



Dear. Running staff (Retd) NFIR's efforts

MINISTRY OF RAILWAYS (RAIL MANTRALAYA)
(RAILWAY BOARD)

SRES

No.D-43/34/2017-F(E)III

New Delhi, dated: 28.12.2018.

OFFICE MEMORANDUM

Sub: Implementation of Government's decision on the recommendations of the Seventh Central Pay Commission – Revision of pension of pre-2016 retired running staff.

The undersigned would request the attention of the Department of Expenditure, Ministry of Finance to Department of Pension & Pensioners' Welfare (DOP&PW)'s O.M. No.38/37/2016-P&PW(A) dated 12.05.2017, vide which instructions have been issued providing that pension/family pension w.e.f. 01.01.2016, in respect of all Central civil pensioners/family pensioners who retired/died prior to 01.01.2016, may be revised by notionally fixing their pay in the pay matrix recommended by the 7th CPC in the level corresponding to the pay in the pay scale/pay band and grade pay at which they retired/died. Further, it was also stated therein that *this will be done by notional pay fixation under each intervening Pay Commission based on the Formula for revision of pay and while fixing pay on notional basis, the pay fixation formulae approved by the Government and other relevant instructions on the subject in force at the relevant time shall be strictly followed.* 50% of the notional pay fixed as such shall be the revised pension as on 01.01.2016 and 30% of this notional pay shall be the revised family pension w.e.f. 01.01.2016 as per the first Formulation.

2. The Department of Pension & Pensioners' Welfare (DOP&PW) vide their O.M.No.38/37/2016-P&PW(A) dated 06.07.2017 have provided concordance tables for fixation of notional pay and pension/family pension of employees who retired/died in various grades during 4th, 5th and 6th Pay Commission periods. It was also clarified therein that the concordance tables have been prepared to facilitate revision of pension of pre-2016 pensioners/family pensioners by the concerned pension sanctioning authorities.

3. On the Railways, there is a category of employees termed as 'running staff' whose 'emoluments' for calculation of pension on retirement are different from other employees. A brief on this is given in Annexure-I.

4. 'Emoluments' of running staff is comprised of Basic Pay + 55% of Basic Pay as Running pay element for the purpose of pension/family pension. As such, in consultation with internal Pay Commission Directorate of Railways for notional fixation of pay of running staff, BP + 55% of BP was taken as reference pay and this pay was notionally fixed in each of the intervening Pay Commissions i.e. in 4th, 5th, 6th & 7th CPC. Instructions in this regard were issued vide letter dated 24.01.2018 (Annexure-II). These instructions were also in compliance of Hon'ble Supreme Court's judgement cited in the later paras.

5. After issue of the instructions dated 24.01.2018 for revision of pension/family pension of running staff, representations from recognized Federations and other Pensioners' Association's were received in this Ministry requesting to notionally fix their pay in intervening Pay Commissions by following the same pay fixation rules as were applicable to running staff retiring and 55% of Basic Pay, treated as pay element, may be added to such notionally fixed pay for calculation of pension/family pension @ 50% / 30% w.e.f. 01.01.2016. The demand of the Associations to include pay element on the notionally fixed



NATIONAL FEDERATION OF INDIAN RAILWAYMEN (N.F.I.R.)
3, Chelmsford Road, New Delhi

No. II/35/2019

Dated: 23/05/2019

Copy forwarded to the General Secretaries of Zonal Unions of NFIR for information and wide publicity. The affiliates may recollect that this subject has been taken up in the PNM forum at Board's level vide agenda item No.39/2018.

C/- IV/RSAC/2018
C/- File No.39/2018 (PNM)

(Dr. M. Raghavaiah)
General Secretary

Ex. Running Staff. NFIR/SRES. efforts

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pay would have financial implication to the tune of Rs.3740/-crores immediately and recurring implication of around Rs.1320/- crores per annum. || JMT

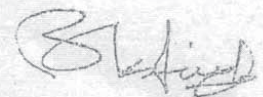
6. Since, the demand of the Associations involved huge financial implications and the reversal of extant policy, the issue of revision of pension/family pension of pre-2016 retired running staff has been examined in consultation with DOP&PW duly mentioning that similar issue was raised by running staff while revising pension/family pension of pre-1986 retired running staff w.e.f 01.01.1986 & 01.01.1996 in terms of the recommendations of 5th CPC and that the matter was settled by the Hon'ble Supreme Court in their judgement dated 14.12.2007 (Annexure-III) given in TC(Civil) No.106/2006 titled Union of India Vs. S. R. Dhingra & Ors., whereby the Hon'ble Supreme Court had categorically ruled out the request of the pensioner running staffs retired before 1986 to include pay element in Running Allowance on the notionally fixed pay. ||

7. DOP&PW while keeping in view the aforesaid judgement of the Hon'ble Supreme Court and the facts stated by the Railway Board in the O.Ms. dated 23.05.2018 (Annexure-I), 16.08.2018 (Annexure-IV) and dated 05.11.2018 (Annexure-V) have eventually agreed with the views of this Ministry and have advised vide O.M. dated 04.12.2018 (Annexure-VI) that the element of running allowance may not be considered for fixation of notional basic pay in the Pay Commissions subsequent to the date of retirement/death of the running staff personnel. DOP&PW have however suggested that Department of Expenditure be also consulted in the matter. ||

8. Accordingly, Department of Expenditure, Ministry of Finance is requested to kindly consider & communicate their opinion on the methodology adopted by this Ministry vide their letter dated 24.01.2018 for revision of pension/family pension of pre-2016 retired running staff which has already been agreed to by DOP&PW.

9. This proposal has the approval of Board (MS & FC/Railways).

10. This May be treated as URGENT



(Basant K. Singh)
Executive Director Finance(Estt.)
Railway Board.
011-23388311

D.A. As above.

Ministry of Finance,
Department of Expenditure,
(Attention: Smt. Annie G. Mathew, JS (Pers.)),
Room No. 39-A, North Block,
New Delhi-110001.

SRFS
Ex. Running Staff
NFIR / PNM 39/18

No. 38/17/18-P&PW (A)
Government of India
Ministry of Personnel, PG & Pensions
Department of Pension & Pensioners' Welfare

3rd Floor, Lok Nayak Bhawan
Khan Market, New Delhi-110 003

Dated the 4th December, 2018

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OFFICE MEMORANDUM

Sub: Revision of pension w.e.f. 1.1.2016 in the case of running staff in the Railways

The undersigned is directed to refer to Ministry of Railways (Railway Board) OM No.B-43/34/2017-F(E)III dated 5.11.2018 and to say that the matter has been examined in the light of the judgement dated 14.12.2007 of Hon'ble Supreme Court in Transfer Case (Civil) No. 106/2006 - UOI vs S.R. Dhingra & others referred to therein.

2. In view of the aforesaid judgement of Hon'ble Supreme Court and the facts stated by the Railway Board in their O.Ms dated 23.5.2018, 16.8.2018 and dated 5.11.2018, this Department agrees with the views of Railway Board that for the purpose of revision of pension of running staff w.e.f. 1.1.2016, the element of running allowance may not be considered for fixation of notional basic pay in the Pay Commissions subsequent to the date of retirement/death of the running staff personnel.

3. Railway Board is requested to consult Department of Expenditure also, as already advised.

(S.K. Makkar)

Under Secretary to the Government of India

Ministry of Railways
Railway Board
[Shri Basant K. Singh, Executive Director, Finance (Estt.)]
Rail Bhawan
New Delhi.

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Mr. Lavanya

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