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Guidelines on Retirement Benefits

2020

Compiled by Personnel Department



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EVENTS OF CESSATION FROM SERVICE

NORMAL RETIREMENT:- On attaining the age of superannuation.

OTHER THAN NORMAL RETIREMENT:-

a. VRS (Qualifying Service 20years)
b. Medical Grounds
c. Premature Retirement (As per the provisions of chapter 18 of IREC Vol.II)
d. By Resignation.
e. Death

The Normal Retirement Benefits Comprise

[a] **SERVICE GRATUITY:** in cases where total qualifying service is less than 10 years.

[b] **PENSION:** with an option to commute up to 40% of monthly pension.

[c] **RETIREMENT** GRATUITY: Provided a minimum of 5 years of qualifying service is rendered.

Note: - The determination of entitlement for service gratuity / pension and retirement gratuity is dependent inter-alia on the length of qualifying service. The essential piece of information is available in Service Book / Service Record.

[d] **PROVIDENT FUND:** Inclusive of interest thereon with the additional benefit of insurance cover (DLI) in the event of death while in service, subject to certain conditions.

[e] **FAMILY PENSION:** For eligible spouse and dependents.

Non-Pensionary Retirement Benefits:-

[a] Encashment of Leave at credit at the time of retirement subject to a maximum of 300 days.

Note: - In case of death while in service, the eligible family member(s) shall be paid the leave encashment. Accumulations in the Savings Fund with accrued interest under the Central Government Employees Group Insurance Scheme.

Note: - In case of death while in service, the eligible family member(s) shall be paid insurance cover plus accumulation in the savings fund value with accrued interest.

[b] Composite Transfer Grant at par with that admissible on transfer to intended place of residence within India after retirement.

Note: - In case of death while in service, the eligible family member(s) shall be paid the same on request.

Benefits

- Encashment of Leave
- Composite Transfer grant
- Settlement Pass
- Medical facilities under RELHS
- Retention of Rly. Quarter (up to specified period only)

ACTION TO BE TAKEN WHILE IN SERVICE

Planning for retirement :- Apart from normal retirement on superannuation, a railway employee can retire from service voluntarily after rendering minimum 20 years' of net-qualifying service by giving notice of not less than three months in writing to Appointing Authority.

ACTION TO BE TAKEN PRIOR TO RETIREMENT

Mode of Pension payment: - After the employee decides about the place of stay after retirement, he / she should also decide the mode of receipt of pension. Pension can be received through nationalized banks or Post offices. Employee has to specifically furnish the Pension account.

Family details: - Employee has to furnish details of family members along with date of births, identification marks and with their social status in the prescribed form.

In the event of death of an employee while in service:

Immediate relief:- Payment of immediate relief of Rs.15000/- shall be payable to the family of employee who dies while in service, recoverable from Gratuity payable.

POINTS TO BE REMEMBERED.

1. Entire Gratuity, duly deducting the Govt. dues are adjustable against Gratuity or dearness relief i.e. non-vacation of Quarters, departmental or judicial proceedings are pending.
2. Disbursement through Post Office would be permitted only in places where branches of Public Sector Bank are not available
3. Family Pension is payable in the order of date of birth of the children irrespective of male or female.
4. Pension Payment Order is a valuable document containing a running account of pensionary entitlement. It is to be kept in safe custody.
5. Pension / Family Pension is payable upto and including the day on which its recipient dies.
6. Government dues are adjustable against Gratuity or dearness relief only.
7. Pension cannot be attached / seized for any demand against a pensioner nor can a pensioner make any assignment in anticipation of pension.
8. Grant of Pension and its continuance is subject to future good conduct of the Pensioner.

DOCUMENTS TO BE SUPPLIED TO THE RETIRED EMPLOYEES AT THE TIME OF RETIREMENT:

1. Pension Payment Order (PPO)
2. RELHS / Medical Identity Card
3. Family Identity Card for Post-Retirement Complimentary Passes.
4. Service Certificate
5. Calculation sheet generated through IPAS

SERVICE GRATUITY

(For those with less than 10 years of Qualifying service)

Service Gratuity in the case of a railway servant retiring in accordance with the provisions of these rules before completing qualifying service of ten years, the amount of service gratuity shall be calculated at the rate of half month's emoluments for every completed six-monthly period of service.

(Rule No 69 (1) of RS (Pension) Rules, 1993

PENSION For those with more than 10 years of Qualifying service – (9 years 9 months shall also be treated as 10 years)	Superannuation pension	Rule 51 of Pension rules
	Retiring Pension	Rule 52 of Pension rules
	Invalid Pension	Rule 55 of Pension rules
	Compensation Pension	Rule 63 of Pension rules
	Compulsory retirement pension	Rule 64 of Pension rules
	Compassionate allowance	Rule 65 of Pension rules

Superannuation Pension: -A superannuation pension shall be granted to a railway servant who is retired on his attaining the age of compulsory retirement. **(Rule No 51 of RS (Pension) Rules, 1993). -** The age of compulsory retirement is 60

Retiring Pension: -A retiring pension shall be granted to a Railway Servant, or has retired before attaining the age of compulsory retirement, in accordance with the provisions of rules 66 and 67 of RS (Pension) Rules, 1993 & Rule 1802 of IREC-II. **(Rule No. 52 of RS (Pension) Rules, 1993**.

In other words, this retiring pension is granted in case of retirement: -

On completion of 30 years' qualifying service or on attaining the age of 55 years, either at the option of the employee or at the order of Administration. [Para 620 to Para 622 of MRPR 1950 or Rules 66, 67 of RS (Pension) Rules, 1993 or Chapter 18 of IREC-II], **[or]** On completion of 20 years' net qualifying service [Board's letter No E (P&A) 1-77-RI – 46 Dated 09.11.1977 as amended/ amplified from time to time '3' months' notice or payment in lieu of such notice is required from either side in all the above cases.

Date of Retirement: - The day on which a railway servant retires or is retired or is discharged or is allowed to resign from service or dies as the case may be, shall be treated as his last working day .....Provided that in the case of a railway servant who is retired prematurely or who retires voluntarily under the provisions of rules 1802 to 1804 of IREC Vol-II or under the scheme of voluntary retirement after completing twenty years of net qualifying service under rule 67, as the case may be, the date of retirement shall be treated as a non-working day. **(Rule No 6 (2) of RS (Pension) Rules, 1993.**

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 in sub-rule (2) 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. **(Rule No 55 of RS (Pension) Rules, 1993.**

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 sub-rule (i) or, as the case may be, under sub-rule (2), shall not be less than Rs. 9000/- p.m. w.e.f. 01.01.2016, **(Rule No 64 of RS (Pension) Rules,1993.**

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 the provision to sub-rule (1) shall not be less than Rs. 9000/- p.m. w.e.f. 01.01.2016, **(Rule No 65 of RS (Pension) Rules, 1993.**

Qualifying Service

Qualifying Service means service rendered by the employee while on duty or otherwise, which shall be taken into account for the purpose of pension and gratuity. The pension is a monthly payment made to the Railway employee consequent upon their retirement with a qualifying service of not less than ten years. The amount of pension depends upon the net qualifying service rendered by the employee and the last basic pay & Grade pay received.

