

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

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No. F(E)III/2000/PN1/67

NEW DELHI, Dt. 10.01.2008

**The GMs/ FA&CAOs,  
All Indian Railways/Production Units,  
(As per Mailing List)**

**Sub:** Revision of Pension of retired running staff -regarding.

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Instructions have been issued vide Board's letter No. F(E)III/98/PN1/29pt. dt. 29.12.1999 clarifying that for revision of pension/family pension of pre-1986 pensioners in terms of DOP&PW's O.M. dated 10.2.1998, circulated on the Railways on 10.3.1998, the notional pay finally fixed as on 1.1.1986 shall only be treated as average emoluments and pension/family pension shall be calculated as on 1.1.1986 as per the pension formula then prescribed, and that

- (i) Running Allowance is NOT to be taken into consideration after refixation of pay on notional basis on 1.1.1986 in terms of DOP&W's O.M. No. 45/86/97-P&PW(A) dated 10.2.98 circulated vide Board's letter No. F(E)III/98/PN1/2 dated 10.3.98; and
- (ii) Running Allowance is also NOT to be added to the minimum of the revised scale of pay as on 1.1.1996 in cases where consolidated pension/family pension is to be stepped up to 50%/30% in terms of Board's letter No.F(E)III/98/PN1/29 dated 15.1.1999.

2. A number of retired running staff have challenged the said clarificatory instructions by filing applications before various benches of CAT. In one such case, the application filed by Shri S.R. Dhingra & Others, CAT/Principal Bench/New Delhi, vide orders dt. 22.1.2002 set aside the clarificatory instructions dt. 29.12.1999. Northern Railway filed Writ Petition No. 4648/2002 before the Delhi High Court challenging CAT/New Delhi's orders dt. 22.1.2002. Considering the importance of the policy issue involved in this case, on a prayer made by the Northern Railway, the Writ Petition was transferred to the Hon'ble Supreme Court. The Supreme Court, in their interim order dt. 9.5.2006, which was circulated vide Board's letter of even number dt. 11.8.2006, stayed proceedings in certain similar cases pending before Delhi, and Punjab & Haryana High Courts and Central Administrative Tribunal till final adjudication of the Transfer Petition.

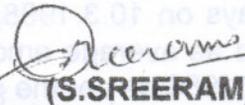
3. Supreme Court, in their final judgement delivered on 14.12.2007, upheld Board's instructions dated 29.12.1999. While setting aside CAT/PB/New Delhi's

orders dated 22.1.2002 the Court ordered that their decision will govern all similar matters pending in the High Courts or Tribunal. The Court also ordered that any amount already paid to the respondents and other similarly situated persons should not be recovered from them. A copy of Supreme Court's judgement dt. 14.12.2007 is enclosed.

4. In the light of the above, the matter has been carefully considered by the Board and it has been decided to comply with the judgement of the Supreme Court. Accordingly, Zonal Railways are advised to treat the pension/family pension in respect of retired running staff revised in terms of Board's clarificatory instructions dt. 29.12.1999 as final and not to recover overpayment made to the pensioners and family pensioners. Railways are also advised to have similar cases pending before the High Courts and Tribunal disposed of on the basis of the judgement dt. 14.12.2007 of the Supreme Court.

5. Hindi version is enclosed.

6.. Please acknowledge receipt.



(S.SREERAM)

**Joint Director Finance (Establishment)**  
**Railway Board.**