

**BENEFITS ACCRUING ON :**

<b>NORMAL RETIREMENT</b>	<b>DEATH</b>
Provident fund (own contribution).	Provident fund (own contribution).
Monthly Pension.	Monthly Family Pension.
Commutation of Pension (on request).	Deposit linked insurance amount.
Retirement Gratuity.	Death Gratuity.
CGEGIS (savings fund value with interest).	CGEGIS (full insurance value plus fund value with interest).
Encashment of leave.	Encashment of leave.
Composite Transfer Grant.	Composite transfer grant.
Restoration of commuted portion of pension 76/2008	Kit pass and settlement pass.
Kit pass and settlement pass.	
Post retirement passes.	Passes for widow/widower.
Railway Employees Liberalised Health scheme -1997.	Railway Employees Liberalised Health scheme -1997.
Retention of Railway Quarters.	Retention of Railway Quarters.
Benefits of staying in Holiday Homes/officers rest houses.	Appointment on compassionate grounds.

**GENERAL**

1. The age prescribed for retirement on superannuation is 60 years for all Government servants.
2. Retirement is effective from the afternoon of the last day of the month in which age of superannuation is attained.
3. An employee whose date of birth is 1<sup>st</sup> of the month shall retire on the afternoon of the last day of the preceding month.
4. The date of retirement on superannuation will be deemed as a working day.
5. In case of premature retirement/Voluntary retirement, the day of retirement will be treated as a non working day.
6. Entire gratuity will be withheld for non-vacation of quarters and during pendency of departmental or judicial proceedings.
7. Life certificate should be furnished to the pension disbursing authority by the pensioner/family pensioner in the month of November every year.
8. An amount of Rs.15,000/- is payable as immediate relief [Funeral Advance] to the family of an employee who dies while in service. This amount will be recoverable from the death gratuity payable.
9. Pension will be calculated and paid including the day of death of pensioner/family pensioner.
10. Pension/family pension is paid to employees who were appointed prior to 1.1.2004.
11. The existing Railway Services (Pension) Rules, 1993 including Commutation of Pension Rules and Extraordinary Pension Rules, and State Railway Provident Fund Rules as contained in Indian Railway Establishment Code Vol.I, (1985 Ed.) 1995 Reprint shall not be applicable to the new recruits entering into Railway service from 1.1.2004.

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**1. Provident fund (own contribution):**

This is paid to the employee at the time of his/her retirement from his/her own contribution to Provident fund together with interest thereon.

**2. Pension:**

This is a monthly recurring payment made to the Railway employees consequent upon their retirement with a qualifying service of not less than 10 years.:

1) Linkage of full pension with 33 years of qualifying service is dispensed with effect 2<sup>nd</sup> September, 2008. **A Railway servant who has rendered 20 years of qualifying service**, retiring after 2-9-2008, shall be eligible for 50% of the emoluments or average emoluments during the last ten months, whichever is more beneficial to him. **(S.C.118/08).**

**All employees becoming entitled to pension on completion of 10 years of qualifying service in accordance with Rule 69[2] of the Railway Services [Pension] Rules, 1993, on or after 01.01.2006, are eligible for pension equal to 50% of the emoluments or average emoluments,** whichever is more beneficial to them **(S.C.119/2010).**

2) Minimum Pension raised to Rs.3500/- and maximum Rs. 45000/- w.e.f.01.01.2006. **(S.C.118/08).**

3) Family Pension continue to be paid at 30% of last pay drawn subject to a minimum of Rs.3500/- and maximum of 27,000/- w.e.f.01.01.2006 **(S.C.118/08).**

4) Additional quantum of pension/family pension from 20% to 100% introduced to the pensioners /family pensioners in the age group of 80-100 and above.