Computation of Qualifying Service: -

The qualifying service is computed in terms of completed six monthly periods. In calculating the length of qualifying service, fraction of a year equal to three months and above shall be treated as a completed half year and reckoned as qualifying service and less than three months ignored. [F (E) III-79/PN 1/10 dated 25.08.1983]. The periods so computed, if comes to 9 years 9 months, it shall be treated as qualifying service of 10 years.

Rounding off of Qualifying Service

- Less than 3 months- Ignored
- More than 3 months but less than 9 months- ½ year
- More than 9 months – One year.

PENSION ON & FROM 01.01.2006

With effect from 01.01.2006, the linkage of full pension with 33 years of qualifying service has been dispensed with. As a result, a Railway servant retiring in accordance with the provisions of these rules after completing qualifying service of ten years shall be eligible for full pension. The pension in such cases shall be calculated at 50% of the emoluments (pay last drawn) or average emoluments received during the last 10 months whichever is more beneficial in all cases, subject to a minimum of Rs.9000/- p.m., and a maximum up to 50% of highest pay in the Government [The highest pay in the Govt. is Rs. 2,50,000 since 1.1.2016] maximum pension is Rs.1,25,000/- Notification RBE 90/2016.

CALCULATION OF PENSION

Pension shall be calculated at 50% of the last Pay drawn by the employee at the time of his/her retirement or 50% of the average emoluments, whichever is more. The minimum pension granted to a Railway Servant is Rs. 9000/- per month.

Formula for Non-Running Staff: - Basic Pension = $\frac{\text{Last Basic Pay}}{2}$

Formula for Running Staff:- Basic Pension = $\frac{\text{Last Basic Pay} + 55\ \%\ \text{of Last Basic Pay}}{2}$

Average emoluments shall be determined with reference to the emoluments drawn by a railway servant during the last ten months of his service.

RESIDUAL PENSION:- After computing the Basic Pension as stated above, the portion of pension commuted shall be excluded and the amount so arrived shall be 'Residual Pension' which shall be paid as monthly amount to the pensioner till it is restored. However, Dearness Relief is paid basing on the Basic Pension but not on residuary pension. In other words, this payment of DR is based on the amount of pension sanctioned originally without reducing the commuted value.

Addl. quantum of pension/ family pension to Old pensioners/ Family pensioners increased as follows;

Age of Pensioner/family pensioner	Additional quantum of pension/ family pension
From 80 years to less than 85 years	20% of basic pension/ family pension
From 85 years to less than 90 years	30% of basic pension/ family pension
From 90 years to less than 95 years	40% of basic pension/ family pension
From 95 years to less than 100 years	50% of basic pension/ family pension
100 years or more	100% of basic pension/ family pension

Note:- The Pension sanctioning Authorities should ensure that the DOB & AGE of a pensioner/ family pensioner is invariably indicated in the PPO 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.

COMMUTATION OF PENSION

This is a lumpsum payment paid at the option of the retiring employee. It is limited to 40% of basic. The application for commutation should be made within one year from the date of issue of retirement order (i.e. before next birth date).

- Employees retiring on superannuation / voluntary retirement can commute the pension, without medical examination.
- In case of medical unfitness / compulsory retirement as a measure of penalty and for those who have not applied for commutation within one year from the date of their retirement, this would be payable after medical examination.

Note:-

[1] In cases where departmental or judicial proceedings are pending on the date of retirement, such an employee shall be allowed provisional pension and the commutation of pension is permissible only after finalization of departmental or judicial proceedings. In such cases, for the purpose of commutation of pension without medical examination, the period of one year will reckon from the date of orders issued on the conclusion of the proceedings. [Bd's Lr No F [E] III/76/PN-1/7 dated 11.02.1981]

[2] Application for commutation of pension can be made even before retirement, to be submitted along with pension papers for authorization along with PPO for the employees retiring on superannuation pension only. Such applications should be made in prescribed format at least three months in advance.... [Bd's Lr No F [E] III/-76-PN 1/24 Dt. 08.08.1983]

[3] Commutation has no effect on Family Pension. In case of demise of the employee before completion of 15 years, the family gets family pension [i.e., Family Pension at enhanced rates or at ordinary rates, as the case may be] as per entitlement without any deduction towards commuted portion of pension. (Bd. Lr.No. F(E) III / 87 / PN / 1 / 7 dated 26.03.87).

[4] [A] A Railway servant making application for commutation may also nominate one or more persons the right to receive the commuted value of pension. In case the applicant dies without receiving the commuted value on or after the date on which commutation becomes absolute it will be paid to the nominee. In the absence of nomination or the nomination does not subsist, the commuted value is payable to the heirs as in the case of Death Gratuity and the family shall not be insisted for production of legal heir certificate from the Court.

[B] In cases, where the nomination has not been made or the amount is not payable because the Claimant is not a member of the family, the same has to be released on the basis of Legal Heir Certificate [Bd's Lr No F(E) III / 85 / PN / 1 / 15 Dt. 19.08.1985; RBE 247/1988 & RBE 162/1991]

[5] [A] Generally it happens that a Railway Servant, on absorption in or under a corporation or company or body, the orders of absorption are issued on a later date. In such case a Railway Servant of the aforesaid category is absorbed from a date earlier than the date of orders. The period of one year for the purpose of commutation of a part of pension without medical examination, shall reckon from the date of orders and not from the date of actual retirement.

[B] Those who on absorption in or under a Corporation or Company or Body elect the alternative of receiving the DCRG and lump sum in lieu of pension, will be subject to medical examination even though they apply within one year of date of retirement/ absorption etc [Bd' s Lr No F [E] 76-PN 1/24 dated 04.01.1979]

How is it calculated?

The lump-sum commutation value will be arrived at by multiplying the commuted portion of pension by a factor relevant to age next birthday x 12.

Formula =40% of Pension x 12 x commuted value as on age as on next birthday i.e. on 61 years age.

- The amount of commuted value of pension finally calculated should be rounded off to the next higher rupee. [Bd's Lr No. F [E] III-86-PN 1/3 Dated 04.02.1986]

RESTORATION OF COMMUTED PORTION OF PENSION: -

The pensioner who have commuted a portion of their pension on 01.04.1985 or thereafter and have completed or will complete 15 years from their respective dates of retirement, where the commutation of pension is simultaneous with retirement, will have their commuted portion of pension restored. In cases, where the date of commutation of pension is subsequent to the date of retirement thereby causing a time gap between the two events, the restoration would take place only on the expiry of 15 years from the date of commutation of pension and not from the date of retirement. [RBE 329/87; 186/1990]

TABLE OF COMMUTATION OF PENSION (REVISED from 01.01.2006)

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 [(RBE No.112/2008)

Commutation value for a Pension of Rs.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
39	9.103	60	8.287	81	4.611
40	9.090	61	8.194		

Board's letter No.F(E)III/2008/PN1/13 dated 15.09.2008 (RBE No.112/2008)

Gratuity

1. Retirement gratuity: - It is granted to a railway servant on retirement on medical invalidation provided the Railway employee has completed 5 years of qualifying service. The gratuity depends upon the qualifying service and the last pay and grade pay drawn by the employee. It is calculated at the rate of half of the emoluments for each completed six monthly period of qualifying service subject to a maximum of sixteen and half times the emoluments and the total amount should not exceed Rs. Twenty lakhs.(*) The entire gratuity will be withheld in case the employee does not vacate the railway accommodation provided to him.

