

**PENSIONERS'**

# **RAIL SAMPARK**

QUARTERLY BULLETIN OF THE

**RAILWAY SENIOR CITIZENS WELFARE SOCIETY (RSCWS) (Regd.)  
CHANDIGARH**

(Estd. 1991, Regd. No. 1881 - under Societies Registration Act) Website for Pensioners: [www.rscws.com](http://www.rscws.com)

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Vol. 6 No. 1

CHANDIGARH, April - June, 2010

FOR MEMBERS ONLY

## **National Convention of Railway Pensioners Associations held at Delhi on 5<sup>th</sup> July, 2010**

### **N. P. Mohan Ex CE & Working President RSCWS presents keynote address**

First National Convention of Railway Pensioners Associations was held at Delhi on 5<sup>th</sup> July, 2010 to discuss and highlight the major problems of the Pensioners & Family Pensioners on Railways.

Shri S.C. Maheshwari, Secretary General, RREWA, Shri Shyamsunder Secretary General BPS, Shri N P Mohan, Working President RSCWS, Shri Harchandan Singh, Secretary General RSCWS & other representatives of different Associations of Railway Pensioners addressed the Convention. They all pinpointed the various issues and challenges before the Pensioners on account of disparity in Pension, inadequate health facilities, non implementation of Government and Board's orders on various issues and above all – lack of any Forum for redressal of their problems.

Shri N P Mohan, Ex-CE WR & Working President RSCWS, as a special invitee, presented the keynote address at the Convention – explained at length the basic issues involved in respect of Modified Parity of Pension – bringing out details of the Principle of Modified Parity defined by the 5<sup>th</sup> CPC, Recommendations of the Sixth Central Pay Commission and Acceptance thereof by the Government, Implementation of Accepted Recommendations and subsequent tampering with the accepted Recommendations of Sixth CPC (vide OM of DOP dated 3-10-2008) - resulting in reduction in pension in each scale and consequential all round Representations against the same & negation thereof by the Government at all levels. He also discussed remedial alternatives now available including the court cases filed by various organisations thereon.

Shri Harchandan Singh, Secretary General RSCWS, highlighting the major problems of Pensioners, referred to the issues of Modified Parity in Pension, nominal amount of Rs.300 p.m. as revised Medical Allowance instead of Rs.1000 demanded by all, need for grant of additional Pension for those in age group between 65 to 80 years, delay in issue of revised PPOs, need for exemption of Pension & DA / DR from Income Tax. He proposed joint legal action on the issue of Modified Parity as all channels had been exhausted for it.

Shri Amitabh Khare, Executive Director – HRD, Railway Board, assured the participants that he will convey the problems mentioned by them, to the Railway Board for early appropriate action thereon.

### **RSCWS Proposes Legal Recourse on Pending issues of Pensioners**

RSCWS, through a set of Resolutions adopted in the Executive Committee Meeting of RSCWS, held on 20<sup>th</sup> June, 2010, had proposed Legal Course of action and called upon the National convention of Railway Pensioners Associations to consider filing of joint Court cases by like-minded Associations of Pensioners, on Pending issues of Pensioners – including the issues like Disturbance of Modified Parity of Pre-2006 Pensioners, Medical Allowance of at least Rs.1000 PM & Additional Pension at 65, 70 & 75 year of Age. RSCWS considered the legal recourse necessary since all representations made in this regard have been rejected by the Government both through Notifications as well as in the Meetings of the JCM & NAC etc.

### **RSCWS submits Memorandum to Finance Minister on Direct Taxes Code**

**- To Exempt Pension & DA/DR from Income Tax, Linking Exemption Limit with Inflation & Reduction of Age Limit for Tax Exemption for Senior Citizens from 65 to 60 years**

RSCWS has submitted an exhaustive Memorandum to Finance Minister Pranab Mukherjee, on Proposed Direct Taxes Code and appealed to the Government to Exempt Pension & Compensatory Allowances (like DA / DR, HRA & Transport Allowance etc) from Income Tax. RSCWS has pleaded that Pension & Allowances should be paid Net of Tax under provisions similar to Sec.195A of Income Tax Act – as recommended by Fifth Pay Commission. It has been further demanded that Exemption limits for Income Tax should be linked with Inflation or Price Index and Age for Tax Exemption for Senior Citizens should be reduced from 65 to 60 years. (For details - Read the Editorial on Page 2 & visit Website [www.rscws.com](http://www.rscws.com)).

