

MASTER CIRCULAR

Master Circular No. 52

Re-employment Including Employment of Consultants.

The instructions issued by the Railway Board from time to time on the subject of 'Extension in service/Re-employment after superannuation' were consolidated in [Master Circular No. 33](#) issued on 03.09.1991. However, these instructions did not cover appointment of retired Judges of the Supreme Court/High Courts, on Commissions/ Committees of Enquiry, set up by the Government of India, as well as engagement of Consultants Ministries/ Departments, to tackle specific problems with their expert advice. The intention of this circular, therefore, is to supplement the earlier instructions.

2. General.

Re-employment of railway servants beyond the age of superannuation should be resorted to, very rarely and in really exceptional circumstances, purely in public interest. Sixty years of age is the deadline for re-employment in non-scientific/non-technical posts and sixty two years in posts of Chairman and Members of the Board of Management including the Managing Director and the Financial Adviser (if the Financial Adviser is a Member of the Board of Management) of any State Government owned Corporation/Company or Enterprise or of various Public Sector Undertakings, should not, as a general rule, be proposed for approval of the appointments Committee of the Cabinet, unless the Administrative Ministry consider that there are exceptional circumstances which would justify the appointment of a retired officer. In the case of honorary appointments, e.g. appointment on the Board of Directors of Public Sector Undertakings, the age limit may be 65 years, provided the appointment is really honorary and does not carry any substantial remuneration.

3. Temporary engagement of retired railway employees to handle summer rush spurt in booking, reservation work or handling of large number of applications received by Railway Recruitment Boards.

Railway Administrations should in no circumstances engage persons on daily or honorarium rate basis to handle spurt in passengers or rush of work. If the circumstances warrant engagement of additional hands inescapably, in the exigencies of service, Railways may engage retired employees, not above the age of 60 years, for a period not exceeding three months, after obtaining approval of the Board, in time.

[Bd's. letter No. [E\(NG\)II/86/RC 3/87 dated 17.11.1986](#) (RBE 220/86)]

4. Pay to be fixed on re-employment:

The basic order regulating fixation of pay of Pensioners including officers pensioned off or retired on Contributory P.P. provides that:

- i. Re-employed Pensioners shall be allowed to draw pay only in the prescribed scales of pay for the posts in which they are re-employed. No protection of scales of pay of the posts held by them prior to retirement shall be given.
- ii. In case where the entire pension and pensionary benefits are not ignored for pay fixation, the initial pay on re-employment shall be fixed at the same stage as the last pay drawn before retirement. If there is no such stage in the re-employed post the pay shall be fixed at the stage below that pay.

Provided that if the maximum of the pay scale in which a Pensioner is re-employed is less than the last pay drawn by him before retirement, his initial pay shall be fixed at the maximum of the scale of pay of the re-employed post. Similarly, if the minimum of the scale of pay in which a Pensioner is re-employed is more than the last pay drawn by him before retirement his initial pay shall be fixed at the minimum of the scale of pay of the re-employed post.

However, in all these cases, the non-ignorable part of the pension or pensionary equivalent of CPF/SRPF shall be reduced/adjusted from the pay so fixed.

Note : In relaxation of these guidelines, it has been decided that the pay of Chairman. Railway Recruitment Boards shall be fixed in a manner so that pay plus gross amount of pension should not exceed the last pay drawn on retirement instead of reducing the non-ignorable part of the pension from the pay fixed on re-employment. The decision has the concurrence of Deptt. of Personnel and has been taken in view of the importance of work done by Railway Recruitment Boards which require an unbiased and objective frame of functioning. Payment of allowances and relief on Pension will be under normal rules of pay fixation of re-employed pensioners.

[Board's letter No. [90/E\(GR\)I/11015 dated 10.04.1991](#)]

5. Re-employment of Retired Judges on whole time basis:

The terms and conditions of re-employed Supreme Court/High Court Judges may be regulated as follows:

A. On whole-time basis:

- i. Pay together with pension and pension equivalent of other forms of retirement benefits may be restricted to Rs. 8,000 per month in case of retired High Court Judges and Rs. 9,000 per month in the case of retired Chief Justices of High Courts/Judges of Supreme Court w.e.f 01.04.1986.
- ii. Dearness allowance as payable to officers of All India Services getting pay of Rs. 6,700 p.m. and above either from the date from which it was admissible to Sitting Judges or from the date on which they are appointed to Commissions of Enquiry, whichever is later.

- iii. **Compensatory (City) allowance as would be admissible to the serving Judges of Supreme Court and High Courts at the Headquarters station of the Committee/Commission.**
- iv. **Traveling Allowance and Daily Allowance may be paid according to their entitlement on the rates at the time of their re-employment. They will also be entitled to facility of temporary Government accommodation in Guest Houses/ Inspection Bungalows run by the Central Government wherever available on payment of normal rent at outstations of the class to which Government servants of the highest class are eligible.**
- v. **Transfer T.A. as admissible to a Government servant of the highest grade from home town to Headquarters for joining the Commission/ Committee and from headquarters to home town at the end of assignment.**
- vi. **Rent free furnished accommodation or house rent allowance at 12½% of pay in lieu thereof.**
- vii. **Medical facilities of CGHS may be made available. Where CGHS is not available, they may be entitled to medical facilities as available to Cabinet Ministers.**
- viii. **Leave as admissible to either re-employed pensioners under CCS(Leave) Rules, 1972 or Leave Rules, 1972 or Leave Rules applicable to railway employees..**
- ix. **LTC for self and family as admissible to re-employed pensioners, and the entitlement will be that of the highest grade in Central Government**
- x. **Conveyance facilities may be made available as admissible to the serving judges at the time of their re-employment.**