2. Death gratuity: - It is granted to the family in the event of death while in service. 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:

No	Length of qualifying service		Rate of 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	20 years or more	Half of emoluments for every completed six monthly period of qualifying service subject to maximum of 33 times emoluments provided that the amount of death gratuity shall in no case exceed 20,00,000/-	

Formula for Non-Running Staff

Gratuity = (Last Basic Pay + DA) x Qualifying Service/2

Formula for Running Staff

In case of Running Staff, 30% of Basic Pay will be treated as Pay relating the Running Allowance. Gratuity = Pay* + DA** x Qualifying Service/ 2

* Pay = Last Basic Pay + 55% of Last Basic Pay

** DA = (Last Basic Pay + 30% of Last Basic Pay) x DA as on the date of retirement

Persons to whom gratuity is payable

[a] The gratuity payable shall be paid to the person or persons on whom the right to receive the gratuity is conferred by making a nomination under Rule 74;

[b] If there is no such nominations 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 clauses (i), (ii), (iii) and (iv) of sub-rule (5) of Rule 70, to all such members in equal shares;

{ii} If there are no such surviving members of the family as in sub-clause (i) above, but there are one or more members as in clauses (v), (vi), (vii), (viii), (ix), (x) and (xi) of sub-rule (5) of Rule 70 to all such members in equal shares.

Recoveries from Gratuity

Government dues, if any, could be recovered from the retirement gratuity of an employee retiring and in the case of a deceased employee from Death Gratuity even without obtaining consent (Auth: Rule 15 of RSPR 1993).

Withholding of gratuity Entire Gratuity, duly deducting the Govt dues, will be withheld for non-vacation of Quarters and also in cases where any departmental or judicial proceedings are pending.

LEAVE ENCASHMENT

Leave salary is a lump sum onetime payment of the unavailed leave at credit at the time of retirement or death. This is limited to the maximum of 300 days of LAP.
In case any short fall of 300 days LAP, LHAP from his/her credit will be taken for the purpose of leave encashment to the extent of shortfall of number of days of LAP.

Encashment of LHAP without reduction of pension, PEG etc.,

On accepting the recommendations of the 6th CPC relating to encashment of leave, decided that, in supersession of all earlier orders on the subject, both LAP & LHAP shall be considered for encashment of leave subject to overall limit of 300 days.

The cash equivalent payable for LAP shall continue unchanged. However, cash equivalent payable for LHAP shall be equal to leave salary as admissible for Half Pay Leave plus DA admissible on the leave salary without any reduction being made on account of pension and pension equivalent of other retirement benefits payable.

To make up the shortfall in Earned Leave no commutation of Half Pay Leave shall be permissible.

The Cash equivalent for half pay leave component shall, henceforth, be calculated in the manner indicated below:

LAP - Formula

(Last Basic Pay + DA) / 30	X	No. of days of LAP subject to a maximum of 300 days

LHAP - Formula

(Last Basic Pay DA) / 30 X 2	X	No. of days of LHAP to the extent of shortfall of LAP (*) subject to a maximum of 300 days of LAP & LHAP

Provisional Pension

If for any special reasons it is not found possible to complete and forward the pension papers to the office responsible for the issuing the PPO within the prescribed time schedule in a particular case, or if the pensions papers have been sent late to that office and/ or that office either has returned the papers to the Head of Office for eliciting further information or is not able to issue PPO prior to the date of retirement, steps shall be taken by the Head of Office to authorize the payment of provisional pension.

In the case of a Railway servant who has retired on attaining the age of superannuation or otherwise and against whom any departmental or judicial proceedings are instituted or where departmental proceedings are continued under sub-rule (2), a provisional pension as provided in rule 96 shall be sanctioned. (Rule No 9 (3) of RS (Pension) Rules, 1993).
The provisional pension should not exceed the maximum pension which would have been admissible on the basis of qualifying service up to the date of retirement of Railway Servant or if he is under suspension on the date of retirement, up to the date immediately preceding the date on which he was placed under suspension.

RELHS

Retired Employees Liberalized Health Scheme –1997, was introduced to provide with full medical facilities as admissible to serving employees and their families under the Railway Medical Attendance Rules.

RELHS: Facility of joining RELHS -97 to all those railway employee who retired at the normal age of superannuation irrespective of numbers of years their service before superannuation. Bd's lr.No.2013/H/PNM/NFIR dated 08.9.2015

Joining of RELHS 97 - Technical Resignation

It has been decided that the resignation submitted by the railway employee on permanent absorption in PSUs is to be taken as "Technical Resignation" and that they should be permitted to join RELHS -97 subject to fulfillment of the conditions prescribed in this regard. Bd's lr. No. 2007/H/28/1/RELHS/Misc Dt. 30.11.2009.

SUBSCRIPTION RATES OF RELHS:

Ministry of Railways has decided that in partial modification to Board's letter dated 23.10.1997, the rate of contribution to join RELHS shall be last month's basic pay drawn or the subscription rate indicated at different levels (as per 7th CPC) enumerated in the table below, whichever is lower :

S.No	Levels in the Pay Matrix as per 7th CPC	Subscription rate to join RELHS (in Rs.)
1	Level : 1 to 5	30,000
2	Level : 6	54,000
3	Level : 7 to 11	78,000
4	Level : 12 and above	1,20,000

Bd's letter No.2017/II/28/1/RELHS

All other terms and conditions of RELHS-97 mentioned in Board's letter dated 16.03.2009 under reference will remain unaltered. The rate of contribution for joining RELHS-97 as specified by Board in their letter dated 16.03.2009 is as follows:

[i]	The employees who have already retired on the date of RE-OPENING OF THE RELHS and have not joined at the time of retirement.	A sum equivalent to double the amount of revised basic pension after the Implementation of VI CPC.
[ii]	Family pensioners	A sum equivalent to double the amount of revised family pension after the implementation of VI CPC.
[iii]	SRPF optees	A sum twice the amount of ex-gratia monthly payment admissible on the date of joining the scheme.

Bd's lr No.2003/H/28/I/RELHS Dt. 16.03.2009 **&** Bd's Lr.No. 2011/H/28/1/ RELHS / Court Case, dt. 31.05.2012.

"Lock in" period: -

"Lock in" period of six months from the date on which a retired employee joins the scheme i.e. the date of depositing the fees. During this period the retired employee will be provided medical treatment as available in Railway hospitals and other Govt. hospitals including Govt. owned autonomous hospitals and Govt. medical college hospitals only. They will not be referred to private hospitals, which are recognised for Railway employees and other RELHS cardholders. In any circumstances and in any medical condition, during the "lock in" period, reimbursement of medical claims for treatment taken in private hospitals including the private recognised hospitals will not be permitted. -

The RELHS Card issued to beneficiaries with lock-in period should clearly indicate the designation, amount and date of deposit, name and designation of issuing authority/ signatory along with date - - - Lock-in period to be clearly and prominently mentioned on the card.

Joining of RELHS-97 has been made **MANDATORY** for all retiring Railway Employees w.e.f., 16.03.2009 in terms of Board's instructions.

Provision for Exclusion of retiring Railway employees from mandatory joining of RELHS- 97.

It has been decided with the approval of the Competent Authority that exclusion from mandatory joining of RELHS -97 may be given in cases of those retiring railway employees who are covered for lifelong comprehensive medical treatment facility for self and dependent(s), if any, on the RELHS or any other Central /State Government medical facility on the strength of the medical card of their spouse along with an undertaking that the retiring employee will never request for issuance of RELHS card in future.