FIXED MEDICAL ALLOWANCE HAS BEEN RAISED FROM Rs.100 TO Rs.300 PM (SEE COPY OF ORDERS ON BACK PAGE)

GENERAL BODY MEETING & MEDICAL SEMINAR OF RSCWS SHALL BE HELD ON

SUNDAY 25-7-2010 FROM 4 PM TO 6 PM, AT GOVT MUSEUM AUDITORIUM, SECTOR 10, CHANDIGARH – SG

EDITORIAL**DIRECT TAXES CODE –****RSCWS SEEKS EXEMPTION OF ALL ALLOWANCES & PENSION FROM INCOME TAX – LINKING TAX EXEMPTION LIMIT WITH INFLATION**

It is heartening that the government had agreed to maintain the existing provisions in the Income Tax Act so as not to tax the withdrawal from the Provident Funds and other Retirement Benefits in the Direct Taxes Code (as per Revised Discussion Paper on DTC). However, RSCWS has made an appeal to the Government to consider the following other points while finalizing the proposed Direct Taxes Bill:

Allowances like Dearness Allowance, House Rent Allowance, City Compensatory Allowance and the Transport Allowance (last two of which have now been merged as TA) are all of compensatory nature paid to check erosion of real income on account of inflation and continuous rise in cost of living index. Taxing all these Allowances is most unjustified as it defeats the very purpose for which these Allowances are granted.

Taxing of Pension places a great burden on the senior citizens – while their income gets substantially depleted after Retirement. Most of the social & family obligations still remain outstanding even after retirement – especially due to the rising trend of late marriages and need for Higher education of children. The expenses for maintaining the health increase with advancement of age. Heavy burden of inflation clubbed with Taxing of Pension and Dearness Allowance / Dearness Relief further erode the depleted resources.

Honorable Supreme Court of India in its historical Judgement in *D. S. Nakras' case Vs Union of India*, (Petition No.5939-41/1980) had held that *"Pension is not a bounty nor a matter of grace depending upon the sweet will of the employer. It is not an Ex-Gratia payment, but a payment for past services rendered. It is a Social Welfare measure, rendering Socio-Economic Justice to those who in the heydays of their life, ceaselessly toiled for their employers on an assurance that, in their old age they would not be left in the lurch"*

Fifth Pay Commission recommended in Para 167.7: *"If such Allowances are taxed, then either the Basic Salary gets eroded in its real value from Year to Year or the partial Reimbursement of Expenditure incurred on certain items becomes less and less with the passage of time. In both the cases, the objective of giving Allowances is partially nullified"*. Fifth CPC in Para 167.8: *"We have observed that Ministry of External Affairs pays 'Net of Tax' Salaries to its Employees on Foreign Posting. Provision for paying Net of Tax Salary already exists under Sec.195A of the Income Tax Act. Under the Section Employees do not have to pay Income Tax on the Salaries received by them and it is the liability of the Employer to Pay the same to the Income Tax Department"*.

Fifth CPC in "Para 95 in Summary of Recommendations had proposed:- *The Commission has felt that the Salaries and Pensions Recommended by it are not really adequate if they are to be fully taxed. Accordingly, it has recommended that all Allowances and Pensions should be paid Net of Taxes"*.

Unfortunately, the Government had not accepted this recommendation and as such, Government Employees and Pensioners continue to suffer serious erosion of their real income.

As such the Pension and all Compensatory Allowances including DA & DR (Dearness Allowance / Dearness Relief), HRA (House Rent Allowance), CCA (City Compensatory Allowance and TA (Transport Allowance) should be Exempted from the Income Tax to avoid erosion of Real Wages. The Tax thereon should be paid by the respective Departments to the Income Tax Department – with appropriate amendments in Section 195 A of the Income Tax Act – as is done in case of employees on their postings abroad.

Decision of Exemption Limits for Income Tax has been the most arbitrary element of our system – totally devoid of any logic or methodology. This arbitrariness coupled with Taxation of Compensatory Allowances results in instability and erosion of real income of the working Class – causing much hardship and at times indebtedness – especially in case of middle class salary earners. Exemption limits for Income Tax should therefore be linked with Inflation or Price Index. It should be raised every year proportionately.

The Retirement Age (or the Age of Superannuation) for the Government Employees is 60 years. There is a substantial loss of income immediately on retirement – due to differential in Pay & Pension as well as stopping of all allowances forthwith – (except DA). Due to rising trend of late marriages and need for higher education of the children, most of the liabilities of the employee are still pending by the time one retires. Age also impairs health thus calling for dependency on medicines. Taxation further erodes the reduced income after retirement – with much depleted income. Age Limit for Tax Exemption for Senior Citizens should therefore be reduced from 65 to 60 years.

