

# MASTER CIRCULAR

## Master Circular No. 54

### Qualifying Service for Pensionary Purposes

Further to the [Master Circular No. 1](#), Master Circular No. 2 is enclosed with this letter which brings out instructions issued from time to time on the concept of qualifying service for pensionary purposes.

2. Instructions referred to in the Circular are both old and those current on the subject. For dealing with old cases, the instructions in force, at the relevant time be referred to.

3. If any order current on the subject has been omitted the same should nevertheless be treated as valid and operative.

#### QUALIFYING SERVICE

Qualifying service of a railway servant shall commence from the date he takes charge of the post to which he is first appointed either substantively or in an officiating capacity.

Provided that the officiating or temporary service is followed without interruption by substantive appointment in the same or another service or post,

Provided further that the service rendered before attaining the age of 18 years shall not count except for compensation gratuity.

[Authority: Section I of Chapter XXIV of IREC- Vol. II (1973 Edition) [##](#) {and [Rule 20 of Railway Services \(Pension\) Rules, 1993](#)}]

#### 2. Counting of the period of service paid from contingencies

The service paid from Contingencies shall be allowed to count towards pension at the time of absorption in regular employment subject to conditions specified in the orders.

[Authority: Letter No. [F\(E\)III/68/PN 1/25 dated 22.08.1968](#)]

#### 3. Counting of service rendered in Autonomous Bodies after absorption on Railways

Service under the Autonomous bodies before joining Railway is allowed to be counted subject to fulfilment of conditions laid down in the orders issued from time to time. (Details given in [Part 'D' of Chapter I](#)).

#### 4. Counting of service on probation

Service on probation against a post if followed by confirmation in the same or another post shall qualify for pensionary benefits.

[Authority: Rule 2411 of IREC- Vol.II (1973 Edition) [##{and Rule 23 of RS\(P\) Rules, 1993}](#)]

## 5. Counting of period spent on training

5.1 The service as an Apprentice does not count towards qualifying service. With effect from 22.12.1983, in the case of Group C & D employees who are required to undergo departmental training relating to jobs before they are put on regular employment, the period of training shall count towards qualifying service if the training is followed immediately by an appointment. The benefit is also admissible to such of those Group C & D employees who are subsequently promoted to the gazetted posts.

[Authority: Letter Nos. (i) [F\(P\)58 PN 1/14 dated 03.03.1960](#), (ii) [F\(E\)III/79/PN 1/20 dated 17.04.1984, 27.07.1984, 13.10.1986, 09.08.1988](#) (RBE 159/1988) and [14.09.1988](#) (RBE 202/88)]

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5.2 Where the trainee fails to complete the training period in one attempt, he shall be allowed the benefit of initial training period to qualify for pension if he succeeds in the repeat course Subject to the condition that the period of interruptions between the initial training period and repeat course as well as the entire period of repeat course will be treated as dies-non.

[Letter No. [F\(E\)III/97/PN 1/20 dated 14.03.1995](#) (RBE 23/1995)]

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## 6. Counting of service on Contract

A person who is initially engaged on Railway on contract for a specified period and is subsequently appointed to the same or another post in a substantive capacity on a pensionable establishment, the period of engagement on contract service shall count as qualifying service for pensionary benefits subject to conditions laid down in the orders.

[Authority: Letter No. [F\(P\)59 PN 1/6/Manual dated 17.08.1959](#)]

## 7. Counting of Military service rendered before Railway employment

A railway servant who is re-employed in a railway service or post before attaining the age of superannuation and who before such re-employment had rendered military service after attaining the age of 18 years may, on his confirmation in a railway service or post opt within a period of one year from the date of joining the railway service or post, either.

- i. to continue to draw the military pension or retain gratuity received on discharge from military service, in which case his former service shall not count as qualifying service; or
- ii. cease to draw his pension and gratuity and count previous military service as qualifying service.

[Authority: Letter No.

