

FIXATION OF PAY

10.1 Various provisions on pay fixation have undergone rationalisation and simplification during the 80's. The fundamental rules on these issues have been rewritten accordingly in 1989, so as to consolidate the provisions at one place. The new version of FR 22 has substituted old FRs 22, 22-C, 30 and 31.

10.2 **Fixation on First Appointment**

The pay of the government servant on his first appointment to a post will be fixed at the minimum of the pay scale of that post.

10.3 **Fixation of Pay on Promotion/Appointment to a higher post**

(i) Clause (a) (1) of FR 22 (I) deals with fixation of pay of a government servant holding a non-tenure post on his appointment to another post involving assumption of higher duties and responsibilities. Such appointment may be in the normal channel of promotion or otherwise, provided the appointment or promotion is made on fulfillment of the eligibility conditions, as prescribed in the relevant Recruitment Rules.

(ii) Initial pay in the time-scale of the higher post is fixed at the stage next above the notional pay arrived at by increasing his pay in respect of the lower post held by him regularly by an increment at the stage at which such pay has accrued, or Rs.100/- only whichever is more.

Illustrations

(a) A government servant drawing pay of Rs. 7075/- w.e.f. 01.04.1996 in the pay scale of Rs. 5500-175-9000 is promoted on 01.09.1996 to a post in the pay scale of Rs. 6500-200-10500. His pay shall be fixed as given below:

Notional Pay	=	Rs.	7075
Add one notional increment	=	Rs.	175
Notional Pay	=	Rs.	7250

The stage above this pay in the higher pay-scale is Rs. 7300/-.

Thus the pay is fixed at Rs. 7300/-

Date of next increment (D.N.I.) = 01.09.1997.

(b) A government servant drawing pay of Rs. 2660/- in the pay scale of Rs. 2550-55-2660-60-3200 w.e.f. 01.02.1996 is promoted to a post in the pay scale of Rs. 2610-60-3150-65-3540 w.e.f. 16.03.1996.

Pay	=	Rs.	2660/-
Add one notional increment (Minimum Rs. 100/-)	=	Rs.	2760/-
Pay fixed at Next higher stage in the new pay-scale	=	Rs.	2790/-
Date of Next Increment	=		01.03.1997

10.4 **Option for fixation of pay under above rule from the date of next increment in the lower grade**

10.4.1 A government servant is required to exercise option within one month from the date of promotion/appointment, to have the pay fixed under the above rule from the date of promotion itself or from the date of accrual of next increment in the lower grade/post. In case he opts for the above rule from the date of next increment, his pay on promotion is fixed at a stage next above the pay in the lower grade/post. It is then refixed under the above formula from the date of accrual of next increment in the lower grade/post. Thus in the illustration (a) above, in case the government servant opts for pay fixation as per this rule from the date of next increment, his pay shall be fixed as follows:

(a) On 01.09.1996 the pay of the government servant will be fixed in the higher scale at a stage next above Rs.7075/- i.e. Rs.7100/-

(b) On 01.04.1997 the pay will be refixed as follows:

Pay in the lower grade on 01.04.1997	=	Rs.7250/-
Notional pay on adding one increment of Rs.175/-	=	Rs.7425/-
Pay to be fixed at next higher stage i.e. Rs.7500/-		
Date of next increment (DNI)	=	01.04.1998

10.4.2 Thus on comparing the position, it is seen that the government servant starts drawing pay of Rs.7500/- from an earlier date i.e. w.e.f. 01.04.1997, if he opts for pay fixation under the rule from date of next increment (01.04.1997), as against from 01.09.1997 under the previous option.

10.4.3 Option once exercised by the government servant will be final & cannot be changed. In case the government servant does not exercise the option within one month of his promotion his pay has to be fixed in the scale of the promoted post at the stage above the notional pay arrived at by increasing the pay in the lower post by one increment.

10.4.4 This option is not admissible to the government servant who is appointed:

- a) to an ex-cadre post on deputation basis.
- b) to a post on ad-hoc basis.
- c) to a post on direct recruitment basis.

10.4.5 However, if the ad-hoc promotion is followed by a regular appointment without break, the government servant can exercise option within one month from the date of such regular appointment and the option shall be admissible from the date of initial appointment/promotion. Thus, if he opts for fixation of his pay under this rule from the date of his next increment, his pay shall be re-fixed from initial date of appointment at a stage next above his pay in the lower-grade and under this rule from the date of next increment.

10.4.6 For the purposes of pay-fixation, FR 22 III clarifies that an appointment to another post on the same scale of pay or on identical scale of pay does not involve the assumption of higher duties and responsibilities. In other cases, decision of the administrative head has to be obtained. In case the posts belong to different departments, the decision of the Government of India is to be obtained.

10.4.7 As already mentioned, the provisions contained in the previous paras are applicable in case of appointment made to a higher post subject to fulfillment of eligibility conditions in the Recruitment Rules. In the case of appointment made without fulfilling the eligibility criteria, the pay is to be fixed under the above provisions and restricted under FR 35. Such appointment may be on promotion or otherwise.