Age of Family pensioner Additional quantum of pension

- i) From 80 years to less than 85 years 20% of revised Family pension
- ii) From 85 years to less than 90 years 30% of revised Family pension
- iii) From 90 years to less than 95 years 40% of revised Family pension
- iv) From 95 years to less than 100 years 50% of revised Family pension
- v) 100 years or more 100% of revised Family pension

The Pension sanctioning Authorities should ensure that the date of birth and the age of a pensioner is invariably indicated in the pension payment order to facilitate payment of additional pension by the Pension Disbursing Authority as soon as it becomes due. The amount of additional pension will be shown distinctly in the pension payment order. For example, in case where a pensioner is more than 80 years of age and his pension is Rs.10,000 p.m. the pension will be shown as (i) Basic pension = Rs.10,000 and (ii) Additional pension = Rs.2,000 p.m. The pension on his attaining the age of 85 years will be shown as (i) Basic pension = Rs.10,000 and (ii) additional pension = Rs.3,000 p.m.

**(S.C.118/08).**

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5)Fitment weightage of 40% is extended to pre-2006 retirees /family pensioners.

6)The period for which enhanced family pension payable to the family of a railway servant who dies in service, is extended to ten years without any upper age limit. Family pensioners in receipt of enhanced family pension on 01.01.06 are also covered under this provision.

7)In respect of persons appointed on or after 01.01.2004 and subsequently expired,family pension including enhanced family pension as above will be granted **on provisional basis** till further orders of Railway Board.

### **3. Qualifying Service:**

Qualifying service means the service rendered by the employee and it commences from the date he takes charge of the post to which he is first appointed either substantively or in an officiating/temporary capacity, provided without break, by confirmation.

The maximum qualifying service for reckoning pension, retirement/death gratuity is on completion of 10 years of qualifying service in accordance with Rule 69[2] of the Railway Services [Pension] Rules, 1993, on or after 01.01.2006, are eligible for pension equal to 50% of the emoluments or average emoluments, whichever is more beneficial to them.

### **Emoluments:**

The term "Emoluments" means the pay as defined in Rule 2003 (21) (a) (i)-RII which a railway servant was receiving immediately before his retirement or on the date of his death.

Non-practicing allowance admissible to Railway Medical Officer is treated as pay/emoluments for arriving at the retirement benefits.

In case of Running staff 55% of pay representing Running allowance will be treated as pay/emoluments for the purpose of retirement benefits.

### **Pension:**

1. Who are eligible to receive Pension?

Employees who retire on superannuation/ Voluntary retirement/ or Compulsorily retired (as a measure of penalty) or prematurely (on review of service)/invalidation having qualifying service of not less than 10 years.

2. Pension – Can it be withheld?

Pension and/ or gratuity can be withheld or withdrawn either in full or in part whether permanently or for a specified period by the President if the railway employee is held guilty of charges of grave misconduct or negligence in the disciplinary/judicial proceedings.

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3. Can pension be granted during pendency of departmental/judicial proceedings?

A railway servant against whom disciplinary proceedings for major penalty or judicial proceedings are pending on the date of retirement shall be granted only provisional pension and such provisional pension shall not be allowed to be commuted.

4. Calculation of Pension: a) 50% of the emoluments.

b) Pay + 55%

#### **Different Kinds of Pension:**

1. Superannuation Pension: This is granted to a railway servant who is retired on his attaining the age of compulsory retirement.
2. Retiring Pension: This is granted to a railway servant who retires or has retired before attaining the age of compulsory retirement.
3. In valid Pension: This is granted to a railway servant who retires from service on account of any bodily or mental infirmity which permanently incapacitates him for the service.
4. Compensation Pension: This is granted to a railway servant who is selected for discharge owing to abolition of his permanent post.
5. Compulsory retirement Pension: This is granted to a railway servant compulsorily retired from service as a penalty. Employees who are compulsorily retired from service as a penalty may be granted by the competent authority pensions or gratuity or both at a rate not less than 2/3<sup>rd</sup> of pension and not more than the compensation admissible on the date of compulsory retirement.

#### **COMMUTATION OF PENSION:**

A Government servant shall continue to be entitled to commute for a lumpsum payment upto 40% of his pension.

The existing Table of Commutation Value for Pension Annexed to the Railway Services [Commutation of Pension] Rules, 1993 shall be substituted by a new Table at Annexure of this letter.

