Master Circular No. 4
Staff Benefit Fund.

At present, the orders relating to Staff Benefit Fund are contained in a number ofoffice circulars/orders issued from time to time. The question of consolidation of these existing orders/circulars into one Master Circular has been under consideration of the Ministry of Railways. They have now decided to issue a consolidated order on the subject as below for the information and guidance of all concerned.

2. Staff Benefit Fund was established on the India Railways in 1931. Over the years, the Fund has grown in stature and on date, the following activities are financed out of the fund for the welfare of the Railway employees and their children:-

i. General activities, viz., education, recreation, amusement, relief of distress, sickness and miscellaneous items;

ii. Sports activities;

iii. Scouts activities

iv. Recreational facilities to officers and supervisory staff.

v. Indigenous systems of medicines, including homeopathy.

[No. E(W)88 WE 1-16 dated 21.03.1989 (RBE 82/89) and para 802-RI]

3. The Staff Benefit Fund is credited with: -

a. Annual grant on the 1st of April of each financial year from the Railway Revenues on per capita basis based on the sanctioned strength – both permanent and temporary posts – as on 31st March, excluding the posts charged to capital on each Railway/ PU;

b. All receipts from fines;

c. all receipts from forfeited Provident Fund bonuses of non-gazetted employees;

d. 50% of the expenditure incurred by the respective railways on the grant of scholarships for technical education of children of Railway employees during the preceding year; and

e. Unpaid wages beyond three years.

[No. E(W)62 FU 1-26 dated 01.01.1963,
No. E(W)62 FU 1-26 dated 07.08.1963,
No. E(W)70 FU 1-5 dated 02.09.1972,
No. E(W)70 FU 1-5 dated 16.02.1973,
No. E(W)86 FU 1-1 dated 14.05.1987,
No. E(LL)84-AT/PW/1-4 dated 14.03.1989
and Paras 804-805 of/RE Code Vol.1]

4. The per capita contribution on to the Staff Benefit Fund in regard to the various activities referred to in para 2 above is Rs. 14.50 and its distribution has been fixed as follows: -

	Rs.	Rs.
(1) General activities		8.25
(a) Education	2.50	
(b) Recreation either than sports	2.00	
(c) Relief of distress, sickness etc.	3.25	
(d) Misc.	0.50	
(e) Inter-Railway cultural competition	0.05	
TOTAL:	8.25	
(2) Sports activities		2.50
(3) Scouts activities		1.00
(4) Recreational facilities to officers and supervisory staff		2.00
(5) Indigenous system of medicines including Homoeopathy		0.75
TOTAL		14.50

[No. E55 FU 1-5 dated 13.08.1955,
No. E(W)57 FU 1-2 dated 07.05. 1958,
No. E(W)59 FU 1-5 dated 27.12.1960,
E(W) 56 FU 1-12, dated 05.11.1966,
No. E(W)70 FU 1-5 dated 16.02.1973,
No. E(W)74 FU 15 dated 13.03.1975,
No. E(W)76 FU 1-4 dated 27.03.1976,
No. E(W)74 FU 1-5 dated 26.06.1976,
No. E(W)82 FU 1-9 dated 17.08.1982,
No. E(W)82 FU 1-9 dated 12.01.1983,
No. E(W)75 FU 1-7 dated 17.01.1985 (RBE 18/1985),
No. E(W)86 FU 1-1 dated 14.05.1987,
No. E(W)87 FU 1-8 dated 16.11.1989 (RBE 282/89),
No. E(W)88 WE 1-16 dated 21.03.1989 (RBE 82/89),
No. E(W)90 FU 1-1 dated 27/28.03.1990 (RBE 61/1990)]

Note :

1. Based on the overall per capita contribution of Rs. 2.50 for promotion of Sports activities and Rs.1.00 for promotion of Scouts and Guides activities, allotment for promotion of these activities shall be made by the Ministry of Railways in consultation with the Railways Sports Control Board and Railway Scouts and Guides Board respectively. For financing Inter-Railway competitions allotment of funds set apart at the rate of Paisa five only on per capita basis will also be made by the Ministry of Railways.

[No. No. E(W)86 FU 1-1 dated 14.05.1987,
and E(W)90 FU 1-1 dated 27/28.03.1990 (RBE 61/1990)]

2. For calculating the per capita contribution the Railway Administrations should not take into account the permanent/ temporary staff of open line on transfer/deputation to Railway Electrification project and COFMOW.

[No. E(W)75 FU 1-7 dated 17.01.1985 (RBE 18/1985),
and No. E(W)90 FU 1-2 dated 5.10.90 (RBE 171/90)]

3. The amount at 4 (5) above should be used exclusively on promotion of indigenous system of medicines. No carry forward will be allowed against this item of expenditure from the Staff Benefit Fund.

4. In regard to item (4) viz. recreational -facilities to officers and (supervisory staff, the utilisation of the amount referred to will be decided by the General Manager of the Railway in consultation with his F.A. & C.A.O. Separate account should be maintained for this item.