## **CMS Ambala again urged by RSCWS to remove problems faced by Railway Pensioners settled in & around Chandigarh**

*(Copy of DO letter No. RSCWS / CHD / CMS / UMB Date 3--6-2010 to Dr I. P. Sharma, CMS, NRly. Ambala)*

We would like to bring the following points to your kind consideration in reference to your letter no 140Med/RELHS/UMB/2009 Dated 30-11-2009 – as mentioned by us earlier also during this period:

**1. Empanelment of Hospitals in & around Chandigarh:**

a) Empanelment IVY Hospital, Mohali: More than 4 months have passed since the Railway Board had Empanelled IVY Hospital, Mohali for 4 specialties; and more than 3 months had passed since the clerical error about its name was corrected by the Railway Board. But further completion of formalities is still awaited.

It is requested that the requisite formalities may please be completed early and a copy of the agreement with IVY Hospital and notification of procedure for treatment therein may please be advised to us for the information of all Railway Pensioners & other beneficiaries in the area.

b) Extension of Empanelment of Fortis Hospital: a) It is requested that the case for extension of Empanelment of Fortis Hospital may please be moved in time to avoid a gap.

b) It is further requested that the left out items of Cardiology & Cardiac Surgery – as covered under CGHS – may please be included in the proposal & agreement of the Fortis Hospital.

c) Empanelment of Hospitals for other left out Specialties: It is requested that steps may please be initiated for Empanelment of some Hospitals in & around Chandigarh - for specialties other than those covered under the agreement with Fortis and IVY Hospitals.

d) Empanelment of Malhotra Lab / Diagnostic Centre: Position of Empanelment of Malhotra Lab / Diagnostic Centre, Chandigarh, may please be advised and got expedited and a copy of the orders / notification may please be supplied to us.

2. a) Upgrading of “Lock Up Dispensary” Chandigarh: Latest position & brief details of revised proposals about upgrading of “Lock Up Dispensary” Chandigarh, may please be advised – as indicated by MoR in Railway Budget 2010-11.

c) Opening of “Lock Up Dispensary” Chandigarh: “Lock Up Dispensary” Chandigarh, is not opening for 3 days but only for 2 days in a week for the last few months. It is requested that early arrangement may please be made to ensure opening thereof at least for 3 days a week.

3. a) Referring of cases to PGI & other Government Hospitals: It is regretted that the cases of Patients settled at Chandigarh and its nearby areas (at Panchkula, Mohali, Kharar or Kurali etc) are not yet being referred to the PGI or Government Medical College & Hospital, Sector 32, Chandigarh either by the Doctor at Chandigarh or the Doctors at Ambala – who many a times insist on treating them at Ambala or referring them to Delhi - as brought to your notice.

This is totally against the orders of the DGHS, Railway Board (issued vide Railway Board's Letter No. 2005/H/6-4/Policy-II dated: 16.04.2007 - copy attached) - which talks of patient-friendly policy and giving priority to patients' convenience.

It is therefore, requested that the Patients of Chandigarh and nearby areas (at Panchkula, Mohali, Kharar or Kurali etc) – who require surgical intervention, Hospitalisation or specialised treatment may please be referred to the PGI or Government Medical College & Hospital, Sector 32, Chandigarh or to the Empanelled Private Hospitals in the area – as required.

b) Cases of “Emergency”: As for the cases of “Emergency” – we may reiterate that as per extant Rules & provisions of Indian Railways Medical Manual, no reference is required by the Railway Doctor in case of Emergency – either for Treatment taken in Govt. Hospital, in Recognized Private Hospital or even in non-recognized Private Hospital. Detailed guidelines have been issued regarding sanction of reimbursement cases vide Board's letter No. 2005/H/6-4/Policy-II dated: 31.01.2007 (copy attached) But no where it is mentioned that in cases of Emergency a reference is required from a Railway Doctor. Otherwise the very purpose of the Rules in this regard will fail. Position in this regard may please be clarified to all concerned.

4. Reasons for rejection of claim (or rejection of part of the claim) for Reimbursement: Reasons for rejection of claim (or rejection of part of the claim) for Reimbursement of Medical treatment - have not so far been advised to the concerned claimants. This may please be done in future as well as at-least in the cases dealt with recently i.e. after your letter cited above.