The revised Table of Commutation Value for pension will be used for all commutations of pension which become absolute after 2<sup>nd</sup> September, 2008. In the case of those pensioners, in whose case commutation of pension became absolute on or after 1.1.2006 but before 2<sup>nd</sup> September, 2008, the pre-revised Table of Commutation Value for Pension will be used for payment of commutation of pension based on pre-revised pay/pension. Such pensioners shall have an option to commute the amount of pension that has become additionally commutable on account of retrospective revision of pay/pension on implementation of the recommendations of the Sixth Central Pay Commission. On exercising such an option by the pensioner, the revised Table of Commutation Value for Pension will be used for the commutation of the additional amount of pension that has become commutable on account of retrospective revision of pay/pension. In all cases where the date of retirement / commutation of pension is on or after 2<sup>nd</sup> September, 2008, the revised Table of Commutation Value for Pension will be used for commutation of entire pension.

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**Lumpsum commuted value:**

(Amount offered for commutation x commutation factor on age next birth day x 12)

Provisions of Railway Services [Commutation of Pension] Rules, 1993 shall stand modified in accordance with para 9.2 and 9.3 above.

**COMMUTATION VALUE FOR A PENSION OF Re.1 PER ANNUM**

Age next birthday	Commutation value expressed as No. of year's purchase	Age next birthday	Commutation value expressed as No. of year's purchase	Age next birthday	Commutation value expressed as No. of year's purchase
20	9.188	41	9.075	62	8.093
21	9.187	42	9.059	63	7.982
22	9.186	43	9.040	64	7.862
23	9.185	44	9.019	65	7.731
24	9.184	45	8.996	66	7.591
25	9.183	46	8.971	67	7.431
26	9.182	47	8.943	68	7.262
27	9.180	48	8.913	69	7.083
28	9.178	49	8.881	70	6.897
29	9.176	50	8.846	71	6.703
30	9.173	51	8.808	72	6.502
31	9.169	52	8.768	73	6.296
32	9.164	53	8.724	74	6.085
33	9.159	54	8.678	75	5.872
34	9.152	55	8.627	76	5.657
35	9.145	56	8.572	77	5.443
36	9.136	57	8.512	78	5.229
37	9.126	58	8.446	79	5.018
38	9.116	59	8.371	80	4.812

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39	9.103	60	8.287	81	4.611
40	9.090	61	8.194		

(S.C.NO.118/08)

Note: A Pensioner who has commuted a part of his pension shall receive only the balance of the pension monthly i.e., Residual Pension. Dearness Relief after commutation would be calculated on the original basic pension.

**Restoration of commuted portion of pension:**

The Government servants who had drawn lumpsum payment in respect of pro-rata pension have become entitled to restoration of 1/3<sup>rd</sup> commuted portion of pension as per the provisions of this Department's OM No. 34.2.86-P&PW dated 5<sup>th</sup> March 87 after 15 years from the date of commutation or 1.4.85 whichever is later (S.C.No.76/2008).

**GRATUITY:**

The maximum limit of all kinds of gratuity shall be Rs.10 lakh. Accordingly, first proviso under Rule 70(i)(b) of Pension Rules shall stand modified to the effect that the amount of retirement gratuity or death gratuity payable under this Rule shall in no case exceed Rs.10 lakh. (S.C.NO.118/08).

a) Retirement Gratuity  $\frac{(\text{Pay} + \text{DA}) \times \text{Qualifying Service (in 6 monthly periods)}}{4}$

b) Retirement Gratuity  $\frac{(\text{Pay} + 55\%) + \text{DA on } (\text{Pay} + 30\%) \times \text{Q.S. (in 6 monthly periods)}}{4}$

**COMPASSIONATE ALLOWANCE:**

The case of a removed/dismissed Railway servant is deserving of special consideration, the authority competent to dismiss or remove the Railway servant from service may 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.

Compassionate allowance being one of the classes of pensions, and a minimum qualifying service of ten years being prerequisite for sanction of any class of pension, before sanctioning compassionate allowance, it is absolutely necessary for the competent authority intending to sanction compassionate allowance to a person on whom the punishment of removal/dismissal is imposed, to satisfy itself that such a person had rendered not less than 10 years of qualifying service. (S.C.No.96/08 & Lr.No.P(R)500/XXIII. Dt.16.10.08.)