B. On Part-time basis

If the quantum of work does not justify whole time employment or in cases where a re-employed judge wished to make his headquarters the place where he has taken up residence after retirement instead of the headquarters of the Commission/Committee, there would be no whole time appointment and accordingly, no salary would be admissible. In cases of such part-time employment, the re-employed Judges will be eligible to get traveling allowances and facility of temporary Government accommodation while on tour in connection with the Commission/ Committee, as admissible under a(iv) above and Daily allowance at the following rates:

| | | Per day |
|-----|---|---------|
| (a) | Retired Chief Justices of India | Rs. 120 |
| (b) | Retired Chief Justice of High Court or retired Judge of Supreme Court | Rs. 100 |
| (c) | Retired Judge of High Court | Rs. 90 |

The daily allowance will be admissible only for the actual days spent on the commission/committee work and no other concession by way of board/lodging or transport will be admissible. If the place of

normal residence happens to be the same as the headquarters of the Committee, and no salary is given, a per diem honorarium equal to the above rates may be allowed.

[Min. of Finance [O.M. No. 19048/7/80-E. IV dated 08.10.1987](#)]

6. Engagement of Consultants:

Consultants are not to be appointed for the normal work of the Department. They should be engaged for attending to specific problems or for getting expert advice on specific issues.

Consultants may be non-officials or the retiring employees according to the problems to be addressed.

Strength of Consultants and period of appointment.

The strength of Consultants should normally be restricted to 10% of the total no. of posts at the level of Joint Secretaries and above within the Ministry/ Deptt. The exact no. of consultants within this ceiling may be decided by the concerned administrative Ministry/ Deptt. in consultation with their Financial Adviser.

Consultants should be appointed for the minimum period necessary but not exceeding six months. In exceptional cases, after proper assessment of their work, if the concerned Ministry/Deptt. find it necessary, their term can be extended further by a suitable period not exceeding six months in any case. Thus the total period of consultancy should not exceed 12 months in any case.

The period of appointment may be upto 2 years, in case the Consultants in an outside expert.

If a retiring employee of the Ministry/Deptt. is to be appointed the maximum period should be limited to six months and the number of such retirees should not exceed two in number of any time. Also the post held by the retiring employee should be kept vacant until he completes the work as Consultant.

In respect of Departments having special problems where appointment of retiring employees in large number is unavoidable, proposals may be made separately for such appointment beyond the permissible limit to the Department of Personnel and Ministry of Finance.

Consolidated fee.—Subject to a ceiling of Rs. 8,000 p.m. with no D.A. or any other relief in the case of non-officials appointed as full time Consultants and a ceiling of Rs. 4,000 p.m. with no D.A. or any other relief in the case of non-officials appointed as part-time Consultants, the Administrative Ministries/Departments, may in consultation with their Financial Advisers, decide the quantum of fee payable to the Consultant in each case, after

taking into account all relevant factors including the level of the post which the individual held on the date of retirement.

In the case of retired Government servants appointed as full time Consultants, the consolidated consultancy fee payable to them should not exceed the last pay drawn minus pension subject to a ceiling of Rs. 4,000 p.m. and a ceiling of Rs. 2,000 if they are appointed as Part-time Consultants. They shall, however, be allowed to draw, in addition, their pension and relief thereon.

TA/DA. — TA/DA may be paid to the Consultants as per normal rules applicable to any serving officer of an equivalent rank in the Ministry/Deptt.

Telephone & Transport. — Consultants will not be entitled to facilities like telephone and transport. They will however be allowed reimbursement of conveyance charges on the same terms and conditions as are applicable to serving officers of equivalent rank. They will also not be allowed use of staff car for private purposes, as is admissible to senior officers and also for journeys between residence and office.

Accommodation.— Consultants will not be allowed residential accommodation from Central Government Pool. However if a Deptt. has its own pool and desires to allow accommodation to Consultants, there may be no objection. Power in this regard vests with the Administrative Ministry/Department.

Residual Powers.— All cases involving relaxation of orders/guidelines shall be referred to the Department of Personnel and Training through the Administrative Ministry.

[Deptt. of Personnel & Trg.'s [O.M. No. 16014/12/86-Estt. \(Allces.\) dated 29.02.1987](#) and [15.12.1988](#) and [O.M. No. 21011/18-89-Estt. \(Allces.\) dated 08.10.1990](#)]

7. While referring to This circular, the original references mentioned herein and the relevant provisions of Establishment Code/ Manual should be read for a proper appreciation. This circular is only a consolidation of the existing instructions and should not be treated as a substitute of the original letters. In case of doubt, the original letters should be relied upon.
8. If any circular having a bearing on the subject which has not been superseded, has been lost sight of, in the preparation of this Master Circular, the said circular should not be ignored but should be treated as Valid and Operative.
9. The letters and other references on the basis of which this circular has been prepared are indicated in the Annexure. Copies of letters referred to are also enclosed for information and guidance.