[No. E(W)77 FU 1-6 dated 25.10.1978,
No. E(W)74 FU 1-5 dated 21.05.1975,
No. E(W)74 FU 15 dated 13.03.1975,
No. E(W)74 FU 1-5 dated 26.06.1976]

5.The Staff Benefit Fund will be managed by a Committee comprising of official representatives and staff side represented by the two Recognised Unions.

The Central Staff Benefit Fund Committee at the headquarters will be presided over by the Chief Personnel Officer of the Railway who will be the Chairman. Other members of the Committee will be: -

i. The Chief Medical Officer

ii. Chief Engineer

iii. Welfare officer to be nominated by the G.M. who will be the Secretary of the Committee.

iv. Six members equally to be selected from the two unions.

The Divisional SBF committees will be presided over by the Sr. Divisional Personnel. Officer/ Divisional Personnel Officer. Besides the Chairman, the Committee shall consist of the following:

i. One officer to be nominated by the DRM;

ii. Two representatives from each Recognised Unions; and

iii. A Welfare Inspector nominated by the DRM who shall act as the Secretary.

The Divisional SBF Committee shall have power to allot funds for the various activities specified, subject to the rules and limitations prescribed by the Central SBF committee at headquarters of the Railway.

Similar Committees may also be formed by the Production units/ Metro Railway/ Railway Electrification/ COFMOW.

[No. E(W)67 FU 1-23 dated 28.05.1968, Paras 807-808 of IRE Code Vol. I]

6.Members to the SBF Committees should be elected in a manner considered suitable by the General Manager.

A member of the Central SBF Committee or the Divisional SBW Committee will hold office for a period of one year unless he is removed by the General Manager or resigns himself. He is, however, eligible for re-nomination or election.

[No. E(W)67 FU 1-23 dated 28.05.1968,
No. E(W)65 FU 1-11 dated 13.10.1965,
No. E(W)65 FU 1-11 dated 11.08.1966,
No. E(W)67 FU 1-3 dated 4/9.08.1967
and Para 809 of IREC, Vol.-I]

7. Other salient points to be kept in view are as follows:

a. Where assistance is given under Educational Assistance Rules no further assistance from the SBF to be given.

[No. E(W)63 FU 1-16 dated 10.04.1964]

b. In deserving cases of distress of ex-members or their families relief may be sanctioned for the purpose of educational assistant but this cannot be as a regular measure as the serving employs have a prior claim.

[No. E(W)65 FU 1-30 dated 17.01.1966]

c. Retired Railway employees or persons dismissed/removed or outsiders cannot be nominated to the SBF Committees.

[No. E(W)67 FU 1-23 dated 25.01.1968
and E(W)75 Col 1-5 dated 12.12.1975.]

d. Railway employees under suspension should not be allowed to attend the meetings of the SBF. However, there is no objection for a substitute taking his place.

[No. E(W)60 NM 1-31 dated 01.11.1960 and Para 808 of IREC, Vol. 1]

e. Expenditure on the maintenance of Maternity centres on the Railways are to be borne from 01.04.1955 from Railway revenues instead of contribution from SBF.

[No. E55 FU 1-5 dated 13.08.1955 and No. E.55 FU 1-5 dated 19.10.1955]

f. Railway employees serving on various Railway Recruitment Boards (Previously called Railway Service Commissions) will continue to derive the individual benefit from the SBF of their parent Railway. For collective benefit, such as recreation, sports, etc. they will be attached to the Railway who has the Administrative control of the Railway Recruitment Boards.

[No. E(W)57 FU 1-2 dated 07.05. 1958
and No. E(W)59 FU 1-1 dated 15.01.1959]

g. The number of permanent staff of open line in the Railways on their transfer to construction projects except RE and COFMOW should be taken into. account for the purpose of working out per-capita contribution to SBF.

[No. E(W)69 FU 1-5 dated 17.02.1970,
No. E(W)75 FU 1-7 dated 17.01.1985 (RBE 18/1985)
and E(W)90 FU 1-2 dated 5.10.90 (RBE 171/90)]

h. The cost of stationery, printing charges of forms, postage charges and other contingent expenses relating to the Fund is met from the Railway Revenues. Expenditure on entertainment during SBF meeting should be met from the Fund itself.

[No. E(W)59 FU 1-12 dated 10.05.1960,
No. E(W)60 FU 1-3 dated 12.02.1960;
and Para 806 of REC Vol. 1]

i. Elected representatives when attending meetings of the SBF Committees will be issued passes of the class to which they are eligible on privilege account as Railway servants.

[Para 1552 of I.R.E.M. of 1968]

8. The accounts of the SBF will be monitored and internally checked by the office of the FA&CAO and the Audit will make the checks.