Bd's letter No.2011/H/28/1/RELHS/Court case dated 31.07.2018

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.

Besides making an entry in the Service Certificate and Pension Payment Order, the unwillingness letter should be pasted in the Service Record of the retired employee.

It must, therefore, be ensured that requests, if any, received from Post-16.03.2009 retirees [pensioners] or family pensioners for joining RELHS are not entertained/ processed under any circumstances Board's Lr.No. 2003/H/28/1/RELHS, dt. 21.07.2001.

Proforma for joining RELHS - revised proforma

RELHS for pensioner/family pensioner: - Amount for getting RELHS Card for pensioner/family pensioner those who are wish to join the scheme, as prescribed in Board's Lr.No. 2003/H/28/ 1/RELHS, dated 16.03.2009 are as under:

(i)	The employees, who have already retired.	A sum equivalent to double the amount of revised basic pension after the implementation of VIIth PC.
(ii)	Family Pensioners.	A sum equivalent to double the amount of revised family pension after the implementation of 7th PC.

In the RELHS card of Pensioners / Family Pensioners following endorsement may please be made in clear terms:-

i) " Whether eligible for OPD facility for other than chronic diseases

- YES /NO"

ii). "Whether eligible for OPD facility for chronic diseases

YES / NO. "

Fixed Medical Allowance

Recommendations of the 5th CPC – Grant of Fixed Medical Allowance Rs.100/- p.m. to the Railway Pensioners/ Family Pensioners: - Sanction of the President is accorded to the grant of fixed medical allowance to Railway Pensioners/ Family Pensioners residing outside the City/ Town/ Municipality limits of places where a Railway Hospital/ Health Unit/ Lock up dispensary is situated, subject to fulfillment of certain conditions. These orders will take effect from 01.12.1997 **RBE 65/99.**

Question: -Whether those pensioners/family pensioners who are members of RELHS and availing OPD facility are also eligible for the Fixed Medical Allowance

It is clarified that: -

- Since actual enrolment under the Health Scheme is not mandatory, those pensioners/family pensioners who, in terms of Bd's lr dt. 23.10.97, are eligible to become members of the Scheme but are not actually enrolled are also entitled for grant of Fixed Medical Allowance.
- Pensioners/family pensioners who possess RELHS card & avail OPD facility are NOT entitled for Fixed Medical Allowance, whereas those who possess RELHS card but do not avail OPD facility [except in cases of chronic diseases, as defined in Bd's lr No. 2006/H/DC/JCM Dt. 12.10.2006 are entitled for Fixed Medical Allowance.

Further, FMA and arrears of FMA would continue to be paid, as earlier, to pensioners /family pensioners only after submission of the enclosed undertaking form to the Pension Disbursing Authority [PDA] thereby implying that fulfillment of the following two conditions is mandatory for becoming admissible for FMA:

[i]	The pensioner/ family pensioner is residing beyond 2.5 kms from the nearest health unit;
[ii]	The pensioner/ family pensioner is not availing the facility of OPD [except in cases of chronic diseases as mentioned in para 2 above].

Encl:- UNDERTAKING FORM **RBE 168/09**

Board have clarified that in cases where the existing Pensioner / Family Pensioner was in receipt of Fixed Medical Allowance, the Family Pensioner next-in-line may be allowed Fixed Medical Allowance from the same date from which he/ she becomes eligible for family pension, if he/she otherwise fulfils the conditions for grant of Fixed Medical Allowance.

Quantum of fixed medical allowance

Rs.100/-	w.e.f. 01.12.1997
Rs.300/-	w.e.f. 01.09.2008
Rs.500/-	w.e.f. 19.11.2014
Rs.1000/-	w.e.f. 28.07.2017

(RBE No.75/2017)

Ex-Gratia Lumpsum Compensation

The families of Central Government Civilian Employees, who die in harness in the performance of their bonafide official duties under various circumstances, shall be paid the ex-gratia lump-sum compensation. [W.E.F 01.01.2016] RBE-139/16 Dt 25.11.2016.

a]	Death occurring due to accidents in the course of performance of duties.	Rs. 25 Lakh.	RBE 136/ 2008
b]	Death occurring in the course of performance of duties attributable to acts of violence by terrorists, anti-social elements, etc.	Rs. 25 Lakh.	
c]	Death occurring during [a] enemy action in international war or border skirmishes and [b] action against militants, terrorists, extremists, etc.	Rs. 35 Lakh.	
d]	Death occurring while on duty in the specified high altitude, inaccessible border posts, etc. on account of natural disasters, extreme weather conditions.	Rs. 35 Lakh.	

The aggregate of the relief /Ex-gratia compensation paid from different sources of workmen compensation viz., compensation under WCA, Compensation under Sec. 124 of the Railways Act, 1989 as applicable is subject to ceiling as follows: (@ ceiling removed... please see below)

a) Rs. 10/- Lakh w.e.f. 01.08.1997 to 31.12.2005 in each individual case.
b) Rs. 20/- Lakh w.e.f. 01.01.2006 onwards in each individual case as per RBE-146/2011 (@ No ceiling on quantum of Ex-gratia lumpsum compensation w.e.f 01.01.2006).

Composite Transfer Grant

CTG on retirement: - Composite Transfer Grant shall be admissible on the same lines as on transfer inrespect of staff on retirement to settle down at places other than the last station(s) of their duty located.

CTG in case of death while in service: - The members of family in the event of death of an employee shall, besides free pass, be also eligible for the transfer allowance/ Composite Transfer Grant.

Time limits for claims of C T G ... (On Retirement/ Death)

The existing time limit of 6 months for performance of journey by the railway servant on retirement/ members of family in the event of death is raised to one year. This limit of one year for availing the TA/ CTG concessions admissible on retirement/ death was raised to TWO years and powers have been delegated to GM/ AGMs personally with the recommendations of FA&CAO in individual cases.

Decided that the powers to extend the time limit of two years (24 months) for availing CTG in the event of death of a railway employee while still in service and where the family of the deceased is permitted to retain the railway accommodation for a period of 2 years may be raised to TWO AND HALF YEARS [30 months], powers to be exercised personally by GM/ AGM s with the approval of FA& CAO.

Note: beyond the above limits, powers to sanction are with Railway Board only.

Transportation of personal effects:

Level	Rate for transport by road
6 and above	Rs.50/- per k.m.
5	Rs.25/- per k.m.
4 and below	Rs.15/- per k.m.

These rates will further rise by 25% whenever DA increase by 50% . The claim for reimbursement shall be admissible subject to the production of actual receipts/vouchers by the railway servant.

Composite Transfer Grant:

1) The CTG shall be paid at the rate of 80% of basic pay last drawn.
2) For Railway servants, who on retirement settle at the last station of duty itself or within the distance of less than 20 Kms. or within suburban agglomeration may be paid 1/3rd of CTG. (RBE 103/2017)

PROVIDENT FUND & DEPOSIT LINKED INSURANCE

This is paid to the employee at the time of retirement from his/her own contribution together with interest thereon. The employee can exercise nomination to avoid delay in settlement in the event of his/ her unfortunate death. He/she can nominate one or more persons for receiving the PF amount. In case, he/she nominates more than one person, percentage of shares to be paid to each should also be indicated. In case of death while in service, the family shall be paid DLI as detailed below.

from 01-01-1989	**DLI from 25-04-1998**	**DLI from 06-06-2009**
R.B.E. No. 67/90	R.B.E No. 238/98	R.B.E. No. 221/09
On the death of a subscriber to the State Railway Provident Fund (S.R.P.F.) the person entitled to receive the amount standing to the credit of the subscriber shall be paid by the Accounts Officer an additional amount equal to the average balance in the account during the three years immediately preceding the death of such subscriber.		

