



CONFEDERATION OF CENTRAL GOVT. EMPLOYEES & WORKERS

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Ref: Confdn/JCM NC/Anomaly/2016-19

Dated – 03.07.2017

To

Shri Shiv Gopal Mishra
Secretary
National Council, Staff Side (JCM)
13-C, Feroz Shah Road
New Delhi – 110001

Dear Comrade,

Sub: - Agenda items for the meeting of the National Anomaly committee.

Ref:- Ministry of Personnel, PG and Pensions, Department of Personnel & Training OM No. 11/2/2016-JCA dated 09.09.2016 and 29.10.2016.

Please refer to the above mentioned OMs of Department of Personnel & Training.

Three copies (Triplicate) of the proposed agenda items for the meeting of National Anomaly Committee is enclosed herewith. The same may please be included in the items to be Submitted to Deputy Secretary (JCA), Ministry of Personnel, PG and Persons, Department of Personnel & Training, Government of India, North Block, New Delhi – 110001.

Yours fraternally,

(M. Krishnan)
Secretary General
& Member, Standing Committee,
National Council, Staff Side (JCM)

Item – I - ANOMALY IN INCREMENT RATE

As per clause(C) of the terms of reference of the National Anomaly Committee – where the official side and the staff side are of the opinion that any recommendations is in contravention of the principle or the policy enunciated by the Seventh Central Pay Commission itself without the commission assigning any reason – it constitutes an anomaly.

Regarding annual increment the recommendations of seventh CPC are as follows:

- (i) **7th CPC Report – Highlights of Recommendations -**
SL – 7 – Annual Increment – The rate of annual increment is being retained at 3 percent.
- (ii) **7th CPC Report – Forward**
Para 1.19 – The prevailing rate of increment is considered quite satisfactory and has been retained.
- (iii) **7th CPC Report – Chapter 4.1 –Principles of Pay determination**
Para- 4.1.17 – The various stages within a pay level moves upwards at the rate of 3 percent per annum.
- (iv) **7th CPC Report – Chapter 5.1 – Pay Structure (Civilian Employees)**
Para 5.1.38 – Annual Increment
“The rate of annual increment is being retained at 3 percent”
Para 5.1.21 – The Vertical range of each level denotes pay progress within that level. That indicates steps of annual financial progression of 3 percentage within each level.

Contrary to the above principle laid down by the 7th CPC, the actual increment rate in the Pay levels of the Pay matrix are less than 3% as illustrated in the Table below: -

ILLUSTRATION-I – LOSS IN INCREMENT

Pay Level	Sl. No. in the Pay Level (Cell)	Basic Pay in the Revised Pay scale	Next above Basic Pay after adding 3% increment	Next above Basic Pay fixed as per pay matrix	Amount of loss to the employee	Actual increment rate %age
1	12	24900	25647	25600	47	2.81
1	26	37600	38728	38700	28	2.92
3	9	27600	28428	28400	28	2.89
3	16	34000	35020	35000	20	2.94
4	11	34300	35329	35300	29	2.91
4	22	47500	48925	48900	25	2.94
5	10	38100	39243	39200	43	2.88
5	20	51100	52633	52600	33	2.93
6	6	41100	42333	42300	33	2.91
6	9	44900	46247	46200	47	2.89

ILLUSTRATION – 2

In Level – 2, Cell – 2, the pay is shown as 20500. After giving one increment of 3% it should be 21115/- but the next cell is only 21000 (Level-2, Cell-3). Next stage should be 21115+633=21748 but the next cell is only 21700 (Level-2 Cell-4).

In Level – 6, Cell 14 should be 50500 + 1515 = 52015 whereas it is given only 52000.

From the above it can be safely concluded that

- (i) Recommendation of the Pay Commission regarding increment rate is in contravention of the principle or policy enunciated by the 7th Pay Commission, Hence it constitutes an anomaly.
- (ii) In many stages, even though the increment is shown as 3%, it is rounded off to the next below amount causing financial loss to the employees.
- (iii) In the sixth CPC, while calculating increment, if the last digit is (one) or above, it used to be rounded off to next 10 (Ten). So in this Pay Matrix also if the amount is 10 (Ten) and above, it should be rounded off to the next above 100 (hundred).
- (iv) Even if the difference may look small (in percentage) it will also have long term impact on the employees promotion inviting heavy financial loss. The following illustration will reveal it.

