



BHARATIYA PRATIRAKSHA MAZDOOR SANGH

(AN ALL INDIA FEDERATION OF DEFENCE WORKERS)

(AN INDUSTRIAL UNIT OF B.M.S.)

(RECOGNISED BY MINISTRY OF DEFENCE, GOVT. OF INDIA)

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REF: BPMS / MOD / 7th CPC / 60 (7/3/L)

Dated: 01.10.2016

To,
The Dy Secretary (CP),
Govt of India, Min of Defence,
'B' Wing, Sena Bhawan,
New Delhi – 110011

Subject: Seeking of Clarification regarding Option & Pay Fixation in 7th CPC.

Respected Sir,

Part -1

With due regards, your attention is invited to Para 4.(2) of the Gazette Notification on Resolution (No. 1-2/2016-IC, Dated 25.07.2016) issued by Ministry of Finance (Department of Expenditure) which reads as under:-

4. (1) The Pay Matrix, in replacement of the Pay Bands and Grade Pays as in force immediately prior to the notification of this Resolution, shall be as specified in **Annexure I** in respect of civilian employees.

(2) With regard to fixation of pay of the employee in the new Pay Matrix as on 1st day of January, 2016, the existing pay (Pay in Pay Band plus Grade Pay) in **the pre-revised structure as on 31st day of December, 2015 shall be multiplied by a factor of 2.57.** The figure so arrived at is to be located in the Level corresponding to employee's Pay Band and Grade Pay or Pay Scale in the new Pay Matrix. If a Cell identical with the figure so arrived at is available in the appropriate Level, that Cell shall be the revised pay; otherwise the next higher cell in that Level shall be the revised pay of the employee.

(3) After fixation of pay in the appropriate Level as specified in sub-paragraph (2) above, the subsequent increments in the Level shall be at the immediate next Cell in the Level.

Whereas the Rule 7 of the CCS (RP) Rules, 2016 reads as under:-

7. Fixation of pay in the revised pay structure.-

(1) The pay of a Government servant who elects, or is deemed to have elected under rule 6 to be governed by the revised pay structure on and from the 1st day of January, 2016, shall, unless in any case the President by special order otherwise directs, be fixed separately in respect of his substantive pay in the permanent post on which he holds a lien or would have held a lien if such lien had not been suspended, and in respect of his pay in the officiating post held by him, in the following manner, namely:-

(A) in the case of all employees-

(i) the pay in the applicable Level in the **Pay Matrix** shall be the pay obtained by multiplying the existing basic pay by a **factor of 2.57**, rounded off to the nearest rupee and the figure so arrived at will be located in that Level in the Pay Matrix and if such an identical figure corresponds to any Cell in the applicable Level of the Pay Matrix, the same shall be the pay, and if no such Cell is available in the applicable Level, the pay shall be fixed at the immediate next higher Cell in that applicable Level of the Pay Matrix.

Further, Annexure of Implementation Cell, 7th CPC (O.M. No. 1-5/2016-IC, Dated 29.07.2016) clearly states that the Basic Pay (Pay in the applicable Pay Band plus applicable Grade Pay or basic pay in the applicable scale) in the pre-revised structure as on 01.01.2016 will be multiplied by 2.57.

Point of Doubt No.1: Some of the Local Account offices are saying that as per Para 4.(2) of Resolution, the Basic Pay (pre-revised **Pay in Pay Band plus Grade Pay as on 31.12.2015, not as on 01.01.2016**) will be multiplied by 2.57.

Kindly clarify which basic pay will be multiplied by 2.57:

(a) pre-revised Pay in Pay Band plus Grade Pay as on **31.12.2015**

Or

(b) pre-revised Pay in Pay Band plus Grade Pay as on **01.01.2016**

Effect in both conditions may be illustrated below: The pay of an employee 'XYZ' was Rs. 12200 in PB-1 plus 2800 GP as on 31.12.2015 and on completion of 10 yrs regular service, he was granted financial upgradation on 01.01.2016 in the Grade pay of 4200. Thus his pre-revised basic pay was become Rs. 12650 in PB-2 plus Rs. 4200 GP as on 01.01.2016.

