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## MASTER CIRCULAR

### Master Circular No. 22

#### Absorption and Utilisation of Surplus Staff on the railways.

Consequent on the change of traction and full or partial closure of steam loco sheds, marshalling yards, goods sheds and other redundant assets, Board have been issuing instructions from time to time about the absorption of staff rendered surplus on account of the above. They have now decided to issue a Master Circular consolidating the instructions issued so far, as below, for the information and guidance of all concerned.

#### I. Identification of Surplus Posts:

2. The Railway Board desire that suitable advance planning should be done by the Railways to identify areas in which the staff are likely to be rendered surplus. For this purpose, a Cell should be carved out of the existing work Study Units on the Railways and the same entrusted with the specific task of carrying out studies with a view to locating surpluses. As soon as the posts are identified as surplus, a formal office order should be issued immediately surrendering such surplus posts. The incumbents against these posts should be re-deployed against other 'live' posts as far and as early as possible.

- i. The ban on filling of vacancies will not be attracted if they are utilised to absorb staff rendered surplus.
- ii. Surplus staff who have continuity of service should be allowed during the period of training pay and allowances as would be admissible to them in the post in which they are to be absorbed after training.
- iii. The surplus steam staff may also be given conversion training in Diesel / Electric Traction without insisting in any Educational Qualification and age restriction, but subject to the following conditions: -
  - a. The Surplus Steam Staff selected for the conversion training should be screened properly to ensure that they have basic intelligence and literacy to absorb the conversion training.
  - b. Illiterate or Semi-literate staff should first be given a special course (say for 3 months or so) to bring them to a minimum acceptance level of literacy. This opportunity need be given only once.
  - c. The staff should give an undertaking before being nominated for conversion training that they may be transferred to other stations within the division.
  - d. The concerned staff should not be given more than three chances to pass the conversion training.

[No. [E\(G\)66 EC 2/7 dated 23.11.1966](#),  
No. [E\(NG\)II/81/RE 1/5 dated 15.01.1982](#),  
No. [E\(NG\)II/84/RE 1/10 dated 09.04.1985](#) (RBE 101/1985),  
No. [E\(G\)66 EC 2-7 dated 11.04.1967](#),

No. [E\(NG\)II-67/RE 1/47 dated 22.05.1968](#),  
No. [E\(NG\)I/88/PM7/48\(PNM\) dated 15.03.1990](#) (RBE 48/1990)]

3. No new activity should be started at the location where staff are likely to be rendered surplus merely for accommodating them at the same place without the prior approval/ sanction of the Railway Board. Where special circumstance warrant the same, suitable proposals should be sent well in time to the Railway Board with the personal approval of the GM. The Railway Board expect that such cases are few and far between. In no case, Board's approval should be presumed.

[No. [E\(NG\)II/84/RE 1/10 dated 21.04.1989](#) (RBE 106/1989)]

4. The surrendered posts should be struck off from the relevant cadre registers, scale check registers and other records based on the formal orders issued.

[No. [E\(NG\)II/81/RE 1/5 dated 15.01.1982](#),  
No. [E\(NG\)II/84/RE 1/10 dated 21.04.1989](#) (RBE 106/1989)]

5. Normally, the junior-most of the employees should be rendered surplus, irrespective of the manner in which they had been recruited/entered to the post/Grade. However, where staff give their willingness to go on bottom seniority in recruitment grades to other deptts., such volunteers should be given preference depending upon the availability of vacancies in the other cadre and their suitability, including medical fitness.

The above do not, however, apply to SC/ST in respect of the whom separate orders already exist.

[No. [E\(NG\)/67/RE 1/49 dated 28.10.1968](#),  
No. [E\(NG\)II/81/RE 1/5 dated 15.01.1982](#),  
No. [E\(NG\)II/84/RE 1/10 dated 21.04.1989](#) (RBE 106/1989)]

6. The Railway Board desire that the recognised unions should also be advised in time, as far as possible, about the number of staff likely to be rendered surplus and the station where they are. Their views, as far as possible, may also be obtained regarding their re-deployment.

[No. [E\(NG\)II/84/RE 1/10 dated 21.04.1989](#) (RBE 106/1989)]

## **II. Bank of Surplus Posts:**

7. To keep a proper account of surplus posts and their utilisation, the Railway Board have decided that a "Bank of surplus posts" should be maintained by each Railway as under: -

- a. The bank of surplus posts will be operative from 01.04.1987 and earlier bank net credit may be added as an opening balance of the new account as on that date;
- b. All posts (excluding posts which were/are created for specific short term purpose e.g. those created for summer rush) identified as surplus and surrendered on or after 1.4.1987 will be credited to this Bank;
- c. Matching surrender already reckoned for creation of posts after 1.4.1987 (including opening balance from the previous balance) and surrenders to be made in future, will be debited to the balance in the bank;
- d. The account in this bank will be maintained department-wise and grade-wise, though for matching surrender posts can be drawn

from this bank irrespective of the department to which they pertain; and

- e. The account of the bank will be maintained by the CPLO or CPO (as per practice on the individual Railway) under the overall supervision of the Addl. G.M. (Exp. Control).