5. Supply of medicines prescribed by Specialised Doctors: System for Supply of medicines prescribed by Specialised Doctors, has still not been streamlined and the Senior Citizens are being badly treated and harassed – in total disregard to their old age, adverse or fragile health, and convenience – due to one or more of the following reasons:

a) Refusal to give the prescribed medicines and Supply of cheap alternatives (against Doctor's advice, Board's instructions & Patients requirements);

b) Asking the Patients to come time and again for the same medicine - due to either:

i) Medicine being “out of stock”, ii) Delay in procurement, iii) Delay in local purchase and

vi) Issue of small quantity of medicine at a time – much lesser than that prescribed by the Doctor.

All these aspects may please be looked into and all concerned be advised suitably.

## **Old Pensioners being forced to go to Courts to seek justice due to Low Fixation of Pension after Sixth CPC - Says N. P Mohan in Press Note**

Pre-2006 pensioners retiring from almost all pay-scales have been forced to seek justice from courts as pensions after the sixth Central Pay Commission have been fixed at a much lower level. The 5th CPC evolved the principle of modified parity. The 6th CPC endorsed it.

But, while implementing it, the government de-linked pension from the post one had retired from and adopted a common minimum pay of pay band and made it applicable to all pre-2006 pensioners. Pre-revised pay-scales have been clubbed in one pay band. The resultant reduction in basic pension varies from Rs.165 to Rs.3,650 pm. All representations of pensioners have been rejected. It is high time the discontentment is addressed by the Government. - *N.P. Mohan, Chandigarh- Hindustan Times 10<sup>th</sup> June, 2010 Letter to the Editor*

### **GIFTS ABOVE Rs.50,000 TAXABLE - BUT NOT FROM RELATIVES OR ON MARRIAGE OR UNDER A WILL OR INHERITANCE**

The Income Tax Act 1961 (the Act) has been amended with effect from 1st October 2009 to provide that any gift-in-kind, being an immovable property or any other property, the value of which exceeds Rs.50,000 (rupees fifty thousand), will become taxable in the hands of the donee, being an individual or a Hindu Undivided Family (HUF), as income from other sources under clause (vii) of sub-section 2 of section 56 of the Act. Therefore, any such person who receives a gift of any such property on or after 1st October 2009 must pay the income tax due on the value of the gift and disclose the taxable value of such property in the return of income for assessment year 2010-11 and subsequent years.

The following types of gifts will, however, not be subject to tax, i.e. gifts (a) from a person who is a relative; (b) on the occasion of marriage of the individual; (c) under a will or by way of inheritance; (d) in contemplation of death of the donor; (e) from any local authority as defined in the Explanation to section 10(20) of the Act; (f) from any fund or trust established under section 10(23C) of the Act; (g) from any trust or institution registered under section 12AA of the Act. Relative is defined in the Act as (i) spouse; (ii) brother or sister; (iii) brother or sister of the spouse; (iv) brother or sister of either of the parents; (v) any lineal ascendant or descendant; (vi) spouse of any of the relative at clauses (ii) to (v); of the individual. Gifts received from these relatives will not be subject to tax.

Earlier cash gifts exceeding Rs.25,000 were subject to tax with effect from 1st April 2004. Later the Act was amended with effect from 1st April 2006 to tax all cash gifts having aggregate value exceeding Rs.50,000. Cash gifts also enjoy exemptions as is available for gifts-in-kind.

### **Retirement benefits not to be taxed: Govt**

The government has said that the provident funds would not be taxed on withdrawal and has dropped a proposal to levy Minimum Alternate Tax from corporate sector based on their assets from the revised draft Direct Taxes Code. The Code, released for public discussion, does not give any details on the Income Tax structure such as the slabs or rates, which were provided in the first draft released in August 2009.

Based on the outcome of discussion on the revised draft code, the government will bring in a new Income Tax legislation to replace the archaic Act of 1961.

Revenue Secretary Sunil Mitra said the taxation rates in the first draft, which suggested 10 per cent tax on income from Rs 1.60-10 lakhs and 20 per cent on income between Rs 10-25 lakhs and 30 per cent beyond that, were illustrative.

He said the tax rates would be made known only in the proposed Act, a bill for which will be introduced in Parliament in the coming monsoon session.

"As of now, it is proposed to provide the EEE (Exempt-Exempt-Exempt) method of taxation for Government Provident Fund (GPF), Public Provident Fund (PPF) and Recognised Provident Funds (RPF) ...", the revised DTC released by the Finance Ministry said.

The revised draft also puts pensions administered by the interim regulator PFRDA, including pension of government employees who were recruited since January 2004, under EEE treatment.

