No. 7(46)-E.III/37
GOVERNMENT OF INDIA
MINISTRY OF FINANCE
(DEPARTMENT OF EXPENDITURE)

New Delhi, 6th October, 1987

OFFICE MEMORANDUM:

Subject: Central Civil Services (Revised Pay) Rules, 1976 - protection in drop in emoluments in the revised scales of pay in cases of such employees who were in receipt of personal pay/spczial pay as on 1.1.1986.

Under Rule 7(1) of Central Civil Services (Revised Pay) Rules, 1976, existing emoluments for the purpose of fixation of initial pay in the revised scale include only the basic pay, dearness pay, additional dearness allowance and ad-hoc dearness allowance appropriate to the basic pay admissible at index average 503 (1960=100) and the amounts of first and second instalments of interim relief admissible on the basic pay in the existing scale. In certain cases, the existing emoluments also include special pay and DA/ADA, etc. appropriate to such special pay. Note 5 below Rule 7(1) ibid provides that where a Government servant is in receipt of personal pay on the 1st day of January, 1986, which together with his existing emoluments as calculated in accordance with Clause (A), Clause (B), Clause (C) or Clause (D), as the case may be, exceeds the revised emoluments, then the difference representing such excess shall be allowed to such Government servants as personal pay to be absorbed in future increases in pay. An employee in receipt of personal pay on 1.1.1986 was also in receipt of DA/ADA, interim relief, etc. appropriate to such personal pay. By taking into account the DA/ADA, interim relief, etc. appropriate to basic pay only in fixation of pay in the revised scales and also in protection of loss under Note 5 below Rule 7(1) ibid, there may be cases where such Government servants may suffer loss in total emoluments even after the protection referred to above.

1. The question of avoiding hardship in such cases was discussed in the 30th Ordinary Meeting of the National Council (JCM) held on 7th February, 1987 where Official Side agreed to look into cases where there is any drop in emoluments. The matter has accordingly been considered and the President is pleased to decide that in such cases, while personal pay should not be taken into account in pay fixation, any drop in the actual emoluments on fixation of pay in the revised scales should be protected. Accordingly, such Government servants shall be allowed on the fixation of their pay in the revised scales personal pay equal to the amounts, if any, by which their actual emoluments comprising pay and such personal pay with DP/ADA, ad-hoc DA and interim relief thereon exceed the revised emoluments. The personal pay so granted in the revised pay shall be absorbed in future.
increases in pay. This protection shall, however, be available only for the period for which the Government servant concerned continues to hold the same post.

3. The decision given in paragraph 2 above shall apply mutatis mutandis to cases of employees who are in receipt of special pay in addition to pay in the existing scales and in whose case special pay continues with the revised scale of pay either at the same rate or at a different rate.

4. In so far as the persons serving in the Indian Audit and Accounts Department are concerned, these orders issue in consultation with the Comptroller and Auditor General of India.

(M.S. Mathur)
Director (Coordination)

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All Ministries/Departments of the Government of India (as per standard mailing list with usual number of spare copies).