The pre-revised Scheme which existed prior to 06.06.2009, [i.e., before issue of Board's letter dated 14.12.2009 vide RBE 221/2009] shall apply in cases of death of subscribers on or before 06.06.2009 and to whom the revised orders do not apply [R.B.E. No. 221/2009]

- The average balance shall be worked out on the basis of the balance at the credit of the subscriber at the end of each of the 36 months, proceeding the month in which the death occurs. For this purpose as also for checking the minimum balance prescribed above:

(a) The balance at the end of March, shall include the annual interest credited in terms of rule 920-RI,
(b) If the last of the aforesaid 36 month is not March, the balance at the end of said last month shall include interest in respect of the period from the beginning of the financial year in which death occurs to the end of the said last month.

- The scheme also applies to those subscribers to the SRPF who are transferred to

autonomous organizations subject to fulfillment of other related conditions.

- [MISSIING EMPLOYEES] Deposit Linked Insurance Scheme may be made only after a lapse of 1 year to the family of the missing subscriber. In case under facts and circumstances, there is sufficient proof of death, the payment may not be delayed.
- [SUICIDE] No broad distinction can be made in between a death and the suicide and the benefit of Deposit Linked Insurance Revised Scheme may be accorded to the successor of the deceased. [No. E (W) 97/WE-1/13, dated 01.04.1998]
- Clarified that the arrears of DA/ADA/CCA/HRA credited to the SRPF accounts of the Railway employees shall be treated as accumulations for all purposes including Deposit - Linked Insurance Scheme. [Board's letter No. E(W)76WEI-14 dated 26.11.1983]

Railway Quarters

Permissible periods for retention

RETIREMENT: [RBE No- 35/2007]
An employee on NR/ VR/ CR may be permitted to retain the non-earmarked Railway accommodation for a period of 4 months on payment of normal rent/flat rate of license fee/rent and the next 4 months on educational or sickness account on payment of special license fee, i.e., double the normal rent or double the flat rate of license fee/rent.

The cases of retirement on medical invalidation are also to be treated at par with normal retirement.

Retention of non-pooled Railway accommodation in the event of transfer, retirement etc. is governed by instructions in terms of [RBE 35/2007]. In partial modification of these instructions, it has been decided that the Railway employees in occupation of non- pooled Railway accommodation at the time of their retirement may be allowed retention of the non-pooled accommodation under their occupation for a period of two months only. In the event the concerned retired Railway employee so desires to further retain Railway accommodation, on request, an alternative Railway accommodation of his/her entitled category may be allotted at the place of his choice anywhere in India, subject to availability, for the remaining period of six months, on payment of usual rent, as charged in the case of retention of accommodation on retirement under the extant instruction. [RBE 35/2007].

RESIGNATION/DISMISSAL/REMOVAL
An employee who resigns from service or has been dismissed or removed from service may be permitted to retain the railway quarter for a period of one month only on payment of normal rent/flat rate of licence fee. [RBE 35/2007]

DEATH: [RBE 35/2007]

- The family of a railway employee who dies while in service may be permitted to retain the railway quarter for a period of SIX months on payment of normal rent / flat rate of licence fee. The limit of six months is raised to 12 months W.E.F 27-08-93.

- This limit is further raised from 12 months to 24 months W.E.F 22-01-99 modified to make effective from 01.06.1998 in the case of death of allottee railway employee. The extended period of 12 months retention shall, however, not be permissible in cases where the deceased staff / Officer or his / her dependents own a house at the place of posting.

MISSING CASES: - [RBE 35/2007]
The family of missing Railway employee may be permitted retention of Railway quarters

for a period of one year on payment of normal rent from the date of lodging of FIR (the period from the date from which the employee is missing till the date of filing FIR would automatically get regularized) with the police by the family of missing Railway employee. On the certification of the police authorities that the missing employee is not traceable and the whereabouts of the person could not be known, the family of the missing employee may be permitted further retention for a period of one year on payment of normal rent.

CENTRAL GOVERNMENT EMPLOYEES INSURANCE SCHEME 1980 [CGEIS]

Rate of Subscription & Corresponding Insurance cover under CGEIS 1980.

Group of employees		**01.01.1982 to 31.12.89**	
	Initial Recovery, (on joining on or after 2 January)	Recovery from next year	Insurance cover
(1)	(2)	(3)	(4)
Group 'A'	Rs.24	Rs.80	Rs.80000

From 01.01.1990		
Initial Recovery, (on joining on or after 2 January)	Recovery from next year	Insurance cover
(5)	(6)	(7)
Rs.40	Rs.120	Rs.120000
Rs.20	Rs. 60	Rs. 60000
Rs.10	Rs. 30	Rs. 30000
Rs. 5	Rs. 15	Rs. 15000

Group 'B'	Rs.12	Rs.40	Rs.40000
Group 'C'	Rs. 6	Rs.20	Rs.20000
Group 'D'	Rs. 3	Rs.10	Rs.10000

CGEIS '80 being good social security was introduced w.e.f. 01.01.1982 on Railways vide letter dated 21.11.1980.

This is intended to provide for employees, the twin benefits

1. an insurance cover to help the family in the event of death while in service and
2. payment of lump sum payment to augment resources on retirement, at a low cost, and on a wholly contributory and self-financing basis.

In the event of death of an death of an employee while in service, the family will be paid:-

(i) The Insurance Cover amount; and
(ii) An amount equal to the portion of subscription credited to the 'Savings Fund' together with the accumulated interest thereon.

In the event of cessation, other than death:-

In the event of cessation, other than death, a substantial part of subscription together with compound interest would be paid back to the employees when they cease to be Railway employees, in accordance with the **"Tables of Benefits for the savings fund for the relevant period"** as circulated from time to time.

The rate of interest payable on savings fund and the apportionment of savings fund and insurance fund as amended / modified from time to time is indicated below in tabulation.

From	To	Interest (*)
01.01.1982	31.12.1982	10%
01.01.1983	31.12.1986	11%
01.01.1987	31.12.2000	12%
01.01.2001	31.12.2001	11%
01.01.2002	31.12.2002	9.50%
01.01.2003	31.12.2003	9.00%
01.01.2004	31.11.2011	8.00%
01.12.2011	31.03.2012	8.6%
01.04.2012	31.03.2013	8.80%
01.04.2013	31.03.2016	8.70%
01.04.2016	30.09.2016	8.10%
01.10.2016	31.03.2017	8.00%
01.04.2017	30.06.2017	7.90%
01.07.2017	31.12.2017	7.80%
01.01.2018	30.09.2018	7.60%
01.10.2018	30.06.2019	8.00%
01.07.2019	30.09.2019	7.90%
01.10.2019	31.12.2019	7.90%

As per OM No 7[2]/EV/2009 Dt. 29-12-2009 & RBE 14/2011.

