

No IV/NFIR/7th CPC (Imp)/2016/RB-Part II
e/-I/2/pt IV

GOVERNMENT OF INDIA (BHARAT SARKAR)
Ministry of Railways (Rail Mantralaya)
(Railway Board)

PC-VII No. 134
File No. PC-VII/2016/RSRP/3

RBE No. 50 /2019
New Delhi, dated: 13 .03.2019


The General Managers/CAOs(R),
All Indian Railways & Production Units,
(As per mailing list)

Sub: Bunching of stages of pay in the pre-7th CPC pay scales consequent upon fixation of pay in the revised pay scales based on 7th CPC – regarding.

Please refer to Board's letter of even no. dated 27.09.2017 forwarding therewith a copy of Ministry of Finance, Department of Expenditure's OM No. 1-6/2016-IC dated 03.08.2017 regarding clarification on bunching of stages in the revised pay structure under CCS(RP) Rules, 2016 for adoption of the same in Railways with respect to RS(RP) Rules, 2016.

2. Now, Ministry of Finance, Department of Expenditure vide their O.M. No. 1-6/2016-IC/E-III A dated 07.02.2019 (copy enclosed) have issued further clarifications on the subject matter. The clarifications issued by Ministry of Finance, Department of Expenditure shall be applicable *mutatis mutandis* in Railways with respect to RS(RP) Rules, 2016.

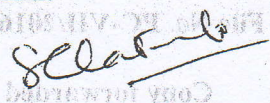
Encl. As above.


(Jaya Kumar G)
Deputy Director, Pay Commission-VII
Railway Board

File No. PC-VII/2016/RSRP/3

New Delhi, dated: 13 .03.2019

Copy (with 40 spares) forwarded to the A.D.A.I., Railways, New Delhi.


For Financial Commissioner, Railways

File No. PC-VII/2016/RSRP/3

New Delhi, dated: 13 .03.2019



NATIONAL FEDERATION OF INDIAN RAILWAYMEN (N.F.I.R.)
3, Chelmsford Road, New Delhi

No. IV/NFIR/7 CPC (Imp)/2016/R.B.-Part II

Dated: 26/03/2019

Copy together with the enclosures is forwarded to the General Secretaries of affiliated Unions of NFIR for information and comments if any.

C/: Media Centre/NFIR & IRW.
C/: File No. I/2/Part IV.


(Dr. M. Raghavaiah)
General Secretary

Dated the 07th February, 2019

Office Memorandum

Subject: Bunching of stages of pay in the pre-7th CPC pay scales consequent upon fixation of pay in the revised pay scales based on 7th CPC-Regarding

The undersigned is directed to invite attention to this Department's OM No. 1-6/2016-IC dated 3rd August, 2017, explaining in detail the methodology for applying the principle of "bunching" consequent upon pay fixation in the revised pay scales (applicable Levels of the Pay Matrix) effective from 1.1.2016 based on implementation of the recommendations of the 7th Pay Commission.

2. Notwithstanding the fact that the said OM dated 3.8.2017 has elaborately explained the issue of bunching in the context of the revised pay scales based on 7th Central Pay Commission, references are being received in this Ministry seeking clarification as to the methodology to carry out the principle of bunching. It is seen that some of the clarifications received seem to arise out of the position on bunching as obtaining during the pay structure in vogue based on 6th Pay Commission before 1.1.2016 vis-à-vis the position explained in terms of this Ministry's aforesaid OM dt. 3.8.2017 in the context of pay structure currently in vogue from 1.1.2016 based on the recommendations of the 7th Pay Commission.

3. Therefore, the matter has been considered keeping in view the clarifications sought and the issue is clarified heretofore. At the very outset, bunching as a sequel to pay fixation based on the formula for such pay fixation on the date of effect of revised pay scales based on the recommendations of the 7th Pay Commission, is to be considered strictly as per the recommendations of the 7th Pay Commission, as illustrated in para 5.1.37 of its report. The principle of bunching as recommended by the 7th Pay Commission, as accepted by the Government in terms of the erstwhile Implementation Cell's OM dt. 7.9.2016 and 3.8.2017, is different from the principle recommended by the 6th Pay Commission and as accepted by the Government based thereon. Therefore, the principle of bunching in the revised pay structure based on the recommendations of the 7th Pay Commission is independent of the principle followed earlier and has no link thereto.

