

RAILWAY SENIOR CITIZENS WELFARE SOCIETY CHANDIGARH

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No. RSCWS / CHD / SCPC/ 13-2011 Date 21-11-2011

1. Secretary, Ministry of Finance Dept of Expenditure), GOI, North Block, New Delhi
2. Secretary, Pensioners & Pensioners Welfare, Lok Nayak Bhawan, Khan Market, New Delhi

Dear Sir,

Subject: Fixation of Minimum Pension of all Pre-2006 Pensioners based on modified parity
- Appeal for implementation of judgement of CAT New Delhi in OA 655 – 2010

Reference: i) DOP & PW Resolution dated 29-8-2008
ii) DOP O.M. F. No. 38/37/08-P&PW (A), dated 1.9.2008
iii) DOP O.M. F. No. 38/37/08-P&PW (A) pt.1 dated 3.10.2008 & 14-10-2008
iv) Judgement of PB CAT New Delhi in OA 655 – 2010 dated 1st November, 2011.

1. We submit as under for your kind and favourable consideration, in continuation of our numerous representations regarding Fixation of Minimum Pension of all Pre-2006 Pensioners based on modified parity as recommended by Sixth Central Pay Commission (SCPC) and as accepted by the Cabinet Government of India.

2. The acceptance orders of the Union Cabinet / Government of India were notified vide DOP& PW Resolution dated 29-8-2008, which inter-alia mentioned as under:

a) All past Pensioners shall be allowed fitment benefit equal to 40% of the Pension. Fixation of pension shall be based on a multiplication factor of 1.86, i.e. basic pension + dearness Pension (wherever applicable) + Dearness Relief of 24% as on 1.1.2006.

b) The fixation of pension will be subject to the provision that the revised pension, in no case, shall be lower than fifty percent of the sum of the minimum of the pay in the pay band and the grade pay thereon corresponding to the pre-revised pay scale from which the pensioner had retired. (5.1.47)

3. Implementation of Government's decision on above said Para were inter-alia notified by DOP&WP vide O.M. F. No. 38/37/08-P&PW (A), dated 1.9.2008 as under:

4.2 The fixation of pension will be subject to the provision that the revised pension, in no case, shall be lower than fifty percent of the minimum of the pay in the pay band plus the grade pay corresponding to the pre-revised pay scale from which the pensioner had retired.

4. DOP O.M. F. No. 38/37/08-P&PW (A) pt.1 dated 3.10.2008, issued following clarification, followed by another OM of even number dated 14-10-2008:

12. The Pension calculated at 50% of the minimum of pay in the Pay Band plus grade pay would be calculated at the minimum of the pay in the Pay Band (irrespective of the pre-revised scale of pay) plus Grade Pay corresponding to the pre-revised pay scale.

5. Above said modification, issued as a “Clarification” dated 3-10-2008 (and 14-10-2008), resulted in major monetary loss in Pension to thousands of Pre-2006 Pensioners – and in any case, it was not in consonance with accepted recommendations of SCPC.
6. Numerous representations were made against the above said orders of DOP dated 3-10-2008 & 14-10-2008. But the DOP summarily rejected all the representations vide its letter No. 38/38/2008-P&PW(A) dated 11-02-2009
7. Central Administrative Tribunal (Principal Bench), New Delhi in the unanimous judgement by full Bench in OA 655/2010 delivered on 1st November, 2011, has held as under:

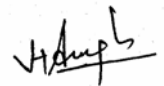
27. “As such, it was not permissible for the respondents to ignore the pre-revised scale of pay for the purpose of computing revised pension as per the modified parity in the garb of issuing the clarifications, thereby altering the modified parity/formula, which was accepted by the Central Government vide its resolution dated 29.08.2008.”

29. d) That even the Minister of State for Finance and Minister of State (PP) taking note of the resultant injustice done to the pre-11.2006 pensioners (pages 169-170) had sent formal proposal to the Department of Expenditure seeking rectification but the said proposal was turned down by the officer of the Department of Expenditure on the ground of financial implications. Once the Central Government has accepted the principle of modified parity, the benefit cannot be denied on the ground of financial constraints and cannot be said to be a valid reason.

30. *In view of what has been stated above, we are of the view that the clarificatory OM dated 3.10.2008 and further OM dated 14.10.2008 (which is also based upon clarificatory OM dated 3.10.2008) and OM dated 11.02.2009, whereby representation was rejected by common order, are required to be quashed and set aside, which we accordingly do. Respondents are directed to re-fix the pension of all pre-2006 retirees w.e.f. 1.1.2006, based on the resolution dated 29.08.2008 and in the light of our observations made above. Let the respondents re-fix the pension and pay the arrears thereof within a period of 3 months from the date of receipt of a copy of this order. OAs are allowed in the aforesaid terms, with no order as to interest and costs.*

8. We very humbly request that the above said orders of the CAT may please be implemented early and the minimum pension of all Pre-2006 Pensioners may please be re-fixed as per above said accepted Recommendation of the Pay Commission and the Resolution dated 29-8-2008 of the Government of India.

Yours faithfully,



Harchandan Singh,
Secretary General, RSCWS

Copy for information & favourable consideration to:

Member Staff, Railway Board, Rail Bhawan, New Delhi