Family Pension Scheme

It is a social security benefit paid monthly to the surviving family members who are otherwise eligible and covered under the scheme who were wholly dependent on a Railway servant in the case of death of the employee irrespective of whether death occurs during service or after retirement. [In case of missing employees/ Pensioners, the cases will be treated at par with death subject to fulfillment of prescribed conditions]

Family pension at ordinary rates:

Family pension at normal rates shall be calculated at a uniform rate of 30% of basic pay in all cases and shall be subject to a minimum of Rs. 9000/- p.m. and maximum of 30% of the highest pay in the Government. [The highest pay in the Govt. is Rs. 250000 since 1.1.2016].

Note:-

- Qualifying service is irrelevant for sanction of family pension at normal rates.
- If the deceased railway servant concerned immediately prior to his appointment to the service or post was examined by the appropriate medical authority and declared fit by that authority for railway service, family pension is admissible.

Family pension at enhanced rates

Family pension at enhanced rates 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 of ten years, without any upper age limit. 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. –

In other words the enhanced family pension payable will be: -

[a] for ten years in case of death of a Railway Servant while in service and

[b] for seven years in case of death of a Railway Servant after retirement, or for a period up to the date on which the retired deceased Railway Servant would have attend the age of sixty seven years had he/ she survived, whichever is less.

To whom & how long it is payable?

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

Category –I [Primary family pension]

[a] Widow or widower, up to the date of death or re-marriage, whichever is earlier.

[b] Son/ daughter [including divorced or widowed daughter], up to 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 [Secondary family pension]

[c] Unmarried /Widowed/ Divorced daughter, not covered by Category-I above, up to the date of marriage/re-marriage or death or till the date she starts earning whichever is earliest.

[d] Parents who were wholly dependent on the employee when he/she was alive provided the deceased had left behind neither a widow nor a child.

Note:- Members in Category-II shall become eligible for payment only after the other eligible family members in Category-I have ceased to be eligible to receive family pension.

Inclusion of names in the PPO – Procedure

It is hereby clarified that in cases wherein eligibility of family members (i.e. divorced or widowed or unmarried daughter/ parents/ dependent disabled siblings (i.e. brothers/sisters) occurs after issue of the PPO, the pensioner himself or his/her spouse may intimate the details/ names of divorced or widowed or unmarried daughter/ parents/ dependent disabled siblings (i.e. brothers and sisters), to the pension sanctioning authority. Similarly, in cases where the pensioner or his/her spouse has expired, the widowed or divorced or unmarried daughter/ parents/ dependent disabled sibling can themselves intimate such details to the pension sanctioning authority. However, the family pension in such cases can be processed by the pension sanctioning authority even without such intimation/acknowledgment, if sufficient proof of entitlement is produced by the claimant and all other conditions for grant of family pension are fulfilled.

RBA 4/10 & RBA 16/10

Representations received from various quarters to the effect that

[1] The claims of widows/ divorced/unmarried daughters and dependent disabled siblings are not being entertained on the plea that their names do not appear in the details of family members submitted by the Government Servant/Pension to the Head of Office from where he/she had retired.

[2] Besides, in cases where a Government Servant/ Pensioner had expired prior to the issue of orders by this Department, the claims of widowed/divorced/unmarried daughters, etc., for family pension are not being entertained on the plea that they were not eligible for family pension at the time of retirement/death of the Government Servant or death of the Pensioner.

It is hereby clarified that subject to fulfillment of other conditions laid down therein, the widowed/divorced/unmarried daughter of a Government Servant/Pensioner, will be eligible for family pension with effect from the date of issue of respective orders irrespective of the date of death of the Government Servant/Pensioner. Consequently, financial benefits in

such cases will accrue from the date of issue of respective orders. The cases of dependent disabled siblings of the Government Servants/Pensioners would also be covered on the above lines.

Family Pension - Income ceiling for dependency

The family pension payable to a son/daughter shall be stopped if he or she starts earning his or her livelihood (*). (*)The restriction of earning livelihood for the purpose of stopping of family pension was considered since Rules do not define the question of livelihood, and it was decided to remove this restriction w.e.f.18.01.1993 [Bd's lr No. F[E]III/93/PN 1/19 Dt. 14.05.1993]

In partial modification of O.M.No. 1(26)-P&PW/90-(E), dt. 18.01.93, the income criteria will be that their earning is not more than Rs.2550/- per month.[for all i.e., sons/daughters, widowed/ divorced daughters etc] **RBE 81/1998**

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

As per 7th PC provision the income/earning of applicant will not be more than Rs. 9000 + DA thereof. **Para [4] of RBE 99/2013**

National Pension System

A new restructured defined contribution pension system (NPS) for new entrants is introduced w.e.f.01.01.2004, replacing the existing system of defined benefit pension system. This new scheme is mandatory to the new recruits entering into Railway service from 1.1.2004, and the existing pension scheme & SRPF Rules are not applicable to the new entrants. The new scheme has two tiers i.e., Tier-I & Tier-II.

Tier-I

In tier-I, Govt., servants shall compulsorily make a contribution at the rate of 10% of salary & DA and a matching contribution will be made by the Govt... ('Salary' means 'Basic Pay'). The contributions and investment returns would be deposited in a non-withdrawable pension tier-I account.

Tier-II

In addition, each Govt. servant may also have a tier-II withdrawable account at his option. Government will not make any contribution to this tier-II account. This withdrawable account does not constitute pension investment and would attract no special tax treatment.

EXIT: - A Government servant covered under the new system can exit at or after attaining the age of 60 years from the tier-I of the system.

- At exit, it would be mandatory for the individual to invest 40% of the pension wealth to purchase an annuity from an IRDA regulated life insurance company, which will provide for pension for the lifetime of the employee and his dependent parents/spouse at the time of retirement.
- In the case of Government servants, who leave the system before attaining the age of 60 years, the mandatory annuitisation would be 80% of the pension wealth.

Implementation of N P S

(a) The new pension system is effective from 1.1.2004.

(b) The contributions towards the system will be recovered from salary bills every month at

the rate of 10% of Basic Pay and DA, and would be deposited with a matching contribution.

(c) Recoveries towards the contribution to tier-I of the system shall be made from the 1st of the month following the month in which the Railway servant has joined the service.

(d) No deduction will be made from his salary earned in the month of joining the service.

- The associate bill passing Accounts Officer will allot a unique 16 digit permanent pension account number as under:-

1st to 4th digit	Calendar year in which the account is opened (To be allotted by Railway)
5th digit	Ministry Code as allotted by CGA (Code No. '.5' has been allotted to Railways).
6th to 8th digits	Zone/Production unit Code (As per FMIS Programme to be allotted by FA&CAOs themselves prefixing '0' to the existing 2 digit railway code.
9th to 11th digits	Associate Accounting Unit Codes to be allotted by FA&CAOs themselves starting from 001.
12th to 16th digits	Employee Number (To be allotted by Associate Accounts Office concerned starting from 00001 running from January to December of a calendar year)

NPS...Apprentices/ Trainees: -It is clarified that the employees: -

[a] who were put on induction training after appointment prior to 01-01-04 and are paid salary from that date would be covered under Pension Scheme.**(RBE 169 /06**

[b] who were required to undergo departmental training relating to jobs prior to 01.01.2004 before they were put on regular employment and were in receipt of stipend during such training would also be covered under old Pension Scheme provided the period spent on such training was eligible for being counted as qualifying service under the old Pension Rules **(RBE 47/2008)**

- In respect of employees who joined service after 01.01.2004 and transferred to new bill unit/ accounting unit, Permanent Retirement Account Number [PRAN] should invariably be indicated by the bill drawing Officers in the LPCs to facilitate correct transfer of accumulations to the respective account....