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### **FAMILY PENSION 1964:**

For the purpose of grant of Family Pension, the 'Family' shall be categorized as under:

#### **Category -I**

- [a] Widow or widower, upto the date of death or re-marriage, whichever is earlier.
- [b] Son/daughter [including widowed daughter], upto the date of his/her marriage/re-marriage or till the date he/she starts earning or till the age of 25 years, whichever is the earliest.

#### **Category -II**

- [c] Unmarried /Widowed/Divorced daughter, not covered by Category-I above, upto the date of marriage/re-marriage or till the date she starts earning or upto the date of death, whichever is earliest.
- [d] Parents who were wholly dependent on the Railway servant when he/she was alive provided the deceased employee had left behind neither a widow nor a child. Family pension to dependent parents and unmarried/divorced/widowed daughter will continue till the date of death.

Family pension to unmarried/widowed /divorced daughters in Category-II and dependent parents shall be payable only after the other eligible family members in Category-I have ceased to be eligible to receive family pension and there is no disabled child to receive the family pension. Grant of family pension to children in respective categories shall be payable in order of their date of birth and younger of them will not be eligible for family pension unless the next above him /her has become ineligible for grant of family pension in that category.

The dependency criteria for the purpose of family pension shall be the minimum family pension along with dearness relief thereon.

The childless widow of a deceased Railway servant shall continue to be paid family pension even after her remarriage subject to the condition that the family pension shall cease once her independent income from all other sources becomes equal to or higher than the minimum prescribed family pension in the Central Government. The family pensioner in such cases, would be required to give a declaration regarding her income from other sources to the pension disbursing authority every six months.

1.Family pension shall be calculated at a uniform rate of 30% of basic pay in all cases and shall be subject to a minimum of Rs.3500/- p.m. and maximum of 30% of the highest pay in the Government i.e, Rs.27000/-. [The highest pay in the Govt. is Rs.90,000 since 1.1.2006]. Rule 75[2] relating to Family Pension, 1964 under Pension Rules shall stand modified to this extent.

2.The enhanced family pension under Rule 75[4][i][a] shall be payable to the family of a Railway servant who dies in service from the date of death of the Railway servant for a period

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of ten years, without any upper age limit. Rule 75[4][i][a] shall stand modified to this extent. There will be no change in the period for payment of enhanced family pension to the family in the case of death of a pensioner. (S.C.NO.118/08)

### **CONSTANT ATTENDANT ALLOWANCE:**

In the case of pensioners who retired on disability pension under the Railway Services [Extraordinary Pension] Rules, 1993 for 100% disability [where the individual is completely dependent on somebody else for day to day functions] a Constant Attendant Allowance of Rs.3000/- p.m. shall be allowed in addition to the disability pension, on the lines existing in Defence Forces. The Railway Services [Extraordinary Pension] Rules, 1993 shall stand modified to this extent. (S.C.NO.118/08)

### **FINAL SETTLEMENT DUES[DEATH CASES]:**

#### **1. Family Pension** : ( to the persons appointed before 1.1.2004).

- a) The amount of family pension payable is 30% of basic pay subject to a minimum of **3500/-** and a maximum of **27,000/- w.e.f. 01.01.2006.**
- b) Railway servant who dies in service after having rendered not less than 7 years continuous service, enhanced family pension will be payable to the family from the date of death of the Railway Servant for a period of ten years without any upper age limit.
- c) In respect of persons appointed on or after 01.01.2004 and subsequently expired, family pension including enhanced family pension as above will be granted **on provisional basis** till further orders of Railway Board.

#### **2. Death Gratuity** : ( to the persons appointed before 1.1.2004).

- a) Death gratuity is granted at the following rates depending upon the length of qualifying service put in by the deceased employee, subject to a maximum of **10 lakhs**, as under :

##### ***Length of service Rate of Death Gratuity:***

- i) Less than One year 2 times of emoluments
- ii) One year or more but less than 5 years 6 times of emoluments.
- iii) 5 years or more but less than 20 years 12 times of emoluments
- iv) More than 20 years Half of emoluments for every completed six monthly period of qualifying service subject to a maximum of 33 times of emoluments and shall not exceed **10 lakhs.**

- 4. Ex-gratia Compensation** : Payable to families of Railway servant who die in harness in the performance of their bonafide official duties under various circumstances for which an application has to be submitted by the family to the administration.



