



दक्षिण रेलवे/SOUTHERN RAILWAY

No.P(R)500/P/Vol.VI

प्रधानकार्यालय/ Headquarters Office
कार्मिक शाखा/ Personnel Branch
चेन्नई/Chennai - 600 003
दि./ Dated: 19-06-2014


पी बी सी सं/ PBC No: 77 / 2014

All PHODs / DRMs / CWMs / CEWE / CAO / CPM / Dy.CPOs / Sr.DPOs /
DPOs / SPOs / WPOs / APOs of HQ / Divisions / Wokshops / other Units, etc.,
(As per mailing list - 'A')

विषय/Sub: Clarification regarding payment of Pension contribution
and burden of leave Salary for the period of leave taken by
a Government servant during foreign service.

A copy of Railway Board's letter No.F(E) III/2005/PN1/12 dt.26-02-2014
on the above subject is enclosed for information, guidance and necessary action.

Railway Board's letter dated 23-11-2009 referred therein have been
circulated under PBC No. 243/2009 (RBE No. 202/2009).


(V.SRINIVASAN)
वरिष्ठ कार्मिक अधिकारी/नियम
Senior Personnel Officer/Rules
कृते मुख्य कार्मिक अधिकारी
For Chief Personnel Officer

संलग्न/Encl: as above

प्रतिलिपि/Copy to : The Genl Secy / SRMU
The Genl Secy / AISCSTREA
The Genl Secy / AIOBCREA

The Genl Secy / NFIR

GOVERNMENT OF INDIA (BHARAT SARKAR)
MINISTRY OF RAILWAYS (RAIL MANTRALaya)
(RAILWAY BOARD) GENERAL MANAGER'S OFFICE

No. F(E) III/2005/PN1/12

The GMs/FA&CAOs

All Indian Railways/Production Units.

(As per mailing list) Southern Rly/Chennai

03 MAR 2014

New Delhi, Dt. 26.02.2014

दक्षिण रेलवे / Southern Railway
चेन्नै / Chennai-600 003

Subject:- Clarification regarding payment of Pension contribution and burden of leave Salary for the period of leave taken by a Government servant during foreign service.

Doubts on the following three issues have been raised by the zonal Railways/PSUs on calculating FSC charges etc. during foreign service of a Railway servant:

- i) Whether increments earned during foreign service should be taken into account for calculating pension contribution?
- ii) Whether pension contribution is payable for the period of leave availed by the Railway servant while in foreign service and
- iii) Who will bear the burden of leave salary for the period of leave taken by the Railway servant during foreign service.

The matter has been examined and point wise clarification is given as under:

i) **Calculation of increment for pension contribution:** In terms of DOP&T's O.M. No. 2/34/2008-Estt.(Pay II) dt. 19.11.2009 circulated vide Board's letter No. F(E) III/2005/PN1/12 dt. 23.11.2009, pension contribution payable in respect of a Govt. servant during the active period of his foreign service shall be based on the existing basic pay (Pay in the pay band plus Grade pay) of the post held by a Govt. servant at the time of proceeding on foreign service and in case he receives proforma promotion/financial upgradation while on foreign service, on the basic pay (pay in the pay band plus grade pay) fixed on such promotion/financial upgradation.

It is stated that since the term financial upgradation does not include increase in the basic pay on account of grant of increments, increments earned during foreign Service will not be taken into account while calculating pension contribution.

ii) **Pension contribution for the period of leave during foreign service:** In terms of Rule 2006 of Indian Railway Establishment code Vol. I (F.R. 115) both pension contribution and leave salary contribution are not payable for the period of leave taken during foreign service.

iii) **Burden of leave salary for the leave taken during foreign service:** As per Rule 827 of Indian Railway Finance Code, Vol. I, the leave salary in respect of leave taken by a Railway servant while in foreign service will be borne by the Railway which received the contribution for leave salary. However, any Compensatory Allowance (including Dearness Allowance) payable to the Railway servant in respect of the period(s) of leave taken while in foreign service should be paid by the foreign employer.

The clarification given at para (ii) and (iii) above is in supersession of earlier clarifications issued to RITES Ltd. vide board's letters of even No. dt. 19.08.2010 and 01.02.2011. Past cases already settled otherwise need not be re-opened.



(Mrs. Valdehi Gopal)
Joint Director Finance Estt.
Railway Board