- iii. F(E)III 69 PN 1/19 dated 28.04.1972, F(E)III/77/PN 1/19 dated 15.09.1977;
- iv. F(E)III 78 PN 1/22 dated 03.11.1978,
- v. F(E)III82PN 1/2 dated 10.05.1982 and 09.04.1986;
- vi. F(E)III/88/PN 1/15 dated 02.08.1988 (RBE 164/1988) ##{and 25.1.1995 (RBE 6/1995)}

#### 7.1 Counting of war service rendered before railway service

War service rendered during the war, by itself, or in conjunction with other military service shall be allowed to count towards railway pension to the extent of one half of such service in respect of war candidates appointed permanently to railway posts against vacancies arising after 31.12.1947. If, however, the whole or any portion of such service satisfies the conditions laid down in the orders relating to the counting of military service referred to in the preceding paragraph, such service shall be allowed to count in full towards railway pension. The grant of concession as well as the grounds on which the break in service between war/military service and the railway service can be condoned is subject to satisfaction of the conditions laid down in the orders issued from time to time.

[Authority Letters Nos.

- vii. F(P)59 CSR 1/1 dated 03.03.1959, 14.05.1959 and 01.12.1960;
- viii. F(P)59 CSR 1/1 dated 07.01.1961, 25.02.1961, 14.12.1961 and 26.11.1963

**7.2 A Railway servant, who prior to his appointment in railway service or post against war reserved or other permanent vacancy which arose for direct recruitment before 01.01.1948, has rendered satisfactory paid whole time enlisted or commissioned war service in the Armed Forces of India or in similar forces of a Commonwealth country during the period 03.09.1939 to 1.1.1946 which did not earn service pension under the military rules, shall be allowed to count such service including the period of leave on full rates of pay and sick leave taken during such service as qualifying service.**

[Authority: Letter No. F(P)59 CSR 1/1 dated 03.03.1959]

#### 7.3 Counting of Non-regulars purely temporary military service for railway pension

Continuous military (non-regular/purely temporary) service not rendered in conjunction with war service in the Army, Navy and Air Force shall count in full towards railway pension if such service is followed without interruption by appointment to and eventual confirmation in a pensionable post on the railway. The grant of this concession is subject to conditions laid down in the orders.

[Authority: Letter No. [F\(P\)59 CSR- 1/1 dated 02.04.1962](#)]

#### **7.4 Counting of Enlisted/Commissioned military service**

The enlisted/Commissioned military service shown as non-pensionable/war-time engagement by the Defence authorities shall count towards railway pension in the case of persons who are permanently appointed to railway service.

[Authority: Letter No. [F\(P\)64 PN 1/48 dated 11.11.1964](#)]

#### **7.5 Form of verification of war/military service**

Before orders are passed in any case for counting of the war/military service of the individual concerned and the amount of bonus or gratuity in lieu of pension that was paid to him has got to be verified in Form No. 27 from the appropriate authorities indicated in the orders.

[Authority: Letter No. [F\(P\)59 CSR 1/1 dated 11.05.1961](#) and [27.04.1963](#)]

#### **7.6 Counting of the non-pensionable service rendered during World War II**

Non-pensionable service rendered during World War II counts for pensionary benefits.

[Authority: Letter No. [F\(P\)59 CSR – 1/1 dated 28.12.1960](#)]

#### **7.7 Definition of term Military service**

The term 'Military service' includes service in Indian Royal Navy and Indian Royal Air Force.

[Authority: No. [F\(P\)58 PN 1/2 dated 13.06.1958](#)]

### **8. Counting of the INA Service**

INA Service is to be treated as 'war service' and the period of break in the two services be treated as qualifying service for railway pension.

[Authority: Letter No. [F\(P\)59 1/24 dated 27.07.1965](#) and [F\(E\)III/73/PN 1/4 dated 21.03.1978](#)]

**9. Addition to the qualifying service of ex-railway servants penalised for patriotic activities**

Railway servants who took part in the National movement are eligible for additional weightage in qualifying service subject to satisfaction of conditions specified in the orders.