- **Aadhaar based bio metric verification system**: Board have issued the process flow of the scheme of Aadhaar based Bio- metric verification system. Boards have also advised that it may be ensured Aadhaar number is incorporated in the pension application submitted by the employees while filling up their settlement papers. (RBE 38/2014)

Additional Relief on Death/ Disability of Government servants covered by NPS.

Decided to extend the following benefits to Central Civil Government Servants covered by the New Pension Scheme, **on provisional basis** till further orders:

I]	**Retirement from Govt. service on invalidation not attributable to Govt. duty**		
	[i]	Invalid Pension calculated in terms of Rule 38 and Rule 49 of the CCS [Pension] Rules, 1972.	Rule 55 & 69 of RS [Pension] Rules 1993
	[ii]	Retirement gratuity calculated in terms of Rule 50 of the Central Civil Services [Pension] Rules, 1972	Rule 70 of RS [Pension] Rules, 1993
II]	**Death in service not attributable to Government duty:**		
	[i]	Family Pension [including enhanced family pension] computed in terms of Rule 54 of the Central Civil Services {Pension} Rules, 1972.	Rule 75 of RS [Pension] Rules, 1993
	[ii]	Death gratuity computed in terms of Rule 50 of Central Civil Services [Pension] Rules, 1972.	Rule 70 of RS [Pension] Rules, 1993

III]	**Discharge from Govt service due to disease /injury attributable to Government duty.**		
	[i]	Disability Pension computed in terms of the Central Civil Services [Extraordinary Pension] Rules.	RS [Extraordinary Pension] Rules
	[ii]	Retirement gratuity computed in terms of the CCS [Extraordinary Pension] Rules read with Rule 50 of the Central Civil Services [Pension] Rules, 1972.	Rule 70 of RS [Pension] Rules, 1993
IV]	**Death in service attributable to Government duty:**		
	[i]	Extraordinary Family Pension computed in terms of Central Civil Services [Extraordinary Pension] Rules and Scheme for Liberalized Pensionary Awards	RS [Extraordinary Pension] Rules and Scheme for Liberalized Pensionary Awards
	[ii]	Death gratuity computed in terms of Rule 50 of Central Civil Services [Pension] Rules, 1972.	Rule 70 of RS [Pension] Rules, 1993

The employee / his family will also be paid Dearness Pension /Dearness Relief admissible from time to time in addition to the above benefits, **on provisional basis.** These instructions will take effect from the same date i.e. 1.1.2004. RBA 31/2009.

Additional benefits on death/disability of Government Servant covered by NPS:
Board have clarified that in case that any additional relief or benefit is provided to the family members of a deceased NPS subscriber / subscriber due to any ground like invalidation leading to loss of employment in lieu of the benefits available under National Pension System, the claimants to the accumulated pension wealth of the deceased subscriber / subscriber would be free to avail such benefits subject to the condition that they specifically agree and under to transfer the accumulated pension wealth to the Government Department unconditionally. **RBE 96/2014.**

Clarifications (NPS)
Whether an employee covered under NPS is entitled for leave encashment after retirement?
The benefit of encashment of leave salary is not a part of the retirement benefits admissible under RS (Pension) Rules –1993. It is payable in terms Railway Leave Rules which will continue to be applicable to the government servants who join the government service on after 01.01.2004. Therefore, the benefit of encashment of leave salary payable to the government/to their families on account of retirement/death will be admissible.

Whether any minimum age or minimum service is required to quite from Tier-I
Exit from Tier-I can only take place when an individual leaves Govt. service

Whether the non-practicing allowance (NPA) payable to medical officers will count towards 'pay' for the purpose of working out contributions to NPS?
Yes.

What happens if any employee gets transferred during the month? Which office will make deduction of contributions?
As in the case of other recoveries, the recovery of contributions towards NPS for the full month (both individual and government) will be made by the office that will draw salary for maximum period of the month.

Whether a government servant who was already in service prior to 1.1.2004, if appointed in a different post under the government of India will be governed by the CCS (P) Rules/Railway Services (Pension) Rules – 1993 or NPS?
In cases where government servants apply for posts in the same or other departments and on

selection they are asked to render technical resignation the past services are counted towards pension under CCS(Pension) Rules, 1972/ RS (Pension) Rules –1993. Since the government servant had originally joined government service prior to 1.1.2004, he should be covered under the CCS (Pension) Rules, 1972/ RS (Pension) Rules, 1993.

Whether pay element in Running Allowance counts towards 'pay' for the purpose of working out contributions by running staff to NPS?
Contribution payable by Running Staff shall be 10% of Basic Pay + Pay Element (30% of basic Pay at present) +DA thereon.

Can any individual continue to contribute under Tier-I even after the age of 60 years?
Yes. However, in case of Government employees, the government's contribution will cease when the employee reaches the age of 60 years.

All the fresh appointees joining service on or after 1.1.04 will be inducted into New Pension Scheme. As per orders of Department of Economic Affairs, Rule No.19 of CCS (Pension), Rules, 1972 which corresponds to Rule No.34 of Railway Services (Pension) Rules, 1993, is not applicable to the fresh employees appointed on or after 1.1.04. .....RBA No.40/06.

EXAMPLES FOR CALCULATION OF PENSION

Pension shall be calculated at 50% of the last Pay (Basic Pay) drawn by the employee at the time of his/her retirement or 50% of the average emoluments, whichever is more. The minimum pension granted to a Railway Servant is Rs. 9000/- per month w.e.f. 01.01.2016.

Formula for Non-Running Staff: Basic Pension = Basic Pay /2

Example: - Basic Pay= Rs 70,000 as on 30.11.2019.
50% of Rs. 70, 000 will be Basic Pension, i.e. Rs. 70,000/2 =
Rs.35, 000/-

Formula for Running Staff: (Loco Pilots, Guards & Tower Wagon Drivers)

In case of Running staff, Pay element shall also include 55% of the Pay for reckoning emoluments.
Basic Pension = (Basic Pay + 55% of Basic Pay) / 2

Example: -

Basic Pay	=	Rs. 70,000	as on 30.11.2019.
55% of the Basic Pay	=	Rs. 38500/-	
Total	=	Rs. 108500/-	
50% of Rs. 108500/-	=	Rs. 54250/- is the Basic Pension.	

Formula for Running Staff (Loco Inspector)
In case of Loco Inspector (Drafted from Running category) 30% pay element shall be reckoned as pay for computation of pension and gratuity only and not for any purpose.

Basic Pension = (Basic Pay + 30% of Basic Pay) / 2

Example:-	Basic Pay	=	Rs. 70,000	as on 30.11.2019.
	30% of the Basic Pay	=	Rs. 21000/-	
	Total	=	Rs. 91000/-	
	50% of Rs. 91000/-	=	Rs. 45500/-	is the Basic Pension.

COMMUTATION OF PENSION: -

The lump-sum commutation value will be arrived at by multiplying the commuted portion of pension by a factor relevant to age next birthday x 12.

