

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

No. F(E)III/2024/Misc.3(R)

New Delhi, dated: 26.03.2025.

The General Managers/Principal Financial Advisors,
All Zonal Railways/Production Units etc,
DGs of RDSO and NAIR.

Subject:-Restoration of Commuted portion of Pension before 15 years from the date of commutation.

References have been received from different Zonal Railways/Production Units seeking guidelines/clarifications on the court cases filed by railway pensioners praying for restoration of their commuted portion of pension before completion of 15 years from the date of commutation.

2. Representations have also been received from different Associations/Individuals requesting to restore the commuted portion of pension before 15 years.


3. The issue has been examined in consultation with nodal Department on pensionary matters, i.e. the Department of Pension & Pensioners Welfare (DOP&PW). The DOP&PW has clarified as under-

'The law regarding commutation has been well settled by the Hon'ble Supreme Court vide their judgment dated 09.12.1986 in Writ Petition No. 3958-61 of 1983 "Common Cause" Society and others (Petitioners) Vs Union of India (1987 (1) SSC 142) in 1986. The Supreme Court considered all the relevant factors like interest rate, mortality rate etc. and the commutation table in existence in 1986 and gave a decision that the commutation period should be fixed at 15 years.

The Hon'ble Delhi High Court of Delhi in their judgment dated 17.01.2019 in WP(C) No. 1222/2015 filed by forum of Retired IPS Officer (Foripso) Versus Union of India and another observed that the pension, commutation of pension etc. are policy matters, which are examined and decided on the basis of recommendations of the Pay Commissions by the authorities. Further, the Hon'ble Supreme Court of India in its judgment dated 15.04.2019 in Petition(s) for Special Leave to Appeal(C) No(s). 8852/2019 (arising out of impugned final judgment and order dated 17.01.2019 in WP(C) No. 1222/2015 passed by the High Court of Delhi at New Delhi) delivered that "we have no reason to entertain this petition. Accordingly, the special leave petition is dismissed." Also Hon'ble High Court of Punjab and Haryana, in their order of CWP no. 9426 of 2023 (O&M) dated 27.11.2024 (containing 808 writ petitions) regarding restoration of commuted pension after 12 years have directed to effect recoveries which were stayed by way of interim orders.'

4. In view of above clarification of DOP&PW, Zonal Railways/Production Units are advised to take steps in defending the court cases filed by pensioners for restoration of commuted portion of pension before completion of 15 years from the date of commutation, and also for disposal of pending references, if any.

5. This also disposes Northern Railway's letter No. NR/HQ/Pension/Court Case/2023 dated 08.10.2024.


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