Illustration

1.	Pay Level	-	6
2.	Cell (Stage) in the Pay Level	-	8
3.	Basic Pay in the Revised Scale	-	44900
4.	Actual Pay after adding 3% annual increment	-	46247
5.	Basic Pay fixed as per the Pay Matrix	-	46200
6.	Loss of amount to the employee in the increment	-	47
7.	Pay on promotion to next Level if fixed as per serial 4 above	-	49000
8.	Pay on promotion to the next level, if fixed as per serial – 5 above	-	47600
9.	Loss per month on promotion	-	1400

Thus, for a loss of Rs.47/- only in the Annual increment, the employee will suffer a recurring loss of Rs.1400/- per month during his/her promotion to the next level and this loss will have cumulative effect on rest of the period of the service career with financial loss on Dearness Allowance (DA) and further promotions and also Pensionary benefits.

The above anomalies are to be rectified.

Item – 2 –DENIAL OF BUNCHING INCREMENT DUE TO ANOMALY IN FIXING THE NEXT STAGE (CELL) IN EACH PAY LEVEL WITH LESS THAN 3% INCREMENT RATE.

- (1) As per the Finance Ministry OM dated 07.09.2016, the grant of bunching increment is subject to the condition that the difference between the lower pay and higher pay should be at least 3%. This condition adversely affects many of the employees. Contrary to the claim of the 7th Pay Commission that increment rate of 3% is maintained, in many pay levels, the difference between lower cell and next higher cell is less than 3% showing that increment rate is less

than 3%. Due to this inherent anomaly is granting justified (3%) increment the employees should not be made to suffer in the case of bunching. It is not the fault of the employees but due to faulty increment rate fixed by the commission in each pay level. This anomaly is to be set right by withdrawing the 3% condition from the Finance Ministry orders dated 01.09.2016.

- (2) The pay as per the 7th CPC of MTS drawing pay of 7210 and 7430 in the pre-revised pay is bunched and fixed at Rs.19700. As per the bunching orders issued by Finance Ministry, the official drawing Rs.7430 in the pre-revised scale will get additional increment and will be fixed at Rs.20300/- with effect from 01.01.2016.

But the MTS officials drawing Rs.7660/- in the pre-revised pay are also getting revised pay fixed at Rs.20300 with effect from 01.01.2016.

It is requested that to remove the anomaly, the MTS officials who are drawing Rs.7660/- in the pre-revised scale may also be made eligible to get additional increment.

Item – 3 - ANOMALY ARISING OUT OF NON-GRANT OF OPTION FOR PAY FIXATION IN THE REVISED PAY FROM THE DATE OF PROMOTION OR FROM DATE OF NEXT INCREMENT TO THOSE OFFICIALS WHO ARE DUE FOR PROMOTION/UPGRADATION AFTER 25.07.2016, I.E; AFTER THE DATE OF ISSUE OF NOTIFICATION FOR IMPLEMENTATION OF CCS (REVISED PAY) RULES 2016.

As per Rule-5 of CCS (RP) Rules 2016 notified by the Government on 25.07.2016.

- (a) A Government servant may elect to continue to draw pay in the existing pay structure until the date on which he earns his next or any subsequent increment in the existing pay structure or until he vacates his post or ceases to draw pay in the existing pay structure.
- (b) In cases where a Government Servant has been placed in a higher pay or scale between 1st day of January 2016 and the date of notification of these rules (i.e. between 01.01.2016 and 25.07.2016) on account of promotion or upgradation, the Government Servant may elect to switch over to the revised pay structure from the date of such promotion or upgradation as the case may be.

As per the above rules, in the case of promotion or upgradation of a Government Servant before the date of notification of the CCS (RP) Rules 2016, he should elect to switch over to the new pay structure from the date of promotion or upgradation.

