

New Delhi, the July 22, 1998.

OFFICE MEMORANDUM

Subject : Recommendations of the Fifth Central Pay Commission - grant of ad-hoc increment to employees stagnating at the maximum of their scale of pay.

The undersigned is directed to say that the Fifth Central Pay Commission in para 22.39 of their Report have recommended that the existing rules for grant of stagnation increment should continue. Further, it has been recommended that the facility should be available subject to the condition that the basic pay plus stagnation increment(s) should not exceed Rs.22,000 per month in the revised scales of pay. The Government have considered this recommendation.

2. In partial modification of the recommendations and in supersession of all previous orders on the subject, the President is pleased to decide that all Central Government employees who have opted for the revised scales of pay in terms of the Central, Civil Service (Revised Pay) Rules, 1997, and who may reach the maximum of the revised scales of pay shall be granted one stagnation increment on completion of every two years at the maximum of the respective scales. The stagnation increment shall be equal to the rate of increment last drawn by them in their pay scales. A maximum of three such increments shall be allowed subject to the condition that the grant of stagnation increments shall be restricted to all posts the maximum of the pay scale of which does not exceed Rs.22,400.

3. In the case of Government servants whose pay in the applicable revised scales is fixed at the maximum of the scales as on 1.1.1996, the stagnation increments in the revised scales of pay will be admissible only on expiry of a period of two years, reckoned from 1st January, 1996. In other words, no Government servant will become eligible for the first stagnation increment in the revised scale of pay before 1.1.1998. Consequently, the period, if any, spent at the maximum of the pre-revised scales will not be taken into account in determining the eligibility of Government servants to draw stagnation increments in the revised scales of pay. Similarly, the stagnation increment(s), if any, already earned in the pre-revised scales of pay will not be counted towards the maximum of three increments admissible in the revised scale of pay.

4. The stagnation increment will count, as at present, for all purposes such as D.A., H.R.A., C.C.A, pensionary benefits etc., including fixation of pay on promotion.

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

6. Hindi version will follow.

N. Sunder Rajan

(N. SUNDER RAJAN)
Joint Secretary to the Govt. of India

To

All Ministries/Departments of Government of India as per standard list.