10.5 **Treatment of Special Pay for purpose of fixation of pay on promotion**

When the special pay is granted for specific addition to duties or for arduous nature of work, the pay in the higher post is fixed with reference to pay drawn in the lower post and special pay does not count towards such pay. However, if the pay so fixed in the higher post happens to be less than the pay plus special pay being drawn in the lower post at the time of promotion, the difference is protected as personal pay subject to the following conditions:

- i) It must be certified that but for his appointment to the other post, the government servant would have continued to draw special pay.
- ii) The protection will only be for so long as the government servant could have continued to draw the special pay.
- iii) The personal pay will be absorbed in subsequent increases of pay.

Fixation of Pay on appointment to another post not involving higher duties & responsibilities

Sub-clause (2) of FR 22 I deals with fixation of pay on appointment, from one post to another, when such an appointment does not involve assumption of higher duties and responsibilities. Pay is fixed at the same stage in the new-scale, as is being drawn in the earlier post on the date of such appointment. However, if there is no such stage in the new-scale, his pay will be fixed at the next higher stage. While in the earlier case his date of increment remains the same, in the latter case his date of next increment will be on the 1st of the month in which he completes 12 months of appointment to a new post.

Illustrations

(a) A government servant drawing pay of Rs.15000/- w.e.f. 01.07.1996 in the pay scale of Rs.12000-375-16500 is appointed to another post in the pay scale of Rs.14300-400-18300 from 01.02.1997. As there is no stage as Rs.15000/- in the new scale, his pay will be fixed at Rs.15100/- with the date of next increment as 01.02.1998.

On such appointment, the government servant has the option to come over to the new-scale from the date of his appointment to such post or from the date of his next increment in the earlier post.

(b) In the above case, if he opts to come over to the new pay-scale from the date of his next increment, his pay will be fixed as follows:

From 1.2.97 to 30.6.97 he will draw in earlier pay-scale	=	Rs.15000/-
Pay on the date of next increment in the lower pay-scale (01.07.1997)	=	Rs.15375/-
Pay to be fixed in the new scale (At the next higher stage there is no stage as Rs. 15375/-)	=	Rs.15500/-
Date of next increment	=	01.07.1998

(c) A government servant drawing pay of Rs.5750/- w.e.f. 01.05.1996 in the scale of Rs.5000-150-8000 is appointed on his own request on 01.01.1997 to the post carrying the scale of Rs.4500-125-7000. His pay will be fixed at Rs.5750/- (same stage) in the lower pay scale, with D.N.I as 01.05.1997. In case he opts for the new pay-scale from date of next increment i.e. 01.05.1997 (in the old pay-scale), he will continue to draw Rs.5750/- in the old pay-scale till 30.04.1997. From 01.05.1997 his pay will be increased to Rs.5900/- in the pay-scale of Rs. 5000-150-8000. As there is no stage as Rs. 5900/- in the pay scale of Rs.4500-125-7000, his pay will be fixed at the next higher stage, i.e. Rs.6000/- and date of next increment shall be 01.05.1998.

In the above case if the pay of government servant is Rs. 7400/- instead of Rs.5750/- in the earlier post, his pay will be fixed at Rs. 7000/- only, i.e. the maximum of the pay-scale of the lower post [FR 22 I(a) 3].

10.7 **Fixation of pay on appointment on deputation**

10.7.1 An employee appointed on deputation/foreign service may elect to draw either the pay in the scale of pay of deputation/foreign service post or his basic pay in the parent cadre plus deputation (duty) allowance thereon plus personal pay, if any. The borrowing authority should obtain the option of the employee within one month from the date of joining the ex-cadre post unless the employee has himself furnished the option.

10.7.2 The option once exercised shall be final. However, the employees may revise the option under the following circumstances which will be effective from the date of occurrence of the same:

- (a) when he receives proforma promotion or is appointed to non-functional selection grade in his parent cadre;
- (b) when he is reverted to a lower grade in his parent cadre;
- (c) when the scale of pay of the parent post on the basis of which his emoluments are regulated during deputation/foreign service or of the ex-cadre post held by the employee on deputation/foreign service is revised either prospectively or from a retrospective date.

10.7.3 Based on the revised/same option of the employees, in the event of proforma promotion/appointment to non-functional selection grade, revision of scales of pay in the parent cadre, the pay of deputationists will be refixed with reference to the revised entitlement of pay in the parent cadre. However, if the initial option was for the pay scale of the deputation post and no change in option already exercised is envisaged, the pay already drawn in deputation post will be protected if the pay refixed is less. If the pay of an employee in his cadre post undergoes downward revision, the pay in the ex-cadre post is also liable to be refixed on the basis of revised pay and in accordance with the revised option or existing option, if the employee does not revise his option.

10.8 **Deputation (Duty) Allowance**

10.8.1 The deputation (duty) allowance shall be admissible at the following rates:

- (a) 5% of the employee's basic pay, subject to a maximum of Rs.500/- p.m. when the deputation is within the same station.