[Authority: [F\(E\)III/73/PN 1/4 dated 28.07.1975;](#)  
[F\(E\)III/75/PN 1/10 dated 09.03.1976;](#)  
[F\(E\)III/73/PN 1/4 dated 23.08.1976;](#)  
[F\(E\)III/78/PN 1/19 dated 30.10.1978\]](#)

**10.Counting of the service rendered under the Central Government**

An employee transferred to the Railways from a department of the Central Government was initially treated as on deputation so long as he was not permanently absorbed on the Railways. On absorption, his previous service in the Civil Department could be counted for pensionary benefits. The pensionary liability for the previous service was to be borne by the concerned Civil Department. Orders specifying conditions for counting of civil service for pensionary benefits issued from time to time are as under :-

- i. [F\(P\)60 PN 1/25 dated 17/21.05.1962, 19/30.07.1962 ;](#)
- ii. [F\(P\)62 PN 1/21 dated 12.11.1962 ;](#)
- iii. [F\(P\)65 PN 1/27 dated 05.09.1967 ;](#) and
- iv. [F\(E\)JT/1/1 dated 11.10.1965](#)

**10.1** With effect from 01.01.1978, the system of apportionment of liability towards leave salary and pensionary charges was dispensed with between the two Central Government Departments.

[Letter No. [F\(E\)II/77/IN 3/1 dated 15.03.1978](#)]

**10.2.** Resignation from a post under the Central Government to take up with proper permission another appointment on the Railways and vice versa, whether permanent or temporary service is not a resignation from public. In other words, resignation in such circumstances does not entail forfeiture of past service. Resignation, other than technical as described above, dismissal or removal from service of a railway servant, however, entails forfeiture of his past service.

[Letter Nos. (i) [F\(P\)59 CSR 1/11 dated 06.12.1961](#)  
(ii) [F\(E\)III 77 PN 1/11 dated 05.08.1977](#)]

**11.Condonation of interruption in service**

In the absence of a specific indication to the contrary in the service book, interruption between two spells of service by a railway servant under Government including civil service rendered and paid out of Defence Estimates shall be treated as automatically condoned and the pre-

interruption service shall be treated as qualifying service for pension, except where it is otherwise known that the interruption was caused by resignation, dismissal or removal from service or for participation in strike. The period of interruption shall not count as qualifying service.

[Letter Nos. [F\(E\)III 76 PN 1/3](#) dated [08.04.1976](#), [F\(P\)61 CSR 1/2](#) dated [22.06.1961](#) (Earlier provision)]

## **12.Counting of the period of Suspension**

The period of suspension of railway servant shall not count towards qualifying service, unless the competent authority to pass orders under the rules governing such cases expressly declares at the time that it shall count to such extent as that authority may declare.

[Letter Nos. [F\(E\)III 76 PN 1/3](#) dated [08.04.1976](#)]

## **13.Counting of the State Government Service**

A temporary State Government servant on absorption/appointment in the Railways is allowed to count his temporary service for pensionary benefits by sharing of proportionate pensionary liability.

### **13.1 The system of allocation of pensionary liability between the Central and State Government was dispensed with from [01.04.1987](#).**

[Letter Nos. (i) [F\(E\)III 68 PN 1/47](#) dated [31.01.1969](#),  
(ii) [F\(E\)III 68 PN 1/47](#) dated [23.09.1969](#);  
(iii) [F\(E\)III/82 PN 1/16](#) dated [13.11.1982](#);  
(iv) [F\(E\)II/87/IN 3/1](#) dated [15.12.1987](#) (RBE 375/1987), [27.2.1990](#) (RBE 40/1990) and [12.2.1997](#).  
(v) [F\(E\)III/89 PN 1/3](#) dated [11.08.1989](#) (RBE 200/89)]

## **14.Addition to qualifying service for Superannuation Pension in certain circumstances**

A railway servant appointed to a service for post after 31st March, 1960 shall be eligible to add to his service qualifying for Superannuation Pension (but not for any other class of pension) the actual period not exceeding 1/4th of the length of his service or the actual period by which his age at the time of recruitment exceeded 25 years or a period of five years whichever is less, subject to satisfaction of the conditions specified in the orders.

### **14.1. With effect from [28.10.1987](#), the benefit shall be admissible to all those who retired from service after [31.03.1960](#).**

[Letter Nos. (i) [PC 60/RB 3/3](#) dated [30.11.1960](#)  
(ii) [F\(E\)III 76 PN 1/12](#) dated [15.11.1976](#)  
(iii) [F\(E\)III 87 PN 1/21](#) dated [04.12.1987](#) (RBE 343/1987)]

- (iv) [F\(E\)III 87 PN 1/21 dated 18.02.1988](#)
- (v) [F\(E\)III 92 PN 1/8 dated 20.04.1992](#) (RBE 56/1992)

#### **15.Addition in qualifying service to the medically decategorised staff**

A medically decategorised railway employee refusing to accept the alternative post offered to him is allowed to retire on invalid pension and the service qualifying for retirement benefits be enhanced by an addition of five years provided his continuous service rendered is not less than 15 years.

