b) of para 22.2 the Accounts Officer shall authorise the payment of commuted value of pension with reference to the reduced amount.

22.5 If the applicant is informed by the Accounts Officer under para 23 that on account of modification of the Table, the commuted value becoming payable to the applicant will be less than the value communicated to him in Form 4, it shall be open to the applicant to withdraw his application by a written notice addressed to the Accounts Officer and the applicant shall endorse a copy of the notice to the Head of Office within fourteen days of the date on which he receives intimation of such modification.

23. Modification in the value specified in the Table-

In case the value specified in the Table is modified at any time before the commutation becomes absolute in terms of para 5, the payment shall be made in accordance with the value so modified.

23.2 Where the commuted value calculated with reference to the Table as modified, is less favourable than the value determined with reference to the Table before it was so modified the Accounts Officer shall-

- (a) inform the applicant of the revised value and communicate to him the provisions of para 22.5, and
- (b) endorsed to the Head of Office a copy of the communication issued under clause (a).

24. Authorisation of payment of commuted value by the Accounts Officer-

Subject to the provisions of para 22.2 and para 22.3, the Accounts Officer on receipt of the documents referred to in para 19.2, from the medical authority, shall without delay issue an order to the disbursing authority concerned and furnish to it the following particulars and documents, namely: -

- (i) the amount of pension commuted, the amount of commuted value of pension and the date on which the commutation became absolute.
- (ii) the amount of residuary pension,
- (iii) Form 5 in original,
- (iv) copy of the applicant's photograph as attested by the medical authority,

24.2 The Accounts Officer shall also –

- (a) bring to the notice of disbursing authority the provisions of the proviso to para 5 regarding the date on which the amount of original pension should be reduced,
- (b) endorse the applicant a copy of the order issued under para 24 with the remarks that he should collect the commuted value from the disbursing authority; and (c) bring to the notice of the applicant the provisions of the proviso to para 5.

25. Final assessment of provisional pension:-

An applicant referred to in para 8.3 to whom the commuted value of the **percentage** of the provisional pension has been paid by the Head of Office, shall, on final assessment of the pension, be paid by the Accounts Officer, the difference between the commuted value so determined and the commuted value already paid :

Provided that where an applicant has been examined by a Medical Officer for the commutation of a **percentage** of provisional pension and such an applicant on assessment of final pension becomes eligible to commute an amount exceeding **Six thousand rupees** per mensem, he shall be allowed the difference between the commuted value of **Six thousand rupees** per mensem and the commuted value of the **percentage** of the provisional pension without further medical examination but the payment of the commuted value of pension exceeding **Six thousand rupees** per mensem shall be made if the applicant applies afresh for medical examination as provided in clause (c) of para 8.3 and he is declared fit by the Medical Board.

25.2 The commuted value of the **percentage** of provisional pension as indicated in the endorsement in Form 4 addressed to the applicant and forwarded under para 14.3 shall be deemed to have been amended with the issue of an authority by the Account's Officer for the payment of difference between the commuted value of the **percentage** of the final pension and the **percentage** of the provisional pension.

(Authority: Railway Board's letter No. 2011/F(E)III/1(2)/13 dated 14.01.2013)

26. The commutation table as in force at present is the one prescribed in Board's letter No. F(E)III/2008/PN1/13 dated 15.09.2008 – 112/2008.

27. Railway Pensioners' who had commuted a portion of their pension and on 01.04.1985 or thereafter have completed or will complete 15 years from their respective dates of retirement or commutation whichever is later will have their commuted portion of pension restored.

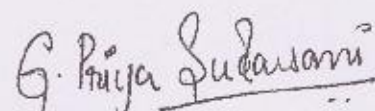
(Authority: Railway Board's letter No. F(E)III/87/PN1/7 dated 26.03.1987, 25.07.1987 and dated 26.10.1990)

28. Restoration of full pension of absorbee pensioners, who had drawn lump sum payment in lieu of monthly pension and where 1/3rd pension was restorable hence for, has been allowed in terms of instructions issued vide letter No. F(E)III/2005/PN1/23 dated 13.07.2017. Restoration will be allowed after expiry of Commutation period of 15 years from the date of payment of 100% lump-sum amount.

(Authority: Railway Board's letter No. F(E)III/2005/PN1/23 dated 13.07.2017)

29. The commuted value of pension shall be payable in Indian Rupees when it is payable abroad.

(Authority: Railway Board's letter No. F(P)66/PN1/13 dated 09.01.1968)


(G. Priya Sudarsani)
Director, Finance (Estt.),
Railway Board.