**9 to 10% DA hike likely from July 1,10 – Depending on Price Index for June**  
9 to 10% DA hike is likely from July 2010, provided the All India Consumer Price Index (AICPI) remains unchanged at 170 - as per the figures available from Labour Bureau, Government of India (<http://labourbureau.nic.in/indtab.html>) - Depending upon final figures of Price Index for June, the DA from July 1, 2010 can be 45%.

#### **NEWS IN BRIEF**

- Last date to file Income Tax Returns: 31st July, 2010
- Income Tax Department to set up Special Counters for Filing Tax Returns
- Reservation through internet - from 00-30 to 23-30 Hrs

## **National Anomalies Committee – Items Concerning Pensioners Discussed in the 2<sup>nd</sup> meeting on 27.03.2010**

8. Refixation of pension/family pension	Item closed as settled.
9. Anomaly in pension for Government servants who retired/died in harness between 1.1.2006 and 1.9.2008.	Anomaly in pension for Govt. employees retired/died between 1.1.2006 and 1.9.2008 - been permitted to opt whichever is beneficial i.e. last pay drawn or 10 months' average and full pension after 20 years for those retired after 1-1-2006, matter stands settled.
10. Commutation of pension. { <b>Already dropped by staff side</b> }	Dropped as per the minutes of the last meeting.
15. Parity in pension of all pre-1996 retirees with those who retired on or after 1.1.1996.	The official side stated that this was <u>not acceptable</u> even though they had examined it on the basis of the detailed submission by the Staff Side.
16. Anomaly in revised pension to pre-2006 retirees.	Official side stated that it would not be possible to concede the demand as orders have been issued strictly in accordance with the recommendation of the 6 <sup>th</sup> CPC, which the staff side contested. They also <u>did not agree to extend the benefit of last pay drawn and full pension after 20 years qualifying service in respect of pre-2006 retirees.</u>
21. 50% of Revised Pay Band + Grade Pay not correctly determined.	
17. Disparity in pension/Family pension between pre and post 2006 pensioners / Family pensioners.	<u>The official side did not agree</u> for the reasons they had stated against item No. 16
18. Anomaly in pension to those retiring within first 9 months of 2006 not fully rectified.	This <u>anomaly has been removed by allowing the last pay drawn as the basis of pension computation for those retired on and after 1.1.2006.</u>
22. Revision of pension of those who are receiving two pensions.	The <u>issue stands settled</u> by O.M. NO. 38/37/08-P& P W (A) Pt. I dated 3-10,2008. Clarification at Para 5.1.
23. Special provision for those who retired on or after 1.1.2006 but retain pre-revised scales of pay.	The matter is under examination. The Staff Side will submit a specific case for illustration of the issue. Relevant orders in similar matter after the 5 <sup>th</sup> CPC recommendations were implemented will also be examined, Government has agreed to re-consider
24. Commutation of Additional Pension or retrospective revision of pension in respect of post-31.12.2005 retirees.	<u>Not agreed.</u> But clarificatory orders issued stating that no retrospective deduction should be made in respect of additional commuted value of pension.
25. Application of new Commutation factor recommended by VI CPC contrary to Rules and Judicial directions.	The reduction in pension must start from the date of payment of additional commuted value of pension.
26. Commutation of Revised pension.	
36. Ceiling limit of income of parents / dependents	The amount of Rs. 3500 fixed by them would automatically undergo change as and when Dearness relief is granted to the parents/dependents. The Staff Side pointed out that every dependent or parent need not necessarily be a pensioner or a worker in the Govt. establishment or other institutions which pays periodical DA.
45. Anomaly in pension of those in receipt of stagnation increments in pre-revised scale.	The issue is under Examination.
48. 15 years period fixed for restoration of Commuted portion of Pension (CPOP) is arbitrary and unjustified being contrary to the principle enumerated by the 6th CPC and laid down by the Apex Court.	Restoration of commutation after 15 years. After some discussions, it was agreed that the calculation made by the Staff Side would be examined and decision taken thereafter.