4. The 6th Central Pay Commission in para 2.2.21 of its Report recommended - "To alleviate the problem of bunching in these cases, the Commission has allowed the benefit of one extra increment wherever two or more stages in any of the pre-

revised pay scales were getting bunched together at one level in the revised pay bands.... The Commission has prepared a detailed fixation chart which gives the fitment in the revised running pay bands in every stage". However, in the fitment charts prepared by the 6th Pay Commission, the Commission illustrated the bunching meant by it. The examples from the fitment tables prepared by the 6th Pay Commission are given in Annexure I.

5. The same principle of bunching was adopted in terms of the fitment table prescribed by the Ministry of Finance, Department of Expenditure, as per the OM No.1-1/2008-IC dated 30.8.2008. The examples of which are given in Annexure II.

6. The 7th Pay Commission has dealt with the issue of bunching in paras 5.1.36 and 5.1.37, which are reproduced below.

"5.1.36 Although the rationalisation has been done with utmost care to ensure minimum bunching at most levels, however if situation does arise whenever more than two stages are bunched together, one additional increment equal to 3 percent may be given for every two stages bunched, and pay fixed in the subsequent cell in the pay matrix.

5.1.37 For instance, if two persons drawing pay of Rs. 53,000 and Rs. 54,590 in the GP 10000 are to be fitted in the new pay matrix, the person drawing pay of Rs. 53,000 on multiplication by a factor of 2.57 will expect a pay corresponding to Rs. 1,36,210 and the person drawing pay of Rs. 54,590 on multiplication by a factor of 2.57 will expect a pay corresponding to Rs. 1,40,296. Revised pay of both should ideally be fixed in the first cell of level 15 in the pay of Rs.1,44,200 but to avoid bunching the person drawing pay of Rs. 54,590 will get fixed in second cell of level 15 in the pay of Rs.1,48,500."

7. Accordingly, the essence of the recommendations of the 7th Pay Commission is contained in the above illustration given by the 7th Pay Commission. As per this illustration, the pay of Rs. 53,000 and Rs. 54,590 were the pay applicable in PB-4 plus Grade Pay of Rs. 10,000 as applicable prior to 1.1.2016, which corresponds to Level-14 of the Pay Matrix applicable from 1.1.2016. The pay of Rs. 54,590 was 3% more than the pay of Rs. 53,000. That is, these two Pays were separated by a difference of 3% of Rs. 53,000. Thus, the pay of Rs. 54,590 was the stage next to the pay of Rs. 53,000. Considering that the 7th Pay Commission allowed the benefit of bunching at the level of the pay of Rs. 54,590 itself, it materially departed from the principle followed at the time of 6th Pay Commission because in the 6th Pay Commission regime the benefit was allowed at the 3rd consecutive stage and not at the 2nd stage itself (next stage) for the purpose of bunching.

8. Furthermore, in the illustration given in para 5.1.37 of its report, the 7th Pay Commission has not mentioned about the pay in respect of pre-revised pay of Rs. 56,230, which is 3% more than the pay of Rs. 54,590. The revised pay fixed in the Level 14 with reference to the pre-revised pay of Rs. 56,230 will be Rs. 1,48,500.

This will be the same as the pay to be given with reference to the pre-revised pay of Rs. 54,590 after allowing bunching. However, the 7th Pay Commission did not recommend any additional benefit in such cases, as it did not include in its illustration for any benefit in case of the further stages of pre-revised pay, consequent upon bunching at the lower stage.