**Note:** In every proposal for the creation of posts, the CPLO/CPO will indicate the availability of surplus posts in the Bank.

[No. [E\(NG\)II/84/RE-1/10 dated 26.10.1984](#);  
[E\(NG\)II/84/RE-1/10 dated 31.03.1987](#) (RBE 78/87)]

### **III . Utilisation/Redeployment of Surplus Staff:**

8. When doing the advance planning for identifying the surplus posts referred to in para 2 above, appropriate scheme for providing training, wherever found necessary, in alternative jobs for staff rendered surplus should also be planned and developed. Utilisation and re-deployment of surplus staff should be given the highest priority and their absorption will have precedence over all other modes of recruitment including screening of casual labour and direct recruitment for filling up the vacancies so that the surplus staff can be first utilised at suitable locations including places where additional posts are created for operation/ maintenance of additional/new assets.

[No. [E\(NG\)II/81/RE 1/5 dated 15.01.1982](#),  
[E\(NG\)II/84/RE-1/10 dated 26.10.1984](#),  
No. [E\(NG\)II/84/RE 1/10 dated 09.04.1985](#) (RBE 101/1985),  
No. [E\(NG\)II/84/RE 1/10 dated 21.04.1989](#) (RBE 106/1989),  
No. [E\(NG\)II/68/RE-1/47 dated 31.07.1968 /1.08.1968](#)]

9. There shall be no recruitment in those categories in which posts are likely to be rendered surplus and the categories in which surplus staff are likely to be redeployed. Surplus staff can be absorbed in the existing vacancies against new posts which are duly.

### **IV. Creation of "Special Supernumerary" Posts:**

10. When the posts were not vacant and staff are working against them, "Special Supernumerary" posts in the same grade should be created to accommodate the staff rendered surplus. Simultaneously the "Special Supernumerary" posts should be credited to the "Bank of surplus posts" and maintained in the respective billing units.

[No. [E\(NG\)II/81/RE 1/5 dated 15.01.1982](#),  
[E\(NG\)II/84/RE 1/10 dated 21.04.1989](#) (RBE 106/1989)]

11. Where the surplus staff are transferred and posted against the vacancies in the same or other departments, the question of creation of "Special Supernumerary" posts does not arise. Such posts will be directly credited as vacancies to the "Bank of surplus posts".

12. The incumbents borne against such "Special Supernumerary" posts should be re-deployed quickly against other posts by re-training if necessary.

13. The "Special Supernumerary" posts shall be personal to each incumbent and are to be surrendered as soon as the incumbent is absorbed in some other duly sanctioned posts or retires or vacates it for any other reason.

14. When these "Special Supernumerary" posts are surrendered, they

should be credited as vacancies to the "Bank of surplus posts" and can be utilised as matching surrenders for creation of additional posts for maintenance and operation of additional/new assets.

15. The staff, who cannot be immediately absorbed even after training against other duly sanctioned posts, should be allowed to continue against "Special Supernumerary" posts in the same grade in which the incumbents were working. They will continue to have their lien in their old cadre posts so as to keep their promotional prospects in tact.

16. The Railways should set up suitable machinery to review the utilisation/re-deployment of staff being borne against "Special Supernumerary posts".

#### **V. Seniority of Staff rendered surplus on deployment:**

17. When re-deploying the surplus staff to other Units/Departments, which constitute a different seniority unit, the following methods could be adopted:

- i. If only a small number of staff are being rendered surplus and they have to be transferred to various Units of other departments against vacancies of duly sanctioned posts, they can be suitably adjusted in these units with their full seniority and merging their seniority in the respective units;
- ii. When a large number of staff are being transferred to new units that are being set up, they should be given their full seniority. No minimum educational qualifications should be prescribed. It should be sufficient if they pass the re-training/ conversion training tests at the end of their training, subject to course their medical fitness.
- iii. Whenever a large number of staff have to be transferred to existing units against vacancies or additional sanctioned posts, the views of the Unions may be taken as to whether the seniority of the staff being shifted should be kept separate against the "Special Supernumerary" posts, so that their promotional prospects are kept separate and identical to what they would have achieved in the old Unit and it does not jeopardise the promotional prospects of the staff in the Units in which they are being inducted. In such cases, the application of percentage distribution of posts would be separate for the existing cadre posts and the surplus staff who have been brought into the cadre, the latter being controlled by the percentage as applicable to their previous cadre. However, as and when there is wastage through retirement, promotion etc. in the seniority unit of shifted staff charged against "Special Supernumerary" posts in the direct recruitment grades, the direct recruitment quota of the same should be merged with the existing cadre seniority of that unit, i.e. the Unit to which they had been re-deployed on being surplus.

