

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

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

New Delhi, dated: 24 .01.2018.

**The GMs/PFAs,
All Zonal Railways/Production Units.
(As per mailing list)**

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

Attention of all the Zonal Railways/Production Units is invited towards Board's instruction issued vide letter No.2016/F(E)III/1(1)/7 dated 22.05.2017, vide which the Department of Pension & Pensioners' Welfare(DOP&PW)'s O.M. No.38/37/2016-P&PW(A) dated 12.05.2017 was circulated for information and compliance. In terms of this O.M., the revised 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. This will be done by notional pay fixation under each intervening Pay Commission based on the Formula for revision of pay. 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 above 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 (circulated on Railways vide letter No.2016/F(E)III/1(1)/7 dated 11.07.2017) 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. DOP&PW have clarified in para 4 of the O.M. ibid that the concordance tables have been prepared to facilitate revision of pension of pre-2016 pensioners/family pensioners by the concerned pension sanctioning authorities. Although due care has been taken by DOP&PW in preparing concordance tables based on the fitment tables for fixation of pay from 4th to 5th, 5th to 6th and 6th to 7th Pay Commission, still in the case of any inconsistency in concordance tables vis-à-vis the relevant rules/instructions, the notional pay and pension/ family pension of pre-2016 pensioners/family pensioners may be fixed in accordance with the rules/instructions, applicable for fixation of pay in the intervening Pay Commission periods.

3. After issue of Board's letter No.2016/F(E)III/1(1)/7 dated 11.07.2017, references have been received from pensioners' associations requesting to issue separate concordance tables, for running staff who retired/died during 4th, 5th and 6th Pay Commission, duly taking into account pay element at the rate of 55% of basic pay for the purpose of fixation of notional pay and pension/family pension w.e.f. 01.01.2016. The issue has also been raised by staff Federations.

4. The above issue has been examined in consultation with Pay Commission Directorate of Board. The pay of the Running Staff is deemed to be 'depressed' vis-à-vis the Non- running Staff and the measure of depression is called the pay element. As per extant instructions, 30% pay element is reckoned for in service benefits and 55% pay element is reckoned for retirement benefits. However, once the deemed depression has been made good by adding the pay element to the basic pay of the running staff (e.g. on posting to stationary posts, medical decategorisation, retirement, etc.), benefits specifically admissible to the running staff (on account of depression in pay) are **not admissible** to them. To illustrate this it would be worthwhile to note that a running staff is entitled to Dearness Allowance on the pay plus 30% pay element. However, a retired running staff gets Dearness Relief only on the pension drawn (pension which has been fixed taking into account 55% pay element) and for this purpose pay element is NOT reckoned, once again. Therefore, the emoluments (basic pay plus 55% thereof) at the time of retirement would be taken as reference basic pay for further notional fixation of pay in the subsequent CPC periods as per other (non-running) staff.

5. In this connection, illustrations in three cases as furnished by PC Directorate is attached as **Annexure** to facilitate notional fixation of pay in 4th, 5th, 6th and 7th Pay Commission in respect of running staff who retired/died before 01.01.2016 for information and guidance. 50% of the notional pay fixed in such a manner 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. Other conditions stipulated in DOP&PW's O.M. dated 12.05.2017 & 06.07.2017 will apply in the case of running staff also.

6. The higher of the two formulations i.e. the pension/family pension already revised in accordance with Board's letter No.2016/F(E)III/1(1)/7 dated 10.08.2016 or the revised pension/family pension as worked out in accordance with para 5 above, shall be granted to pre-2016 retired running staff pensioners as revised pension/family pension w.e.f. 01.01.2016.

7. It is also stated that corresponding pay scales/grade pay for notional pay fixation has to be strictly followed as per DOP&PW's O.M. dated 06.07.2017 and not the replacement pay scales/grade pay which may have been allotted to the serving employees during a CPC period, due to specific upgradation of the post. Any clarification regarding notional pay fixation of running staff may be obtained from Pay Commission Directorate of Board's office.

D.A. As above.


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

ANNEXURE to Letter No. D-43/34/2017-F(E)III dated 24.01.2018

Illustrations for fixation of pension of Running Staff who retired/died before 01.01.2016.			
	ILLUSTRATION 1	ILLUSTRATION 2	ILLUSTRATION 3
	Employee retired drawing Basic Pay of Rs. 1010/- in scale of Rs. 950-1500 during 4 th CPC period (Replacement scale 5 th CPC Rs. 3050-4590/- 6 th CPC PB-1+GP Rs.1900/- /7 th CPC Level 2)	Employee retired drawing Basic Pay Rs. 1440/- in scale of Rs.1350-2200/- during 4 th CPC period (Replacement scale 5 th CPC Rs. 4500-7000/6 th CPC PB-1+GP Rs.2800/ 7 th CPC Level 5)	Employee retired drawing Basic Pay Rs.1700/- in scale of Rs.1600-2660/- during 4 th CPC period (Replacement scale 5 th CPC Rs.5000-8000/6 th CPC PB-2+GP Rs.4200/7 th CPC Level 6)
BASIC PAY DURING 4 th CPC	1010	1440	1700
55% OF BASIC PAY	556	792	935
Equated stationery Basic Pay/Emoluments for calculation/revision of Pension to be taken as base.	1566	2232	2635
Notional Pay Fixation in 5th CPC replacement pay scale			
(i)Equated stationery Basic Pay/Emoluments during 4 th CPC	1566	2232	2635
(ii)DA appropriate to applicable Pay slab as per Board's letter No. PCIV/86/DA/1 dated 26.03.1996 RBE No.30/96(@148%/111%/96%)	2318	3303	3900
(iii) IR 1 @ Rs.100(RBE No.146/93)	100	100	100
(iv)IR 2 @10% (RBE No...PC-V/95/IR dated 19.07.1995)	157	223	264
(v) FITMENT BENEFIT 40% of Basic Pay	626	893	1054
SUM of (i) to (v)	4767	6751	7953
Equivalent or Next stage in revised/replacement pay scale	4590(Max.) +177(PP)	6875	8000

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Notional Pay Fixation in 6th CPC replacement pay scale			
(i) Equated stationery Basic Pay/Emoluments during 5 th CPC	4590	6875	8000
(ii) DA appropriate to applicable Pay slab @86%	3947	5913	6880
(iii) FITMENT BENEFIT (GP)	1900	2800	4200
SUM of (i) to (iii)	10437	15588	19080
Total Basic Pay (Pay in Pay Band + GP) in equivalent pay band	10440	15590	19080
Notional Pay Fixation in 7th CPC replacement pay scale			
(i) Equated stationery BP/Emoluments during 6 th CPC	10440	15590	19080
(ii) DA appropriate to applicable Pay slab 125%	13050	19487.5	23850
(iii) FITMENT BENEFIT 32%	3340.8	4988.8	6106
SUM of (i) to (iii)	26830.8	40066.3	49036
Total Basic Pay (Pay in Pay Matrix) in revised/replacement pay scale viz Next cell in Level	27600	40400	50500
Basic Pay	27600	40400	50500
Pension during 7th CPC	13800	20200	25250
Family Pension during 7th CPC	8280	12120	15150