9. In view of the above, the benefit of bunching consequent upon fixation of pay in the revised pay structure effective from 1.1.2016 based on the recommendation of the 7th Pay Commission is to be considered in the light of the above and the clarifications already issued in terms of the aforesaid letter dated 3.8.2017. Accordingly:

- (i) Where consequent upon fixation of pay in terms of Rule 7 (1) (A)(i) of the CCS (RP) Rules, 2016, two different pay drawn in the pay structure obtaining immediately before 1.1.2016, which were separated by one another by 3% of the previous stage, are fixed at the same cell of the applicable Level of the Pay Matrix effective from 1.1.2016, then the benefit of bunching by way of one additional increment as on 1.1.2016 shall be admissible in respect of the pay which is more than 3% of the previous pay, as per the illustration given by the 7th Pay Commission in para 5.1.37, as mentioned above. This is further illustrated as below:

6th CPC Pay scale : PB-4 (37,400-67,000) 7th CPC Pay Scale - Level-13
+ Grade Pay Rs.8,700/- (1,23,100-2,15,900)

| 6 th CPC Pay Structure (PB-4 and GP of Rs. 8,700) | Pay fixation in 7 th CPC Pay Matrix (Level-13) | | |
|--|---|--------------------------------------|--------------------------|
| | Pay | Consolidation based on 2.57 multiple | Pay fixed as on 1.1.2016 |
| | 46,100 | Rs.1,18,477 | Rs.1,23,100/- |
| | 47,490 (46,100+3%) | Rs.1,22,049 | Rs.1,23,100/- |
| | | | Rs.1,26,800/- |

- (ii) In view of the position explained in para 8 above and the specific recommendation of the 7th Pay Commission as per its illustration given in para 5.1.37 of its report, no further action is to be taken after the benefit of bunching as a result of application of Rule 7(1)(A)(i), as indicated above. This is as illustrated below:

| 6 th CPC Pay Structure (PB-4 and GP of Rs. 8,700) | Pay fixation in 7 th CPC Pay Matrix (Level-13) | | | |
|--|---|--------------------------|-----------------------------------|---------------------------------|
| Pay | Consolidation based on 2.57 multiple | Pay fixed as on 1.1.2016 | Pay after bunching as on 1.1.2016 | Remarks |
| 46,100 | Rs.1,18,477 | Rs.1,23,100/- | Rs.1,23,100/- | |
| 47,490 (46,100+3%) | Rs.1,22,049 | Rs.1,23,100/- | Rs.1,26,800/- | Pay raised because of bunching. |
| 48,920 (47,490+3%) | Rs. 1,25,724 | Rs. 1,26,800 | Rs. 1,26,800 | No change. |

10. In the light of the above, the points of clarification as referred to this Ministry are explained in the **Annexure III**.

11. These orders are issued after consultation with the Comptroller and Auditor General of India in their application to the employees belonging to the Indian Audit and Accounts Department.

12. Hindi version of these orders is attached,



(Amar Nath Singh)
Director

To

1. All Ministries/Departments- As per standard list.
2. DoPT (Pay/AIS Divisions), North Block, New Delhi.
3. Comptroller and Auditor General of India, DDU Marg, New Delhi.
4. Union Public Service Commission, Dholpur House, New Delhi.
5. Controller General of Accounts, Mahalekha Bhawan, I.N.A, New Delhi.
6. NIC, D/o Expenditure, Ministry of Finance, North Block, New Delhi with a request to upload the OM on the website of the Department.

Annexure I

The examples taken from the Fitment Chart prepared by the 6th Pay Commission

Example 1:

Then existing scale = 8,000-275-13,500

6th CPC Scale PB-3 (15,600 - 39,100)

+ Grade Pay = Rs.5,400/-

| Stages in pre-2006 scale | | Pay fixation without bunching | | | Pay fixed as per fitment chart of 6 th CPC | Remarks |
|--------------------------|-------|-------------------------------|-----------|--------|---|---|
| | | Pay in Pay Band (1.74 factor) | Grade Pay | | | |
| 1 st | 8,000 | 15,600 | 5,400 | 21,000 | 21,000 | This illustration in the fitment table given by the 6 th CPC brings out that if 3 consecutive stages of pay in the pay scale obtaining prior to 1.1.2006 are bunched based on the formula for fixation of pay, then the benefit of bunching was to be given at the 3 rd stage, i.e., at the pre-revised pay of Rs. 8,550. |
| 2 nd | 8,275 | 15,600 | 5,400 | 21,000 | 21,000 | |
| 3 rd | 8,550 | 15,600 | 5,400 | 21,000 | 21,390 | |