Subsequently a clarification is issued by the Department of Expenditure (Implementation Cell) on 29th September 2016 vide OM No. 1-6/2016-IC (Pt) dated 29.09.2016, which clarified the position as follows:

“In case an employee is promoted or upgraded to the higher pay structure he **may be permitted to exercise revised option** to have the pay fixed under CCS (RP) Rules 2016 from the date of such promotion/upgradation **or from the date of next increment as per FR 22 (i) (a) (i).**

Thus as per Rule-5(b) an official who is promoted on 24.07.2016 (i.e. one day before the date of notification) can exercise option to fix his pay under CCS (RP) Rules 2016 from the date of

promotion or from the date of next increment (falling due after 25.07.2016). Whereas, employees whose date of promotion becomes due on 26-07-2016 i.e., after the date of notification cannot elect to continue to draw their pay in the existing (pre-revised) pay structure till the date of his promotion or till the date of next increment. He should compulsorily opt for fixation of pay in the Revised pay structure on 01.01.2016 or 01.07.2016 as the case may be. This has resulted in an anomalous situation.

If the option to elect the revised pay structure from the date of promotion falling due on a date **after the date of notification of CCS (RP) Rules 2016** (i.e. 25.07.2016) or from the date of subsequent increment after promotion date is not allowed, employees who are due promotion/upgradation after the date of notification will suffer a recurring loss upto Rs.4000/- per month throughout their service and corresponding loss in their pensionary benefits also.

The following illustrations are given where an employee is promoted from grade pay of 2800 to 4200 on 17.05.2017 i.e.; after the date of notification.

Illustration –I

Pre-revised pay as on 01.01.2016 (GP 2800)	-	16490
Revised pay on 01.01.2016 -16490 X 2.57	-	42800
Pay on 01.07.2016 (normal increment)	-	44100
Pay after MACP upgradation on 17.05.2017 (one increment fixation in next pay level) (Next increment due in 2018 only)	-	46200
Pay on 01.07.2017	-	46200

Illustration-II (If permitted to opt for fixation of Pay on promotion from the next date of increment after promotion i.e; 01.07.2017 as per FR 22 (i) (a) (i))

Pre-revised pay as on 01.01.2016 (GP 2800)	-	16490
Pre-revised pay as on 01.07.2016 (one increment)	-	16990
Pre-revised pay as on 01.07.2017 (one increment)	-	17500
Pay after MACP promotion in pre-revised scale on 17.05.2017 (difference in GP – 4200-2800 = 1400 Plus one increment)	-	19430
Revised Pay on 01.07.2017 19430 X 2.57 = 49935 = 50500	-	50500
Difference in Basic Pay between Illustration I and II 50500 – 46200 = 4300	-	4300 (Only in Basic)

In view of the above, it is requested that permission to exercise revised option for fixation of pay under CCS (RP) Rules 2016, from the date of promotion or from the date of next increment falling due after the date of promotion, may be granted to those employees also, whose promotion is due after the date of notification of Revised (RP) Rules 2016.

Item 4 - DISADVANTAGE TO EMPLOYEES ON PROMOTION FROM ONE LEVEL TO ANOTHER LEVEL ON IMPLEMENTATION OF CCS (REVISED PAY) RULES 2016.

As per Rule 13 of CCS (Revised Pay) Rules 2016, the fixation of pay in case of promotion from one level to another level in the revised pay structure shall be made in the following manner, viz; - “One increment shall be given in the level from which the employee is promoted and he shall be placed at **a cell equal to the figure so arrived** at the level of the post to which he is promoted and if no such cell is available in the level to which promoted, he shall be placed at the next higher cell in that level.

Earlier, till 5th CPC (6th CPC grade pay introduced, so this issue will not come), when pay scales were in force in the place of Grade Pay system, pay on promotion from one scale to another scale was fixed by giving one increment in the lower pay scale from which the employee was promoted and he was placed at the next above stage in the higher scale (promoted scale) **and if the figure so arrived after giving one increment in the lower scale was equal to the same stage in promoted scale, then he was being placed at immediate next stage in the higher (promoted) scale.**

It is clear that earlier rule was not only more beneficial to the employees but also it make their promotion comparatively charming.

