

**Government of India
Ministry of Railways
(Railway Board)**

No.E(W)2008/ED-2/4

New Delhi, Dated: 04 -05-2009

The General Manager (P),
All Indian Railways & PUs.

Sub: Grant of Children Education Allowance & Hostel Subsidy to Railway employees - clarifications reg.

Please refer to Railway Board's letter of even number dated 01.10.2008 followed by Board's letter of even no. dated 19-12-2008 containing revised policy instructions/clarification on Children Education Allowance and Hostel Subsidy admissible to Railway servants based on the recommendations of Sixth Central Pay Commission.

2. However, certain doubts had been raised still further by some Railways on the aforesaid policy, which are clarified as under:-


SN	Point of doubt/Clarifications	Comments
1.	Whether the expenditure incurred on purchase of books, uniform, shoes etc. priors to 01.09.2008 during the academic year 2008-09 is reimbursable under the Scheme and, if so, upto what extent ?	The revised orders on Children Education Allowance are effective from 01.09.2008. In the revised orders reimbursement is admissible for expenditure on purchase of books, uniform, school shoes and certain other fee heads which was not available under the previous instructions. Expenditure incurred prior to 01.09.2008 has to be covered as per the previous instructions. As such it is not feasible to reimburse expenditure on books, uniform, shoes etc. purchased prior to 01.09.2008.
2.	Whether the full amount of Rs.12000/- of Children Education Allowance can be reimbursed at the beginning of the academic year since expenditure on purchase of books, uniform, shoes and certain fee elements like admission fee, science fee etc. is made at the start of scholastic session ?	The new scheme provides reimbursement of children education allowance upto a maximum of Rs.12,000/- per annum per child. It further prescribes that reimbursement can be claimed once every quarter and the amount claimed in a quarter could be more than Rs.3000/- and in another quarter less than Rs.3000/- subject to overall ceiling of Rs.12,000/- per child p.a. beings maintained. This logically implies that starting from academic year 2009-10 entire Rs.12,000/- can be claimed in one quarter with 'nil' reimbursements in other three quarters.

Contd..2/-

3.	In case of employees appointed to service after 01.09.2008, whether the allowance is admissible from date of joining on pro-rata basis or full reimbursement can be claimed?	It is clarified in the revised instructions that Children Education Allowance is not admissible for the period of service treated as dies-non i.e. no service no allowance. It is further clarified that Children Education Allowance may be calculated on pro-rata basis @ maximum Rs.1000/- per month per child. As such employees who have joined service after 01.09.2008 would be entitled to Allowance on pro-rata basis i.e. maximum Rs.1000/- for each completed month per child.
4.	Whether reimbursement can be claimed for expenses on Tuition classes in recognized Coaching Centers.	The Children Education Allowance is meant for the reimbursement of expenses incurred on studies/education of a child in a school. Hence expenses on coaching classes in a Tuition/Coaching Centre would not be admissible.

This issues with the concurrence of Finance Directorate of Ministry of Railways.

Hindi version will follow.


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