[No. [E\(NG\)II/84/RE 1/10 dated 21.04.1989](#) (RBE 106/1989)]

18. In cases, where the seniority of surplus staff is maintained separately, there could be cases where the few staff, who are left behind in the old seniority unit continue to get their promotion as per their seniority alongwith the other staff transferred to the new unit. It may happen in some cases, where the number of higher grade posts may have to be operated in excess of the percentage laid down to avoid transferring the staff left behind. However, it should be ensured that the total number of posts in each grade of the old unit, taking into account those both left behind and transferred to the new Units, should not

exceed the original sanctions.

**19. The pay of Railway servants rendered surplus and absorbed in alternative posts is fixed under the normal operation of rules and where the normal rules do not give sufficient relief, by grant of advance increments under Rule 2023 (F.R. 27) - R II.**

Since the above orders do not provide sufficient relief in fixation of pay to the staff rendered surplus and absorbed in alternative posts, it has been decided by the Board as under: -

**1. When staff recruited through RRB are rendered surplus:**

- a. When appointment is from a higher to a lower or equivalent alternative post:**

**Increments equal to the number of years of service rendered in the post from which the Railway servant has been rendered surplus should be given in the post in which he has been absorbed.**

- b. If the appointment is to an alternative post carrying an identical time scale:**

**Pay should be fixed under the normal rules.**

**2. When staff not recruited through RRB are rendered surplus:**

- a. When appointment is from a higher to a lower or equivalent alternative post:**

**Pay may be fixed in accordance with Railway Board's letter No. [F\(E\)53/PA 5\(1\) dated 11.06.1953](#) as under:**

- i. Transfer from a higher to a lower post:**

**Temporary Railway Servants:**

**In such cases, the benefit of completed years of service in their higher posts may be given for purposes of advance increment in the lower posts to which a Railway servant is appointed, provided of course, this does not exceed the pay drawn in the higher post at the time of transfer. In case the appointment in lower involves appointment to a regular cadre with immediate or future prospects of absorption as a permanent Government Servant care should be taken to see that the grant of advance increment does not come into conflict with the pay fixed for other Railway servants in the cadre. In such cases, normally, it may be preferable to fix a Railway servant's pay at the minimum of the time scale and to grant of a personal pay equal to the appropriate number of increments instead of fixing the pay at a higher stage in the time scale. The personal pay will be absorbable in future increments.**

- ii. Permanent Railway servants:**

**In the case of permanent Railway servants officiating in a higher post and transfer to officiate in another post which is lower than the previous officiating post, provision exists under Rule 2022-R-II(FR 26) for the counting of this officiating service in the higher post for**

the purposes of increments. No further relaxation is normally necessary.

**b. Transfer from one post to another equivalent post:**

**i. Temporary Railway Servants:**

In such cases, temporary Railway servants may be given the advantage of the completed years of service in the former post for higher fixation of pay in the latter, provided that there is a reasonable prospect for former post to continue for long period and that the Railway servants would have continued to hold that post. In this case also, if the transfer is to a regular service or cadre or a post on which chances of immediate or ultimate confirmation exist it may be necessary in the interest of service of other Railway servants to grant a personal pay instead of a higher start. This personal pay will be absorbed in future increments.

**ii. Permanent Railway Servants:**

In the case of permanent Railway servants officiating in a post and transferred to officiate in another post of equivalent status, the proviso to F. R. 22 (2017) R applies where the time scales are the same or identical. The rules for permanent Railway servants should not normally be relaxed except in individual cases or hardship. In such cases, it should be closely examined as to whether the Railway servant would have continued in his former post for any length of time, say 2 or 3 years. If he would not have continued, it would weaken the case of higher fixation of pay under Rule 2023. R (FR. 27).