After implementation of 6th CPC grade pay system, there was no question of fixation of pay either at equal or at next stage due to grade pay and percentage increment, which was much beneficial to the employees on promotion/upgradation under MACPS from one grade to another grade.

In the existing Pay Matrix the stages are same in most of the level such as Level 2 & 3, 6 & 7, 7 & 8, 6& 8 etc. In this situation, if an employee is promoted/upgraded under MACPS from one level to another level, his pay will be almost same as he may draw even without promotion.

For example - An employee (like senior Accountant) working in Level – 6 (erstwhile grade pay 4200) and drawing pay of Rs.47600/- (cell-II in Level-6) with effect from 01.07.2016 after annual increment, if promoted under MACPs to Level-7 (erstwhile grade pay 4600) or promoted to the post of Asst. Accounts office (AAO) to the Level – 8 (erstwhile grade pay 4800) with effect from 01.04.2017, his pay will be fixed as under, as per Rule – 13 of CCs (RP) Rules 2016 –

1. Basic Pay in the Revised Pay Structure (Level-6)	-	47600
2. On upgradation under MACPS to Level – 7	-	49000
3. On Promotion to higher Level (AAO) Level – 8	-	49000
4. On drawing one increment (without any promotion Or MACPS) in Level – 6	-	49000

It can be seen that there is no improvement on promotion/upgradation, which will adversely affect the morale of the employees leading to increase in number of declination (forgoing) of promotion.

Necessary amendment in the Rule – 13 that ____ “on promotion/upgradation of an employee, if stage/cell on pay fixation is equal in the promoted/upgraded level, he shall be placed at the next higher cell/stage in the promoted scale (Level)” ____ may be made.

Item – 5 - REMOVAL OF ANOMALIES IN PAY MATRIX – PAY OF OFFICIALS DRAWING DIFFERENT GRADE PAY (HIGHER AND LOWER) ARE FIXED AT THE SAME STAGE IN DIFFERENT PAY LEVEL OF 7TH CPC PAY MATRIX

The Pay of officials drawing different grade pay is fixed in the same stage in different pay level of 7th CPC Pay Matrix.

Example

Sl.	Pay	Grade Pay	Total	X 2.57	Level	Pay (in the Pay Matrix)
1	22900	5400	28300	72731	9	73400
2	22860	5400	28260	72628	9	73400
3	23660	4600	28260	72628	7	74300
4	23670	4800	28470	73168	8	74300
5	25010	6600	31600	81238	11	83300
6	24000	7600	31600	81212	12	83600
7	26800	4800	31600	81212	8	83600
8	27000	4600	31600	81212	7	83600
9	27400	4200	31600	81212	6	83600

The above table is depicting the pay fixation as per the Pay Matrix. The following anomalies may be noted.

- Revised Pay of an employee who has drawn 28300 (SL-I) higher basic pay in the pre-revised scale is fixed at the same stage (74300) than the employees who have drawn lower basic pay in the pre-revised scale (See SL-2, SL-3).
- Revised basic pay of an employee who had drawn 28470 (SL-4) higher basic pay in the pre-revised scale is fixed at the same stage 74300 than the employees who have drawn basic pay in the pre-revised scale (See SL-I, SL-2, SL-3)
- Revised basic pay of an employee whose revised basic comes to Rs.81238 (SL-5) in the revised scale is fixed at a stage (83300) equal to the employees whose revised basic comes to 81212 (See SL 7,8,9)
- Revised basic pay of employees drawing grade pay of 4200, 4600, 4800, 7600 (SL-6,7,8,9) are fixed at the same stages from index Serial 9 to 20 (44900 to 62200) of Level – 6 (4200 GP), Stages from Index serial 1 to 12 (44900 to 62200) in Level – 7 (4600 GP) and stages from Index-2 to 10 (49000 to 62200) of Level – 8 (GP – 4800) are one and the same in the feeder cadre and promoted level. As a result officials who are promoted from Level 6 to 7 and from – Level 7 to 8 are the losers as their pay on promotion will be fixed in the cell which would be equal to the amount in the lower level after addition of one increment.
- An employees who is drawing more pay in the pre-revised pay is being fixed less in the revised pay E.g: Revised Basic Pay drawing 21320 with GP 5400 will be fixed at 69000 on 01.01.2016 (Level 10) where as basic pay of an employee drawing 21300 with GP 5400 will be fixed at 69200 on 01.01.2016 (Level -9)
- Similarly when an employee drawing 4600 grade pay (Level-7) is promoted under MACP to 4800 grade pay (Level – 7) is promoted under MACP to 4800 grade pay (Level – 8) there is no change in his revised basic pay as per pay matrix.