[No. E(W)63 FU 1-3 dated 11.04.1963]

9. Annual Reports on the working of the SBF should be submitted by each Railway Administration to the Railway Board.

[Para 812 of I.R.E.G. Vol. I]

10. General

i. While referring to this Circular, the original letters referred to herein should be read for a proper appreciation. This circular is only a consolidation of the instructions issued so far and should not be treated as a substitution to the originals. In case of doubt, the original circular should be relied upon as authority.

ii. The instructions contained in the original circulars referred to have only prospective effect from the date of issue unless specifically indicated otherwise in the concerned circular. For dealing with old cases, the instructions in force at the relevant time should be referred to ; and

iii. If any circular on the subject, which has not been superseded, has not been taken into consideration in preparing this consolidated letter, the said circular, which has been missed through oversight, should be treated as valid and operative. Such a missing circular, if any, may be brought to the notice of the Railway Board.

Original Orders/Circulars from which Consolidation has been made

1. No. E55 FU 1-5 dated 13.08.1955
2. No. E(W)56 FU 1-12 dated 05.11.1956
3. No. E(W)54 FU 1-1 dated 26.09.1957
4. No. E(W)57 FU 1-2 dated 07.05. 1958
5. No. E(W)59 FU 1-1 dated 15.01.1959
6. No. E(W)59 FU 1-5 dated 27.12.1960
7. No. E(W)62 FU 1-26 dated 01.01.1963
8. No. E(W)63 FU 1-3 dated 11.04.1963
9. No. E(W)62 FU 1-26 dated 07.08.1963
10. No. E(W)63 FU 1-16 dated 10.04.1964
11. No. E(W)65 FU 1-11 dated 13.10.1965
12. No. E(W)65 FU 1-30 dated 17.01.1966
13. No. E(W)65 FU 1-11 dated 11.08.1966
14. No. E(W)67 FU 1-3 dated 09.08.1967
15. No. E(W)67 FU 1-23 dated 25.01.1968
16. No. E(W)68 FU 1-5 dated 30.04.1968
17. No. E(W)67 FU 1-23 dated 28.05.1968
18. No. E(W)69 FU 1-5 dated 17.02.1970
19. No. E(W)70 FU 1-5 dated 02.09.1972
20. No. E(W)70 FU 1-5 dated 16.02.1973
21. No. E(W)74 FU 15 dated 13.03.1975

22. No. E(W)74 FU 1-5 dated 21.05.1975

23. No. E(W)75 Col 1-5 dated 12.12.1975

24. No. E(W)76 FU 1-4 dated 27.03.1976

25. No. E(W)74 FU 1-5 dated 26.06.1976

26. No. E(W)77 FU 1-6 dated 25.10.1978

27. No. E(W)82 FU 1-9 dated 17.08.1982

28. No. E(W)82 FU 1-9 dated 12.01.1983

29. No. E(W)75 FU 1-7 dated 17.01.1985 (RBE 18/1985)

30. No. E(W)86 FU 1-1 dated 14.05.1987

31. No. E(W)88 WE 1-16 dated 21.03.1989 (RBE 82/89)

32. No. E(W)87 FU 1-8 dated 16.11.1989 (RBE 282/89)

33. No. E(W)90 FU 1-1 dated 27/28.03.1990 (RBE 61/1990)

34. No. E(W)90 FU 1-2 dated 5.10.90 (RBE 171/90)

35. No. E(W)90 FU 1-6, dated 23.1.1991 (RBE 14/91)

36. No. E(W)91 FU1-1 dated 29.10.1991

Other Railway Board Orders On the Subject after the issue of Master circular

1. S.C. No. 1 – ICWA, CA and MBA in a recognised Institution/University were treated at par with degree or diploma courses in Medicine – No. E(W)90 FU 1-8 dated 08.11.1991 (RBE 192/91)

2. S.C. No. 2 – Increase in the per capita contribution – No. E(W)93 FU 1-3 dated 02/04.08.1993 (RBE 116/93) (with copy of the letters)

3. S.C. No. 2 – Increase in the per capita contribution – No. E(W)96/FU-1/5, dated 17.07.1996 (RBE 50/1996) (with copy of the letters)

4. S.C. No. 3 -Strengthening of Homoeopathic/Ayurvedic Dispensaries functioning under the aegis of Staff Benefit Fund – enhancement of honorarium. – No.E(W)/93/WE/1-9 dated 08.08.1996 (RBE 59/1996).

5. S.C. No. 3 – Increase in the per capita contribution (Sports) -No. E(W)96/FU-1/5, dated 15.01.1997 (RBE 11/1997).

6. S.C. No. 4 – Increase in the per capita contribution Clarification – E(W)96/FU-1/5, dated 21.3.1997 (RBE 43/1997)

7. S.C. No. 4 – Re-appropriation of funds – E(W)97/FU-1/2 dated 8.8.1997 (RBE 110/1997)

8. Supplementary Circular No. 6 – Augmentation of funds to the extent of 50% of Educational scholarships restored – E(W)97/FU-1/5, dated 19.03.1998 (RBE 61/1998).