

Table 4.7

## Existing and Proposed scales of pay

Scale No	Existing scales (2009)	No of stages	Proposed Scales (2014)	No of stages
1	8500-230-9190-250-9940-270-11020-300-12220-330-13210	18	17000-500-20000-550-22200-600-25200-650-27800-700-29900-800-33900-900-35700	30
2	8730-230-9190-250-9940-270-11020-300-12220-330-13540	18	18000-500-20000-550-22200-600-25200-650-27800-700-29900-800-33900-900-37500	30
3	8960-230-9190-250-9940-270-11020-300-12220-330-13540-360-14260	19	19000-500-20000-550-22200-600-25200-650-27800-700-29900-800-33900-900-37500-1000-39500	30
4	9190-250-9940-270-11020-300-12220-330-13540-360-14980-400-15780	22	20000-550-22200-600-25200-650-27800-700-29900-800-33900-900-37500-1000-41500	30
5	9940-270-11020-300-12220-330-13540-360-14980-400-16580	21	21100-550-22200-600-25200-650-27800-700-29900-800-33900-900-37500-1000-42500-1100-43600	30
6	10480-270-11020-300-12220-330-13540-360-14980-400-16980-440-18300	23	22200-600-25200-650-27800-700-29900-800-33900-900-37500-1000-42500-1100-45800	30
7	11620-300-12220-330-13540-360-14980-400-16980-440-18740-500-20240	23	23400-600-25200-650-27800-700-29900-800-33900-900-37500-1000-42500-1100-48000	30
8	13210-330-13540-360-14980-400-16980-440-18740-500-21240-560-22360	22	26500-650-27800-700-29900-800-33900-900-37500-1000-42500-1100-48000-1200-54000	30
9	13900-360-14980-400-16980-440-18740-500-21240-560-24040	23	27800-700-29900-800-33900-900-37500-1000-42500-1100-48000-1200-54000-1350-56700	30
10	14620-360-14980-400-16980-440-18740-500-21240-560-24040-620-25280	23	29200-700-29900-800-33900-900-37500-1000-42500-1100-48000-1200-54000-1350-59400	30
11	15380-400-16980-440-18740-500-21240-560-24040-620-25900	22	30700-800-33900-900-37500-1000-42500-1100-48000-1200-54000-1350-59400-1500-62400	30

12	16180-400-16980-440-18740-500-21240-560-24040-620-27140-680-29180	25	32300-800-33900-900-37500-1000-42500-1100-48000-1200-54000-1350-59400-1500-65400	30
13	16980-440-18740-500-21240-560-24040-620-27140-680-29860-750-31360	26	33900-900-37500-1000-42500-1100-48000-1200-54000-1350-59400-1500-65400-1650-68700	30
14	18740-500-21240-560-24040-620-27140-680-29860-750-32860-820-33680	25	37500-1000-42500-1100-48000-1200-54000-1350-59400-1500-65400-1650-72000-1800-75600	30
15	19240-500-21240-560-24040-620-27140-680-29860-750-32860-820-34500	25	39500-1000-42500-1100-48000-1200-54000-1350-59400-1500-65400-1650-72000-1800-79200	30
16	20740-500-21240-560-24040-620-27140-680-29860-750-32860-820-36140	24	41500-1000-42500-1100-48000-1200-54000-1350-59400-1500-65400-1650-72000-1800-81000-2000-83000	30
17	21240-560-24040-620-27140-680-29860-750-32860-820-36140-900-37040	24	43600-1100-48000-1200-54000-1350-59400-1500-65400-1650-72000-1800-81000-2000-85000	29
18	22360-560-24040-620-27140-680-29860-750-32860-820-36140-900-37940	23	45800-1100-48000-1200-54000-1350-59400-1500-65400-1650-72000-1800-81000-2000-87000	28
19	24040-620-27140-680-29860-750-32860-820-36140-900-38840	21	48000-1200-54000-1350-59400-1500-65400-1650-72000-1800-81000-2000-89000	27
20	29180-680-29860-750-32860-820-36140-900-40640-1000-43640	18	58050-1350-59400-1500-65400-1650-72000-1800-81000-2000-97000-2200-101400	25
21	32110-750-32860-820-36140-900-40640-1000-44640	15	63900-1500-65400-1650-72000-1800-81000-2000-97000-2200-103600	22
22	36140-900-40640-1000-48640-1100-49740	15	72000-1800-81000-2000-97000-2200-108000-2400-110400	20
23	40640-1000-48640-1100-57440	17	81000-2000-97000-2200-108000-2400-115200	17
24	42640-1000-48640-1100-57440-1200-58640	16	85000-2000-97000-2200-108000-2400-117600	16
25	44640-1000-48640-1100-57440-	14	89000-2000-97000-2200-	14