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1 Death occurring due to accidents in the performance of bonafide official duties

10.00 lakhs

2 Death occurring in the course of performance of duties attributable to acts of violence by terrorists, anti-social elements, etc 10.00 lakhs

3 Death occurring during

[a] enemy action in international war or border skirmishes and

[b] action against militants, terrorists, extremists etc. 15.00 lakhs

4 Death occurring while on duty in the specified high altitude, inaccessible border posts, etc. on account of natural disasters, extreme weather conditions 15.00 lakhs.

The aggregate of the relief /ex-gratia compensation paid from different sources, such as PM's /CM's relief fund etc. is limited to 20.00 lakhs in each individual case w.e.f. 01.01.2006.(S.C.143/11)

#### **4. Central Government Employees Group Insurance Scheme:**

On the death of the Railway employee while in service, the family will be paid full insurance value plus savings value with interest .

##### ***Sl.No. Category Insurance cover***

1 Group 'A' 1,20,000

2 Group 'B' 60,000

3 Group 'C' 30,000

4 Group 'D' 15,000

#### **5. Deposit Linked Insurance Scheme**

If the balance as indicated in Table below [as per V CPC scales of pay] was maintained in the Provident Fund account during the last 3 years immediately preceding the date of death of the Railway employee, an additional amount equal to the average balance standing at the credit of the PF account of the deceased during the 3 years immediately preceding the death of the subscriber, will be paid to the nominee, subject to a maximum of 60,000/-. The subscriber should have put in at least 5 years service at the time of his/her death, to be entitled to this benefit.

##### ***Minimum Amount of balance in PF account Employees holding post with maximum of pay***

· 25,000 · 12,000 & above

· 15,000 · 9,000 but less than 12,000

· 10,000 · 3,000 or more but less than 9,000

· 6,000 Less than 3,500

**6. Leave encashment** : Encashment of unavailed leave at credit at the time of death of the employee is payable subject to a maximum of 300 days. Both earned leave and Half Pay Leave will be considered for encashment of leave subject to overall limit of 300 days. Cash equivalent payable for Half Pay Leave shall be equal to leave salary as admissible for Half Pay Leave plus Dearness allowance admissible on the leave salary (S.C.NO.159/08).

1. (Last pay + DA x No. of days of LAP) /30.

2. ( (Pay+30%) + DA on (Pay + 30%) ) x No. of days of LAP/30.

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**7. Composite Transfer Grant** : One month's pay in the Pay Band plus Grade Pay drawn by the deceased at the time of death is payable , if the family wants to settle at a place 20 Kms. away from the old headquarters. For relocation within the same station or within 20 Kms. of the Hqrs of the deceased, the entitlement is equivalent to 1/3rd of one month's pay in the Pay Band plus Grade Pay.

**8. Dearness Relief on family pension ( DR) :**

Dearness relief on family pension is payable at the rates communicated by Government from time to time.

**9. Provident Fund :**

Amount lying in the Provident Fund account of the deceased together with interest is payable to the family.

**B. Compassionate grounds appointment :**

As per rules appointment on compassionate grounds is offered to the widow/widower/eligible ward on the death of the employee. The competent authority will consider the case on merits and offer compassionate appointment to the widow/widower/eligible ward of the deceased.

**Appointment on compassionate grounds in cases of medically incapacitated staff on the Railways:.**

Totally medically de-categorised employees [bed-ridden and unable to move] with less than 20 years of qualifying service. Such staff intend to voluntarily retire and seek compassionate appointment to their wards  
**(S.C.NO.44/2010).**

**C. Retention of Railway Quarters:**

The family of an allottee railway employee who dies while in service will be permitted to retain the railway quarter on the request to the quarters controlling authority for a period of twenty four months on payment of normal rent/flat rate of licence fee/rent from the date immediately after the date of death of an employee. Where the deceased staff/ officer or his /her dependants owns a house at the place of posting in such cases retention of Railway quarter shall however be permitted only for a period of 12 months.