## Procedure for Inclusion of names of the widowed or divorced or unmarried daughters/ parents/ dependent disabled siblings (i.e. brothers and sisters) in the PPO –

Copy of DOP OM No. 1/6/08-P&PW (E) Dated: 22nd June, 2010

The undersigned is directed to state that it was clarified earlier vide this Department's O.M.No. 1/21/91-P&PW (E) dated 20.1.1993 that the revised PPO format introduced w.e.f. 1.1.1990 contains provision for entry of details of all members of the family of the pensioner. The PPOs issued prior to 1.1.90, however, do not contain the names/ details of children of the pensioner. In cases where the names of eligible children have not been mentioned in the PPO for various reasons, the pensioner can furnish a list of eligible children to the pension sanctioning authority and obtain an acknowledgement thereof from that authority. This acknowledgment will be produced at the time of submission of family pension claim to the pension sanctioning authority. However, the production of an acknowledgment will not be a pre-condition to the processing of claim for family pension. Even the spouse of the dead Government servant/ pensioner can furnish the details of such Children, if not furnished by the Government servant/pensioner earlier, to the pension sanctioning authority as clarified vide this Department's O.M. No. 1/21/91-P&PW (E) dt. 15.1.1999.

2. Representations have been received in this Department from Pensioners/family pensioners and Pensioners Associations indicating the reluctance on the part of Ministries/Departments/Organisations to include the names of eligible family members (i.e. widowed/divorced/unmarried daughters; parents and dependent disabled siblings (i.e. brothers and sisters) in the PPO thereby delaying the sanction of family pension to such eligible family members. This is not only a source of frustration and denial of rightful claim to such eligible family members but at times causes undue hardship to them.

3. With a view to streamlining and cut delays in the pension sanctioning process, 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 daughters/parents/dependent disabled siblings (i.e. brothers and sisters), to the pension sanctioning authority as per the procedure indicated in para (1) above. Similarly, in cases where the pensioner or his/her spouse has expired, the widowed or divorced or unmarried daughters/ parents/ dependent disabled siblings 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.

4. This issues with the concurrence of the Ministry of Finance, Department of Expenditure vide their U.O. No.368/EV/2010 dated 15.06.2010.

### I-T exemption on Gratuity hiked to Rs. 10 lakh

The government has raised the income tax exemption limit on gratuity from Rs. 3.5 lakh to Rs. 10 lakh, with effect from May 24.

"Employees who retire, become incapacitated, are terminated or who die on or after May 24, 2010 will get I-T exemption for gratuity up to Rs. 10 lakh," a Finance Ministry official said here on Friday. The Ministry notified a rule in this regard. Earlier, Parliament approved raising the limit of gratuity for I-T exemption. The Payment of Gratuity (Amendment) Bill, 2010, was passed in the budget session.

While the Sixth Pay Commission raised the limit for Central government employees, the Cabinet later enhanced the ceiling for the private sector workforce as well.

### RAILWAY MINISTRY APPROACHES MINISTRY OF FINANCE TO ELIMINATE ANOMALIES IN PAY STRUCTURE OF THEIR STAFF AND SUPERVISORS

Ministry of Railways has fully implemented recommendations of the 6th Central Pay Commission as accepted by the Government in relation to the railway employees. However, representations were received from various sections of Railway employees and recognized Federations regarding issues related to the pay structure recommended by the Commission.

Based on the directives of the Central Government, Anomalies Committees were set up at national as well as departmental level by all the Ministries of Government of India to consider various representations. Departmental Anomaly Committee for Railways which includes representatives of the Federations of railway employees was also set up to consider anomalies arising out of the 6th Central Pay Commission as referred by recognized Federations of railway employees.

Deliberations were held with the Federations in the Committee on these issues. Consequent upon such deliberations and recommendations of the committee, Ministry of Railways has once again addressed major issues to eliminate anomalies in pay structure etc of certain critical categories involved in operation, safety and passenger care e.g. technical staff, technical supervisors, running staff, station masters etc. and referred these to Ministry of Finance for acceptance.

Visit our website <http://www.rscws.com> regularly for Administrative Orders, information of Activities of RSCWS & Multifarious Features of interest of Pensioners & other Senior Citizens

**Important old Orders for Ready Reference****FMA (Fixed Medical Allowance) to Pensioners / Family Pensioners****- Residing 2.5 KMs from Railway Hospital – Admissibility & Form of undertaking**

Copy of RB No. PC-V/9/1/7/1 RBE No 45-2004 Dated 1-3-2004

Sub: Implementation of Government's decision on the recommendations of the 5th Central pay Commission - grant of Fixed Medical Allowance @ Rs.100 p.m. to the Railway pensioners/family pensioners