Example 2:

Then existing scale = 14,300-450-22,400

6th CPC Scale PB-4 (39,200-67,000)

+ Grade Pay = Rs.9,000/-

| Stages in pre-2006 scale | | Pay fixation without bunching | | | Pay fixed as per fitment chart of 6 th CPC | Remarks |
|--------------------------|--------|-------------------------------|-----------|--------|---|---------------------------|
| | | Pay in Pay Band (1.74 factor) | Grade Pay | | | |
| 1 st | 14,300 | 39,200 | 9,000 | 48,200 | 48,200 | Same as in above example. |
| 2 nd | 14,750 | 39,200 | 9,000 | 48,200 | 48,200 | |
| 3 rd | 15,200 | 39,200 | 9,000 | 48,200 | 49,180 | |

The examples taken from the Fitment Table as per MoF, DoE OM dt.30.8.2008

Example 1:

Then existing scale = 8,000-275-13,500

6th CPC Scale PB-3 (15,600 - 39,100)

+ Grade Pay = Rs.5,400/-

| Stages in pre-2006 scale | | Pay fixation without bunching | | | Pay fixed as per fitment chart of 6 th CPC | Remarks |
|--------------------------|-------|--------------------------------|-----------|--------|---|---|
| | | Pay in Pay Band (1.86 factor)) | Grade Pay | | | |
| 1 st | 8,000 | 15,600 | 5,400 | 21,000 | 21,000 | No bunching has been allowed at the 2 nd stage, even though 1 st and 2 nd stage are fixed at the same pay. |
| 2 nd | 8,275 | 15,600 | 5,400 | 21,000 | 21,000 | |
| 3 rd | 8,550 | 15,910 | 5,400 | 21,310 | 21,310 | |

Example 2:

Then existing scale = 14,300-18,300

6th CPC Scale PB-4 (37,400-67,000)

+ GP Rs. 8,700

| Stages in pre-2006 scale | | Pay fixation without bunching | | | Pay fixed as per fitment chart | Remarks |
|--------------------------|--------|--------------------------------|-----------|--------|--------------------------------|---|
| | | Pay in Pay Band (1.86 factor)) | Grade Pay | | | |
| 1 st | 14,300 | 37,400 | 8,700 | 46,100 | 46,100 | It brings out that if 3 consecutive stages of pay in the pay scale obtaining prior to 1.1.2006 are bunched based on the formula for fixation of pay, then the benefit of bunching was to be given at the 3 rd stage, as per the recommendation of 6 th CPC. |
| 2 nd | 14,700 | 37,400 | 8,700 | 46,100 | 46,100 | |
| 3 rd | 15,100 | 37,400 | 8,700 | 46,100 | 47,230 | |

Points of doubt raised and clarifications thereon

| Sl. No | Point of doubt | Clarification |
|--------|---|---|
| 1. | Whether one increment of 3% constitute one stage or a difference of 3% among the pay of two officers constitute two stages. | As explained in this Ministry's earlier OM dated 3.8.2017, the stages of every pay scale were well defined in the pay structure under 5 th CPC regime and the stages were not well defined in the 6 th CPC structure. Since there were no defined stages in the 6 th CPC structure and as pay in the running Pay Band in the 6 th CPC structure could be of any amount in the multiple of Rs. 10, as specific to an employee, it has been very clearly brought out therein, drawing upon the illustration given by the 7 th Pay Commission in para 5.1.37 of its Report, that a difference of at least 3%, the rate of annual increment in the 6 th CPC structure, was essential for counting of two stages. Therefore, for the purpose of considering bunching, two Pays drawn in a Pay Band with a particular Grade Pay, which are separated by 3% of the lower pay, are to be taken into account, as explained in the illustration given in para 9(i) of this order. |
| 2. | Whether the pay at Cell 1 of any Level may be taken as first stage. | Bunching is to be considered with reference to the consecutive stages of pay drawn in the pay structure obtaining prior to 1.1.2016, as explained in these orders, and as such a reference to Cell 1, which is in the revised pay structure, is not relevant. |
| 3. | Whether all pay stages lower than the entry pay in the 6 th CPC pay structure are not to be taken into account for | This point has been amply clarified in the aforesaid OM dated 3.8.2017. As mentioned in para |