Formula:-

40% of Basic Pension x 12 x commuted value as on age as on next birthday (i.e. on 61 years age)

Example: -

If Employee has basic pay of Rs. 70,000/- and basic pension is Rs. 35000/-,
Then 40% of Basic Pension = Rs.14, 000/-
Commutation value at the age of 61 years is Rs.8.194 (which is taken from **table of commutation of Pension).**
Therefore commuted value shall be Rs. 1376592/- [Rs.14000 X 12 X 8.194]

RETIREMENT GRATUITY: -

It is a lump sum payment granted to those retiring after completing at least 5 years of qualifying service. It is calculated at the rate of half of the emoluments for each completed six monthly period of qualifying service subject to a maximum of 16 ½ times the emoluments subject to a maximum amount of Rs. 20, 00, 000/-

Formula for Non-Running Staff:

Gratuity = (Basic Pay + DA) x Qualifying Service / 2

Example:-	Basic Pay	=	Rs. 70000/-
	DA @ 17%	=	Rs. 11900/-
	Total	=	Rs. 81900/-

Qualifying service rendered = 34 years but maximum to be reckoned is 33 years only. Hence retirement gratuity eligible shall be Rs. 81900/- x 33/2 i.e Rs. 13,51,350/-

Formula for Running Staff: (Loco Pilots, Guards & Tower Wagon Drivers)

In case running staff, 30% of Basic Pay will be treated as Pay relating the Running Allowance. Dearness Allowance as on the date of retirement shall be paid on the basic pay + the pay element of the Running Allowance i.e. 30% of the Basic Pay.

Gratuity = (Basic Pay + DA) x Qualifying Service / 2
Basic Pay= Basic Pay +55% of the Basic Pay
DA= Basic Pay + 30% of Basic Pay x DA as on the date of Retirement.

Example: -	Basic Pay	=	Rs. 70000/-	
	55% of Basic Pay	=	Rs. 38500/-	
	Total	=	Rs. 108500/-	[A]
DA @ 17%	=	Rs. 15470/-	[B] Basic Pay + 30% of Pay X 17% DA	

Total emoluments Rs. 123970/- [A+B]

Qualifying service rendered = 34 years but maximum to be reckoned is 33 years only. Hence retirement gratuity eligible shall be Rs. 123970/- X 33/2 i.e. Rs. 2045505/- (Maximum Gratuity is Rs. 2000000/-)

Formula for Running Staff: (Loco Inspector)

In case of Loco Inspector (Drafted for Running category), 30% Pay elements shall be reckoned as pay for computation of Pension and Gratuity only and not for any purpose.

Gratuity = Basic Pay + DA X QS / 2

Basic Pay= Basic Pay + 30% of the Basic Pay

DA= DA (Without Pay elements of 30%) as on the date of retirement. Maximum qualifying service is 33 years.

Example:-			
	Basic Pay	=	Rs. 70000/-
	30% of Basic Pay	=	Rs. 21000/-
	DA @ 17%	=	Rs. 15470/-
	Total	=	Rs. 106470/-

Qualifying service rendered = 34 years but maximum to be reckoned is 33 years only. Hence retirement gratuity eligible shall be Rs. 106470/- X 16.5 or Rs. 106470/- X 33/2 i.e. Rs. 1756755/-

Death gratuity: - It is granted to the family in the event of death while in service.

Formula for Non-Running Staff

Gratuity = (Basic Pay + DA) x Qualifying Service [Max 33 years]

Example: -

Basic Pay [Pay in PB+GP]	=	Rs 70,000/- as on 30.11.2019
DA @ 17%	=	Rs.11900/-
Total	=	Rs.81900/-

Qualifying service rendered = 34 years, but maximum to be reckoned is 33 years only Hence, Death Gratuity eligible shall be 81900/- X 33 = Rs. 2702700/- [Max Rs. 2000000]

Formula for Running Staff (Loco Pilots: Guards & Tower Car Drivers)

Death Gratuity = Pay* + DA** x Qualifying Service [Max 33 years]

*Pay = Pay + 55% of Pay

** DA = (Pay + 30% of Pay) x DA as on the date of death

Example :-

Last Basic Pay	= Rs. 70000
(Date of Death) 55% of Last Basic Pay	= Rs. 38500
Total pay	= Rs. 108500.....[A]
DA@17% [Pay + 30% of Pay x 17%]	= Rs. 15470.....[B]

Total emoluments = Rs.123970.....[A] + [B]

Qualifying service rendered = 34 years, but maximum to be reckoned is 33 years only Hence, Death Gratuity eligible shall be 123970 X 33 = Rs.4091010 [Max Rs.20, 00, 000]

LEAVE ENCASHMENT: - Leave salary is a lump sum onetime payment of the unavailed leave at credit at the time of retirement or death. This is limited to the maximum of 300 days of LAP.

In case any short fall of 300 days LAP, LHAP from his/her credit will be taken for the purpose of leave encashment to the extent of shortfall of number of days of LAP. Accordingly the amount towards shortfall of LAP is equivalent to half pay.

Formula for Non-Running Staff

LAP - Formula

(Last Basic Pay + DA) / 30	X	No. of days of LAP subject to a maximum of 300 days

LHAP - Formula

(Last Basic Pay + DA) / **30 X 2**	**X**	**No. of days of LHAP to the extent of shortfall of LAP (*) subject to a maximum of 300 days of LAP + LHAP**

Example: -

Basic Pay [Pay in PB+GP]	=	Rs 70, 000 as on [Date of Death]
DA @ 17%	=	Rs.11900
Total	=	Rs.81900
Leave encashment for 300 days	=	Rs.81900 X 300/30 = Rs.819000.

If balance of LAP is 300 days & LHAP 200 days, the Leave encashment for 300 days LAP shall be Rs.81900 X 300/30 = Rs. 819000.

If balance of LAP is 250 days & LHAP 200 days, the Leave encashment shall be subject to a maximum of 300 days of LAP + LHAP put together as illustrated below: -

[A] Rs.81900 X 250/30	=	Rs.682500 for 250 days LAP and [B]
Rs.81900 X 50/ (30X2)	=	Rs. 68250 for 50 days LHAP
Total Leave Encashment -[A] + [B]	=	Rs.750750

Formula for Running Staff (Loco Pilots: Guards & Tower Car Drivers)

Note: -In case of Loco Inspectors, the calculation of Leave encashment will be at par with Non- Running employees.

LAP - Formula

(Basic Pay + DA on 30 % Basic Pay) / 30	X	No. of days of LAP subject to a maximum of 300 days

LHAP - Formula

(Basic Pay + DA on 30 % Basic Pay)	X	No. of days of LHAP to the extent of shortfall of LAP (*) subject to a maximum of 300 days of LAP + LHAP

Example: -

Basic Pay	=	Rs 70000
30 % of Basic Pay	=	Rs. 21000 [Pay element /Running Allowance]
Total pay	=	Rs.91 000 [A]

DA @ 17%
[Basic Pay+30% of pay X 17%]
= Rs.15470 [B]

Total emoluments = Rs.106470 [A] + [B]
Leave encashment for 300 days = Rs.106470 X 300/30 = Rs.1064700.
If balance of LAP is 300 days & LHAP 200 days, the Leave encashment for 300 days LAP shall be Rs. 106470 X 300/30 = Rs.1064700.

If balance of LAP is 250 days & LHAP 200 days, the Leave encashment shall be subject to a maximum of 300 days of LAP + LHAP put together as illustrated below:

[A] Rs.106470 X 250/30	=	Rs.887250 for 250 days LAP and;
[B] Rs.106470 X 50/ (30X2)	=	Rs. 88725 for 50 days LHAP
Total Leave Encashment -[A] + [B]	=	Rs. 975975

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