Construction of pay matrix is done in such a way that on promotion in most of the cases the fixation falls at the same stage (even though pay level is lower and higher).thus the benefit on promotion works out to be mere one increment i.e. 3%, which the employee can get even without promotion as annual increment. If minimum benefit of two increments is not ensured on promotion, that will act as disincentive to the employees for accepting promotion.

The above anomalies are to be rectified.

Item – 6 - GRANT OF INCREMENT TO THOSE WHO HAVE COMPLETED ONE YEAR SERVICE ON THE DAY OF SUPERANNUATION.

The demand for grant of one increment to those officials who have completed one year in service on the day of Superannuation (on 30th June/31st December) was not accepted on the technical plea that completion of one year on the stipulated dates of 30th June and 31st December will come into effect only when the day is over and on the next day the official will not be on duty due to retirement. For drawal of increment one has to be on duty. The fact that the official has completed one year is undisputed. As such an anomalous situation arises in the case of those Government servants who retires after completion of one year service on 30th June and 31st December, as the case may be, inspite of the fact that they have completed one year of service which are countable for increment, had the official be in service on 1st July and 1st January.

In order to set right this genuine anomaly, the Government of Tamilnadu has issued an order vide GOM No. 311 dated 31.12.2014. As per that order, a Government servant whose increment falls due on the day following superannuation, on completion of one full year of service which are countable for increment under Fundamental Rules **may be sanctioned with one notional increment at the prescribed eligible rate, purely for the purpose of pensionary benefits and not for any other purpose.**

It is submitted that the anomaly existing in Central Government Services may be rectified by issuing a similar order as above.

Item – 7- ANOMALY IN THE APPLICATION OF INDEX RATIONALIZATION

In para 5.1.18 of its report, the 7th CPC has stated that the Level in the Pay Matrix would hence forth be the status determiner. In Para 5.1.19 it is stated that the index of rationalization has been applied from pay Band- 2 onwards on the premise that with the enhancement of levels from Pay Band – 2 onwards the role, responsibility and accountability **increase at each step in the hierarchy** and that the proposed pay structure reflects the same principle. It has further stated that hence, the existing entry pay at each level corresponding to successive grade pay in each Pay band from PB-2 onwards, has been enhanced by Index rationalization.

It is clear from the above that each level in the Pay Matrix with successive higher grade pay, is higher in status than the previous one in terms of role, responsibilities and accountability. But the 7th CPC has applied uniformly the same index to all the posts in PB-I (2.57) PB-II (2.62) and PB-III (2.67). By doing this the commission has contradicted its own statement in para 5.1.18 and 5.1.19 quoted above. By applying the same Index of 2.57 to all the posts in PB-I, 2.62 to all posts in PB-2 and 2.67 to all posts in PB-3, the Commission has implied that all the posts in each of the Pay Bands 1, 2 and 3 carry the same duties, responsibilities and accountability, which is wrong, anomalous and

unjust as the successively higher posts in each Pay Band with higher Grade Pay are at higher level in the Pay Matrix, carrying higher duties and responsibilities, Logically, higher rationalisation indices should have been applied to the higher posts in each of the Pay Bands, including PB-I.

Due to this the higher posts in PB-I to 3 has suffered a reduction in pay and pension which is unjust and goes against the basic principle laid down in paras 5.1.18 and 5.1-19 of the report of the Commission. This injustice and anomaly should be removed.