Transfer from a lower to a higher post. The cases should be continued to be regulated under the orders contained in Railway Board's letter No. F(E)48/PA 4/1 dated 29.11.1950

**3. The above provisions were further clarified vide Board's letter No. [E\(NG\)II/67/RE 1/58 dated 29.04.1968](#) as under :**

**i. When staff recruited through Railway Service Commission are rendered surplus:**

**a. When appointment is from a higher to a lower or equivalent alternative post:**

Increments equal to the number of years of service rendered in the post from which the Railway Servant has been rendered surplus, should be given in the post in which he has been absorbed.

**b. If the appointment is to an alternative post carrying an identical time scale:**

Pay should be fixed under the normal rules.

**ii. When staff not recruited through Railway Service Commission are rendered surplus:**

**a. When appointment is from a higher to a lower or equivalent alternative post:**

Pay may be fixed in accordance with Railway Board's letter No. [F\(E\)53/PA 5\(1\) dated 11.06.1953](#) as at present.

- b. if the appointment is to an alternative post carrying an identical time scale :

pay should be fixed under the normal rules.

4. The above orders will have effect from 15.04.1966

## VI. General:

20.

- a. While referring to this circular, the original letters referred to herein should be read for a proper appreciation. This circular is only a consolidation of the instructions issued so far and should not be treated as a substitution to the originals. In case of doubt, the original circular should be relied upon as authority.
- b. The instructions contained in the original circulars referred to have only prospective effect from the date of issue unless specifically indicated otherwise in the concerned circular. For dealing with old cases, the instructions in force at the relevant time should be referred to; and
- c. If any circular on the subject, which has not been superceded, has not been taken into consideration while preparing this consolidated letter, the said circular, which has been missed through oversight should be treated as valid and operative. Such a missing circular, if any, may be brought to the notice of the Railway Board.

### Original Orders/Circulars from which Consolidation has been made

1. [F\(E\)53/PA 5\(1\) dated 11.06.1953](#)
2. E. 52RC-1/5/3 dated 06.08.1953
3. [E\(G\)66 EC 2/7 dated 23.11.1966](#)
4. [E\(G\)66 EC 2-7 dated 11.04.1967](#)
5. [E\(NG\)66 RC 1/84 dated 24.07.1967](#)
6. [E\(NG\)II/67/RE1/58 dated 29.04.1968](#)
7. [E\(NG\)II-67/RE 1/47 dated 22.05.1968](#)
8. [E\(NG\)II/68/RE-1/47 dated 31.07.1968 / 1.08.1968](#)
9. [E\(NG\)67RE1/49 dated 28.10.1968](#)
10. [E\(NG\)68 RE1/12 dated 20.11.1968](#)
11. [E\(G\)76 EC 2-4 dated 21.02.1978](#)
12. [E\(G\)76 EC 2-7 dated 17.11.1979](#)
13. [E\(G\)79 EC 2-7 dated 15.10.1981](#)
14. [E\(NG\)II/81/RE 1/5 dated 15.01.1982](#)
15. [E\(G\)82 EC 2-2 dated 12.07.1984](#)
16. [E\(NG\)II/84/RE-1/10 dated 26.10.1984](#)
17. [E\(NG\)II/84/RE 1/10 dated 09.04.1985](#) (RBE 101/1985)
18. [E\(NG\)II-84/RE 1/10 dated 26.07.1985](#) (RBE 216/85)
19. [E\(NG\)II/84/RE-1/10 dated 31.03.1987](#) (RBE 78/87)



20. [E\(NG\)I-84-PM7-56 dated 03.11.1987](#) (RBE 269/87)
21. [E\(NG\)I/88/PM 7/48\(PNM/NFIR\) dated 28.03.1989](#) (RBE 90/89)
22. [E\(NG\)II/84/RE 1/10 dated 21.04.1989](#) (RBE 106/1989)
23. [E\(NG\)I/88/PM7/48\(PNM\) dated 15.03.1990](#) (RBE 48/1990)

**Orders issued subsequently**

1. [E\(P&A\)II/91-PP/17 dated 23.09.1992](#) (RBE 160/92)
2. [E\(NG\)II/93/RC-3/33 dated 08.12.1993](#) (RBE 177/93)

**Supplementary Circular No. 1 - the staff who refuse such orders will not be eligible for the protection of promotion prospects, and may have to continue in the grade in which they were placed at the time of issue of such orders - [E\(NG\)II/94/RE-1/21, dated 28.09.1995](#) (RBE 110/1995).**

**Revised instructions for Re-deployment of surplus staff vide Railway Board's letter No. [E\(MPP\)/99/1/75 dated 28.11.2000](#) (RBE 206/2000)**

**Ad-hoc promotion to surplus staff vide Railway Board's letter No. [E\(NG\)-II/2001/RE-1/4 dated 16/07/2001](#) (RBE 137/2001).**