[No. [PC-III \(73\) Med/2 dated 24.01.1975.](#)]

#### **16.Addition to qualifying service in cases of voluntary retirement**

The scheme of voluntary retirement after completion of 20 years of qualifying service provided for the benefit if weightage in qualifying service upto 5 years subject to the condition that the total qualifying service shall not in any case exceed 30 years qualifying service (subsequently enhanced to 33 years qualifying service).

[Letter Nos. [E\(P&A\)I-77/RT-46 dated 09.11.1977, 29.05.1984 & 02.08.1985](#) (RBE 219/85)  
[E\(P&A\)I-85/FE 4-7 dated 07.11.1986](#) (RBE 216/86)]

**16.1 Weightage upto 5 years in qualifying service as envisaged in the scheme of voluntary retirement on completion of 20 years qualifying service, also allowed on retirement on completion of 30 years qualifying service as provided in para 620(i) of MRPR or in cases of premature retirement sought by a railway servant under Rule 2046 (i) & (I)/R-II. This weightage of 5 years shall not be admissible in case of railway servants who are prematurely retired by the railway in public interest on completion of 30 years of qualifying service as per para 620(ii) of MRPR as well as Rules 2046(h) and (K)/ R-II.**

[Letter No. [E\(P&A\)I-77/RT-46 dated 09.11.1983](#)]

#### **17.Counting of the Extraordinary Leave**

The competent authority has discretion to allow the extraordinary leave to count for pension (i) if it is taken on medical ground, (ii) if it is taken due to inability of the person concerned to join or re-join duty due to civil commotion or natural calamity, and (iii) if it is taken for prosecuting higher scientific and technical studies. The extraordinary leave granted on medical certificate started counting as qualifying service for pension in all cases with effect from 22.09.1973. On or after 18.02.1986, extraordinary leave sanctioned for higher scientific and technical studies shall count as qualifying service for pension.

[Letter Nos. (i) [F\(P\)58 PN 1/15 dated 07.02.1959](#)  
(ii) [F\(P\)66 PN 1/24 dated 14.06.1968](#)



[17.04.1984](#), [27.07.1984](#), [13.10.1986](#), [09.08.1988](#) (RBE 159/1988) and [14.09.1988](#) (RBE 202/88).

- iv. in a non-pensionable post,
- v. in a post paid from contingencies except as provided in para 409 (ii)
- vi. on daily rates basis ;
- vii. on a contract basis except when followed by confirmation without break.

[Reference Para 407 of MRPR [##{](#)and [Rule 14](#) of RS(P) Rules, 1993.}].

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22. A qualifying services of 9 years and 9 months and above at the time of retirement shall be treated as ten years of service for the purpose of pension and death/retirement gratuity.

[Letter No. [F\(E\)III/90/PN 1/34](#) dated [25.10.1990](#) (RBE 187/1990) and [07.06.1993](#) (RBE 88/1993)]

23. The service rendered by the employees in Government/Railways will not be counted for the purpose of pension on absorption in the Nationalised Banks including the Reserve Bank of India and the State Bank of India and its Subsidiaries and other financial institutions including Life Insurance Corporation of India, General Insurance Corporation and its Subsidiaries. Similarly, the service rendered in these institutions by the employees prior to their appointment in Central Government/Railways will not count for the purpose of pensionary benefits under Central Government/Railways. They may seek terminal benefits as admissible from the concerned Nationalised Banks, etc, in which they had rendered service before being appointed in the Central Government/Railways.

[Letter No. [F\(E\)III/95/PN 1/4](#), dated [04.08.1995](#) (RBE 79/1995)]

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**## Inserted by Railway Board's letter No. [F\(E\)III/2000/Master Circulars/Revision dated 10.3.2000](#) (RBE 41/2000).**