| | | |
|----|--|---|
| | the purpose of bunching. | 8(iv) thereof, all pay stages lower than the Entry Pay in the 6 th CPC pay structure as indicated in the Pay Matrix contained in 7 th CPC Report are not to be taken into account for determining the extent of bunching. |
| 4. | Whether benefit of bunching should be given only where previous and current pay stages of the officers (specific to each employee) are getting bunched and placed at the same Level in the 7 th CPC matrix without any comparison to any other officer's pay as per para 5 and 8(iii) of this Department's OM dated 3.8.2017 which stipulates that a difference of 3% to be reckoned for determination of consecutive pay stages, specific to each employee | The position clarified in these orders covers this point. As explained in the illustration, the pre-revised pay of Rs.46,100 and Rs. 47,490 are considered two stages of pay, as these are separated by 3% and these could be drawn by any two officers. |
| 5. | Whether benefit of bunching is to be given to a senior officer with reference to the pay of his junior officer who is drawing less pay with the difference of 3% to the senior officer and now his pay got fixed in the same Level as that of the senior officer. | The issue of bunching is not a matter of pay drawn by a Senior Officer vis-a-vis a Junior Officer. As explained in these orders, bunching happens as in the illustration given in these orders and as such this is not related to the issue of seniority. |
| 6. | Whether the benefit of bunching is also required to be given to a senior officer where his junior's pay has got fixed in the same Cell as that of the senior due to the benefit of bunching of pay given to the junior. | |
| 7. | Whether the benefit of bunching may be extended on account of bunching of two stages of pre-revised pay of a Government servant alone. | It is not clear how two stages drawn by a single Government servant are relevant for pay fixation on 1.1.2016, as only the pay drawn on 31.12.2015 is to be taken into account for pay fixation on 1.1.2016 |

| | | |
|----|--|--|
| 8. | Whether the benefit of bunching may be extended only on direct pay fixation where the pay of two officers in the pre-revised pay with a difference of 3% get fixed at the same stage in the revised pay structure (7 th CPC) or also on further bunching with next higher pay stage due to grant of additional increment to an officer for bunching on initial/direct pay fixation. | As explained in the illustration contained in para 9(ii) of these orders, no such benefit is admissible in such cases. |
|----|--|--|

[Handwritten signature]

2. Now, Ministry of Finance, Department of Expenditure vide their O.M. No. 1-6/2016-IC/E-III-A dated 07.03.2019 copy of which has been issued further clarifications on the subject matter. The clarifications issued by Ministry of Finance, Department of Expenditure shall be applicable mutatis mutandis in Railways with respect to RS(RP) Rules, 2016.

And it is done.

[Signature]
 Deputy Director, Pay Commission-VII
 Railway Board

File No. FC-VII/2016/RS(RP)-3

New Delhi, dated: 13.03.2019

Copy (with 45 labels) forwarded to the A.D.A.L. Railways, New Delhi.

[Signature]
 For Financial Commissioner, Railways

File No. FC-VII/2016/RS(RP)-3

New Delhi, dated: 13.03.2019

Copy forwarded to:-

1. PFAs, All India Railways, PUs, NFR/CRS.
2. The AIS, National Academy of Indian Railways, Varanasi.
3. The General Manager, CORB/Allahabad.
4. The Director General, RDSO, Lucknow.
5. The General Manager and P&AGAO, Metro Railway.