In such condition, LAO is fixing his pay as under –

| | | |
|---|----------------|---------|
| (a) Pre –Revised Basic Pay as on 31.12.2015 | : 12200 + 2800 | = 15000 |
| (b) Amount (a) is multiplied by 2.57 | : 15000 x 2.57 | = 38550 |
| (c) Revised Pay in Pay Matrix in Level 5 | : 39200 | |
| (d) Pay after giving one increment in Level 5 on 01.01.2016 | : 40400 | |
| (e) Pay in upgraded level 6 (GP 4200) as on 01.01.2016 | : 41100 | |

As per federation's interpretation, the fixation will be as under –

| | | |
|--|----------------|---------|
| (a) Pre-Revised Basic Pay as on 31.12.2015 | : 12200 + 2800 | = 15000 |
| (b) Pre-Revised Basic Pay as on 01.01.2016 due to fixation benefit under FR 22.(I)(a)(1) | : 12650 + 4200 | = 16850 |
| (c) Amount (b) is multiplied by 2.57 | : 16850 x 2.57 | = 43304 |
| (d) Pay in upgraded level 6 (GP 4200) as on 01.01.2016 | : 43600 | |

Part – 2

Further, your attention is invited to Rule 5 of CCS (RP) Rules, 2016 which reads as under:

5. Drawal of pay in the revised pay structure.– Save as otherwise provided in these rules, a Government servant shall draw pay in the Level in the revised pay structure applicable to the post to which he is appointed:

Provided that 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:

Provided further that in cases where a Government servant has been placed in a higher grade pay or scale between 1st day of January, 2016 and the date of notification of these rules 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.

Explanation 1.- The option to retain the existing pay structure under the provisos to this rule shall be admissible only in respect of one existing Pay Band and Grade Pay or scale.

Explanation 2.- The aforesaid option shall not be admissible to any person appointed to a post for the first time in Government service or by transfer from another post on or after the 1st day of January, 2016, and he shall be allowed pay only in the revised pay structure.

Explanation 3.- Where a Government servant exercises the option under the provisos to this rule to retain the existing pay structure of a post held by him in an officiating capacity on a regular basis for the purpose of regulation of pay in that pay structure under Fundamental Rule 22, or under any other rule or order applicable to that post, his substantive pay shall be substantive pay which he would have drawn had he retained the existing pay structure in respect of the permanent post on which he holds a lien or would have held a lien had his lien not been suspended or the pay of the officiating post which has acquired the character of substantive pay in accordance with any order for the time being in force, whichever is higher.

Contrary to above, vide letter No. AN/XIV/14142/Seventh CPC/Vol-I, Dated 08.09.2016 the CGDA issued clarification No. 3 on 'Implementation of Seventh Central Pay Commission' which reads as under:

"As regards exercising option for Seventh CPC from 07/2016 i.e. on accrual of next increment in respect of cases who have been promoted / upgraded between 01.01.2016 and 30.06.2016 is concerned, Para 13 and Para 5 of CCS (RP) Rules, 2016 may be referred which clearly states that in respect of the above cases, a government servant may elect to switch over the revised pay structure from the date of such promotion or upgradation implying that the option to switch over to the revised pay structure from 07/2016 is not available. Provision of Para 15 of Min of Finance Gazette notification dated 25.07.2016 may also be referred."

Point of Doubt No.2: If the pay of an employee 'XYZ' was Rs. 12200 in PB-1 plus 2800 GP as on 31.12.2015 and on completion of 10 yrs regular service, he was granted financial upgradation on 15.03.2016 in the Grade pay of 4200, kindly clarify:-

- (i) Whether 'XYZ' is compelled to opt 7th CPC w.e.f. 01.01.2016 and his pay will be fixed as illustration mentioned in the Rule 13 of CCS (RP) Rules, 2016;
- (ii) Whether 'XYZ' may opt 7th CPC w.e.f. 15.03.2016 (date of promotion) and his pay will be fixed under the provisions of FR 22 and thereafter his pay will be revised under CCS (RP) Rules, 2016;
- (iii) Whether 'XYZ' may opt 7th CPC w.e.f. 01.07.2016 (date of next increment) and his pay will be fixed under the provision of FR 22.(I)(a)(1) in the pre-revised scale on 15.03.2016 & 01.07.2016 and thereafter his pay will be revised under CCS (RP) Rules, 2016.

Point of Doubt No.3: If the pay of an employee 'XYZ' was Rs. 12200 in PB-1 plus 2800 GP as on 31.12.2015 and after completion of 10 yrs regular service, he would be eligible for grant of financial upgradation under MACP on **15.03.2017** in the Grade pay of 4200, kindly clarify:-

- (i) Whether 'XYZ' may opt 7th CPC w.e.f. **15.03.2017** (date of financial upgradation) and till then (14.03.2017) he will draw his wages in the existing system of 6th CPC.

Considering the importance of the issues, you are requested to issue necessary clarification in consultation with the competent authorities so that Finance & Accounts department may also accept and comply with in correct perspective.

Thanking you.

Sincerely yours



(MUKESH SINGH)

Secretary/BPMS &

Member, JCM-II Level Council (MOD)

Copy to: Sri R K Chaturvedi,
Joint Secretary, Govt of India,
Deptt of Expenditure, Implementation Cell,
Room No. 214, The Ashok,
New Delhi.

- With request to take appropriate action.