1. In compliance with the Judgement dated 12-11-2002 of Hon'ble High Court of Kerala in OP No 17380/2002 arising out of O.A. No 430/2000 in CAT / Ernakulam, sanction of the President is hereby accorded to the Grant of Fixed Medical Allowance @ Rs.100/- p.m. to Railway pensioners/family pensioners residing beyond 2.5 KMs from a Railway Hospital / Health Unit subject to furnishing of an undertaking as per the attached Proforma.
2. All the Pension Disbursing authorities are required to obtain the above undertaking of the concerned Pensioners / Family Pensioner to the effect that he / she resides beyond 2.5 KMs from the nearest Railway Hospital / Health Unit before payment of Medical Allowance is made. An entry to this effect should be made in both halves of their PPOs.
3. Other terms & conditions for grant of Medical Allowance as specified in Board's letter of even no. dated 21-4-99 will remain in force.
4. This issues with the concurrence of the Finance Directorate of the Railway Board.
5. These instructions are subject to the final outcome of the SLP (c) No 21320/2003 pending in the Hon'ble Supreme Court.

**UNDERTAKINGE (for FMA)***(To be submitted by pensioner/family pensioner to his/her Pension Disbursing Authority/Bank)*

I, ----- a retired employee / Family Pensioner whose spouse was an employee of (Office address) ----- declare that I am residing at (residential address indicated in the PPO) -----, which is beyond 2.5 KMs from the nearest Railway Hospital / Health Unit (name of the Hospital / Health Unit) -----

Signature -----  
 Name -----  
 PPO No -----  
 Place -----  
 Date -----

**FMA to Railway Pensioners / Family Pensioners residing in Lockup Dispensary Areas**

Copy of RB SL No. PC-VI231 PC-W981J/7/1/1 RBE No. 271-1999 dated 21.10.99

To the Chief General Manager, Reserve Bank of India, Deptt. of Government and Bank Accounts, Central Office. C-7, 2nd Floor, Bandra Kurla Complex, Bandra (East), P.D. NO.8143, Mumbai-400051 &amp; Director General of Post, Department of Post, Dak Tar Bhawan, New Delhi

Subject: Implementation of Government's decision on the recommendations of the 5th Central Pay Commission - grant of fixed medical allowance @ &amp;.100 p.m. to the Railway pensioners/family pensioners, Ref: Railway Board's letter of even number dated 21.4.99

The list of Lock up dispensaries as mentioned in Annexure-III to Board's letter cited above may please be treated as deleted. Thus all pensioners who are residing in such areas where lock up dispensaries are situated and where no other health unit is available shall be entitled to grant of Medical Allowance @ Rs.100 p.m. provided they opt for the same, subject to all other terms and conditions mentioned in Railway Board's letter referred to above.

**Railway Pensioners/Family Pensioners, are you getting the FMA ( Fixed Medical Allowance)?**

If you are not getting the FMA then - please read the orders (on page 7 & 8) carefully & Apply to your PDA / Bank with above Undertaking to pay you the FMA forthwith From the date you are residing beyond 2.5 KM from Railway Hospital / Health Unit

**MEMBERS RSCWS & OTHER RAILWAY PENSIONERS / FAMILY PENSIONERS****PLEASE PAY YOUR SUBSCRIPTION FOR 2010 EARLY @ Rs. 200 PA, IF NOT DONE ALREADY****(Associate Membership for those not residing in & around Chandigarh, Mohali & Panchkula Rs.100)****DONATIONS@ Rs.500 PER HEAD & SUBSCRIPTIONS@ Rs.200 PA MAY PLEASE BE SENT BY CHEQUE IN FAVOUR OF -****"RAILWAY SENIOR CITIZENS WELFARE SOCIETY" – OR MAY BE PAID IN CASH DIRECTLY TO –****Sh. K. S. BHANDARI, TREASURER, RSCWS, 3098, SECTOR 22-D, CHANDIGARH (PH. 2711641 & 9815012641).****Secretary General, RSCWS**

**FIXED MEDICAL ALLOWANCE RAISED FROM Rs.100 TO Rs.300 PM**

Copy of Railway Board's letter No. PC-V/2010/A/Med/1 dated 29-06-2010 (RBE No. 92-2010)

**Subject: Grant of Fixed Medical Allowance (FMA) to the Railway Pensioner/ Family Pensioner- Reg.**

In pursuance of Government's decision on the recommendations of the Fifth Central Pay Commission, instructions regarding grant of Fixed Medical Allowance @ Rs.100/- per month to the Railway pensioners/family pensioners were issued vide Railway Board's letter No. PC- V/98/1/7/1/1 dated 21-4-99 and subsequently amended from time to time; the last being letter No. PC-V/2006/A/Med/1 dated 1-9-2009.