(b) 10% of the employee's basic pay, subject to a maximum of Rs.1000/- p.m. in all other cases.

10.8.2 The deputation (duty) allowance as above shall be further restricted as under:

- (i) Pay plus Deputation (Duty) Allowance does not exceed the maximum of scale of pay of ex-cadre post;
- (ii) In the case where pay scales are dissimilar, then pay plus deputation (duty) allowance plus DA/ADA/IR etc. does not exceed the pay at the maximum of ex-cadre post plus DA & IR etc. thereon.
- (iii) Pay plus deputation (duty) allowance as above shall at no time exceed Rs.22400/- p.m.

Note: The term "same station" for this purpose will be determined with reference to the station where the person was on duty before proceeding on deputation.

Note: When there is no change in the headquarters with reference to the last post held, the deputation should be treated as within the same station and when there is change in headquarters it would be treated as not in the same station. So far as places falling within the same urban agglomeration of the old headquarters are concerned, they would be treated as transfer within the same station.

10.8.3 Special rates of deputation (duty) allowance may be admissible under separate orders in any particular area on account of the condition of living there being particularly arduous or unattractive. Where special rate is more favourable than that under what is mentioned above, employees deputed to the area will be given the benefit of the special rate.

10.8.4 Whenever extension of the period of deputation for the fifth year or the second year in excess of the period prescribed in the Recruitment Rules is granted, it would be on the specific understanding that the officer would not be entitled to draw deputation (duty) allowance. The officers who opted to draw pay in the scale of the ex-cadre post shall, however, continue to draw pay in that scale during the extended tenure also.

10.8.5 If any employee with the permission of the competent authority proceeds on deputation/foreign service from one ex-cadre post to another ex-cadre post in the same or another organization without reverting to his parent cadre, and if the second ex-cadre post is at the same station as the first ex-cadre post, then the rate of deputation (duty) allowance would remain unchanged.

10.8.6 In case where a person on deputation/foreign service is transferred by the borrowing authority from one station to another without any change in the post held by him, the rate of deputation (duty) allowance will remain the same as was decided at the time of initial posting and will not undergo any change.

10.9 **Admissibility of other allowances and benefits while on deputation/foreign service**

10.9.1 Any project allowance admissible in a project area in the borrowing organization may be drawn in addition to deputation (duty) allowance.

10.9.2 Any special pay (now Special Allowance) granted to an employee in the parent department under FR 9 (25) or a corresponding rule of parent organization should not be allowed in addition to deputation (duty) allowance. However, the borrowing department may allow in addition to deputation (duty) allowance under special circumstances any special pay attached to the post held by the employee in his/her parent department, by suitably restricting the deputation (duty) allowance. This will require the specific and prior approval of Department of Personnel & Training.

10.9.3 In case special pay is attached to the scale of pay of the ex-cadre post and the employee has opted to draw pay also in that scale, in addition to his pay in that scale, he will also be entitled to draw such special pay. However, such special pay will not be admissible if he has opted to draw grade pay plus deputation allowance.

10.9.4 Personal pay, if any, drawn by an employee in his parent department will continue to be admissible on deputation/foreign service, if he opts to draw grade pay plus deputation allowance. No deputation allowance on this personal pay will, however, be admissible.

10.9.5 Increments: The employee will draw increment in the parent grade or in the grade attached to the deputation post, as the case may be, depending on whether he has opted for his own grade pay plus deputation (duty) allowance or the time-scale of the deputation post. If he has opted for time scale of the deputation post, notional increment shall also continue to accrue to him in the post held on regular basis in parent cadre/organization for the purpose of regulation of pay on reversion back to parent post at the end of tenure.

10.9.6 (a) Such allowance as are not admissible to regular employees of corresponding status in the borrowing organization, shall not be admissible to the officer on deputation/foreign service, even if they were admissible in the parent organization.

(b) Following allowances will be regulated with mutual consent of the lending and borrowing organizations:

- (i) HRA/CCA.
- (ii) Joining Time and Joining Time pay.
- (iii) Travelling Allowances and Transfer T.A.
- (iv) Children Education Allowance.
- (v) LTC.

(c) Following allowance/facilities will be regulated in accordance with the rules as explained against each:

- (i) **Dearness Allowance** : The employee shall be entitled to dearness allowance at the rates prevailing in the borrowing organization or in the lending organization depending on whether he has opted to draw pay in the time-scale of the ex-cadre post or his own grade plus deputation (duty) allowance.
- (ii) **Medical Facilities** : This will be regulated in accordance with the rules of the borrowing organization.
- (iii) **Leave** : An officer on deputation/foreign service shall be regulated by the Leave Rules of the parent organization. If, however, an employee proceeds from vacation department to non-vacation department, or vice versa, he shall be governed by Leave Rules of the borrowing organization. At the time of reversion from the deputation post to the parent cadre, the borrowing organization may allow him/her leave not exceeding two months. The employee should apply for further leave to his cadre controlling authority.

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