***Death Gratuity will not be released to the family till the Railway quarter in occupation is vacated. In case the railway quarter is retained beyond the permissible period, damages rates will be recovered.***

**D. Settlement pass:**

A pass in the entitled class will be issued to the family and dependent relatives in case they intend to settle near their home town after death of the Railway employee, for the transportation of personal effects as admissible under pass rules for which an application has to be submitted to the pass issuing authority within one year from the date of death of railway servant.

**E. PRC Pass to Widow/Widower ( Widow Pass):**

Half the number of Post retirement Complimentary Passes that the railway servant was entitled before death will be issued to the family as per pass rules for which an application has to be given to the pass issuing authority.

**F. Medical facilities:**

Medical facilities to the dependents & family members of Railway employee who dies in harness will continue to be given till the time of filling up the forms for settlement dues. One month's pay will be recovered from the settlement dues (on written option only) to provide medical facilities to the family members from Railway Hospitals /Health Units.

**G. Fixed Medical Allowance:**

Family pensioners eligible for medical facilities under existing Health care scheme [RELHS], are entitled to a medical allowance of 300/- per month [w.e.f. 01.09.2008] if they are residing 2.5 Kms. outside the City/Municipality/Town where the Railway Hospital/Health Unit/Dispensary is situated. This allowance is given to meet the day to day medical expenses. It is in lieu of foregoing outdoor treatment from Health Units /Railway Hospitals etc. except in case of chronic diseases. Any disease which persists for a period of approximately three months or more is defined as a chronic disease.

**H. Exemption from Income-Tax:**

The following Death benefits are fully exempt from Income tax.

Sl.No. Benefit Section under which exempt

1 Death Gratuity Clause 10 of Section 10 of IT Act.

2 Leave encashment Sub Clause (i) of clause 10 (AA) of Section 10 of IT Act.

**RELHS (RAILWAY EMPLOYEES LIBERALISED HEALTH SCHEME):**

RELHS-97 has been made **MANDATORY** for all retiring Railway employees. In case the retiring officer / staff is unwilling to join the scheme, he /she will have to submit his/her ***unwillingness*** in writing with a clear understanding that no further chance shall be given to join the scheme in future.(S.C.122/2009)

**HOILDAY HOMES:**

The occupation of Railway Holiday Homes by retired Railway Officers will be permitted to occupy only when those are not required by serving Railway Officers. The allotment can be for a maximum of seven days at a time and not more than one suite would be allotted to them. The allotment will be liable to be cancelled if required during the period by a serving railway officer.

The retired non-gazetted Railway employees are also permitted to occupy Railway Holiday Homes on the same terms and conditions as laid down in respect of Railway Officers

As regards the charges, the total amount recoverable in a month [ a month will be taken to mean thirty days] should be equal to 15% of the last pay drawn by that retired railway officer. Daily rate can, therefore be worked out as 15% of the last pay drawn divided by thirty. Charges for electricity air conditioning and heating arrangements provided if any, should be recovered in addition. Retired railway servants, when they apply for allotment for such accommodation, should alongwith their application furnish the particulars of the last post held and last pay drawn. (S.C.No.118/2008).

**Missing employee:**

1)The family pension can be granted to the family of an employee reported missing and whose whereabouts are not known after a period of one year reckoned from the date of filing the FIR with the police authorities. that family pension to the eligible family member of an employee reported missing would accrue from the date of lodging the FIR or expiry of leave in the case of an employee who had disappeared, whichever is later. While providing that the family pension to the family of the missing employed pensioner may be sanctioned after a period of six months from the date of registration of an FIR with the police

**MISSING PENSIONER:**

2)The family pension to the family of a missing pensioner would accrue with effect from the date of lodging the FIR or from the date immediately succeeding the day till pension had been last paid to the pensioner, whichever is later. Accordingly, arrears in past cases would also be admissible.