2. In this connection, Department of Pension & Pensioners Welfare (DoP & PW), the nodal Department on the subject have advised vide OM NO. 4/25/2008- P&PW (D) dated the 25-5-2010 the demand for enhancement of Fixed Medical Allowance has been under consideration of the Government for some time past and the amount of Fixed Medical Allowance has been enhanced from Rs.100/- to Rs.300/- per month. The other conditions for grant of Fixed Medical Allowance shall continue to be in force.

3. These orders shall take effect from 01.09.2008.

4. This issues with the concurrence of the Finance Directorate of the Ministry of Railways.

**Important old Orders for Ready Reference** (Continued from Page 7)

**FMA to Pensioners/family pensioners residing beyond 2.5 KMs from RH**

RB No.PC- V /489 NO.PC-V/98/1/7/1/1 RBE No. 99 /2007 dated 24.07.2007

Sub: Implementation of Government's decision on the recommendations of the 5th Central pay Commission - grant of Fixed Medical Allowance @ Rs.100 p.m. to the Railway pensioners/family pensioners

In supersession of para 5 of Board's letter of even number dated 1-3-2004, it has been decided that in compliance with the Judgement dated 17-11-2006 of the Hon'ble Supreme Court dismissing the SLP No. 21230/2003 arising out of O.A. No. 430/2000, Fixed Medical Allowance @ Rs.100/- per month to Railway pensioners/family pensioners residing beyond 2.5KMs from Railway hospital/health unit may be granted on absolute basis subject to furnishing of the requisite undertaking.

2. Other terms and conditions for grant of Medical Allowance as specified in the Board's letter of even number dated 1-3-2004 will remain in force.

3. This issues with the concurrence of the Finance Directorate of the Ministry of Railways.

**FMA - Admissibility - irrespective of fact whether member or not of RELHS**

RB No.PC- V /496 N o.PC- V /98/1/7 /1/1 RBE NO.22/2008 dated 7.02.2008

Sub:- Grant of Fixed Medical Allowance @ RS.100/ - per month to Railway pensioners and family pensioners - Clarification reg-

References have been received from Railway pensioners/family pensioners, Banks & other establishments seeking clarification on the issue of payment of Fixed Medical Allowance @ Rs.100/-per month to Railway pensioners/ family pensioners irrespective of the fact whether they are members or not of RELHS, or, any other health scheme. There have also been demands to eliminate the distance criterion of 2.5km, for the purpose of grant of Fixed Medical Allowance.

In this connection, it is stated that as per extant instructions, Fixed Medical Allowance is granted to only those Railway Pensioners/Family Pensioners, who reside beyond 2.5kms, from Railway Hospital/Health Units, irrespective of the fact whether they are members, or not, of RELHS. It is, reiterated, that the pensioner is, however, required to be eligible for being enrolled under a health scheme, in terms of Board's letter NO.97/H/28/I dated 23.10.1997 and actual enrolment under the scheme, is not compulsory. As regards the distance limit, it is clarified that the distance limit of 2.5kms has been imposed by Hon'ble CAT/Ernakulam and subsequently, upheld by the Hon'ble Supreme Court. As such, altering this limit, or, eliminating the same, is beyond the competence of this department. Railways are requested to dispose of cases pertaining to Fixed Medical Allowance, on the above lines.

**NOTICE: GENERAL BODY MEETING OF RAILWAY SENIOR CITIZENS WELFARE SOCIETY (RSCWS) SHALL BE HELD ON SUNDAY, 25<sup>TH</sup> JULY, 2010 FROM 4 TO 6 PM**

**AT GOVERNMENT MUSEUM & ART GALLERY, AUDITORIUM, SECTOR 10, CHANDIGARH**

**MEMBERS ARE REQUESTED TO PLEASE ATTEND ALONG WITH SPOUSE & OTHER SENIOR CITIZENS OF RAILWAYS**

**MEDICAL SEMINAR ON CARDIO VASCULAR PROBLEMS – PREVENTIONS & TREATMENT THEREOF,**

**CULTURAL PROGRAMME & INTER-ACTION BETWEEN MEMBERS - SHALL BE HELD**

**(TEA & REFRESHMENTS SHALL BE SERVED AFTER THE MEETING)**

**- Secretary General, RSCWS**

**PRINTED MATTER**

If undelivered, please return to:

RAILWAY SENIOR CITIZENS WELFARE SOCIETY

Hd. Off. # 32, Phase 6, Mohali (Chandigarh) – 160055