	1200-58640		108000-2400-117600	
26	46640-1000-48640-1100-57440-1200-59840	13	93000-2000-97000-2200-108000-2400-120000	13
27	48640-1100-57440-1200-59840	11	97000-2200-108000-2400-120000	11
Master scale	8500-230-9190-250-9940-270-11020-300-12220-330-13540-360-14980-400-16980-440-18740-500-21240-560-24040-620-27140-680-29860-750-32860-820-36140-900-40640-1000-48640-1100-57440-1200-59840.	82	17000-500-20000-550-22200-600-25200-650-27800-700-29900-800-33900-900-37500-1000-42500-1100-48000-1200-54000-1350-59400-1500-65400-1650-72000-1800-81000-2000-97000-2200-108000-2400-120000.	82

Table 4.8

Comparisons on disparity ratio

Disparity Ratio	2004	2009	2014
Minimum of lowest scale : Minimum of highest scale	5.90	5.72	5.71
Maximum of lowest scale : Maximum of highest scale	5.40	4.53	3.36
Minimum of lowest scale : Maximum of highest scale	7.48	7.04	7.06
Maximum of lowest scale : Minimum of highest scale	4.27	3.68	2.72

**Rules for fixation of pay in the revised scale.**

4.19 The next issue is how pay is to be fixed to come over to the new scales. The previous Commission provided for merging DA in full (64%), a 10% fitment benefit, with a minimum assured amount of ₹ 1000 and Service weightage at ½% per completed year of service (maximum 15%). This Commission also persists with the existing system despite some requests for granting service weightage in the revised scale, as was given in the 2004 revision. The Commission could readily come to conclusions regarding merger of DA and service weightage. Fixing the fitment benefit was a challenge as even a small hike will result in huge additional financial commitment. The Commission was of the view that the lower level employees should get a decent

hike due to revision and recommends for a fitment benefit of 12% of the existing basic pay subject to a minimum of ₹2000/-.(The fitment benefit at the lowest pay is effectively at 23.5% and shrinks to 12% as the pay goes higher.)DA shall be fully neutralized at 80% as on 01.07.2014 and service weightage at ½% per completed year of service subject to a maximum of 15% shall be allowed. The amount of fitment benefit and service weightage taken together shall not exceed ₹12000.

4.20 **Option:** The various revisions provided the employees the option to choose the date on which one intended to move to the new scales. It gave certain advantages to a section of employees, usually centering on dates of increment, promotion, completion of year for service weightage etc. On the other side, it creates a lot of administrative work and delay in fixing the revised scales. Invariably, a large number of employees would go wrong while preferring option and data shows that the Government is flooded with requests for allowing re-option. Even more than 20 cases are pending in the Supreme Court.

4.21 Can the facility of option be dispensed with? Will it hurt the employees badly? Can everybody be shifted to the new scales mandatorily? The first thing to assure is that the employees do not lose their legitimate claims The Commission has recommended for a higher fitment benefit and allowances which will result in a fair hike in total emoluments in the revised scales. Then why should one go any further? By moving to mandatory change over, there is no denial of their existing benefits. It only curtails the possibility of getting an additional advantage due to the provisions in the revisions. When considering the administrative cost and effort involved, a change from the existing practice becomes pertinent. **In the circumstances, the Commission recommends that the Pay Revision shall come into force with effect from 01.07.2014 and pay of all employees stand shifted to the New Scales from the date of implementation itself.** Increments will be granted on due dates as if one had continued in the old scale without waiting for one year from the date of revision. The issue of junior-senior anomaly is not a probability but in any case if it occurs, that will be set right as per existing procedures. The following rules are proposed for fixation of pay in the revised scales.

- (i) The revised scales of pay shall come into force w.e.f.01.07.2014.
- (ii) All employees who were in service as on 01.07.2014 shall be deemed to have come over to the new scales with effect from 01.07.2014. There will be no option.
- (iii) Existing scale of pay for the purpose of these rules is the scale of pay as incorporated in G.O.(P).No.85.2011.Fin dated 26.02.2011.
- (iv) Existing emoluments for the purpose of these rules shall be the total of :
  - (a) Basic pay in the existing scales as on 01.07.2014, including increments, if any, accruing on 01.07.2014 in the existing scale. Stagnation increments shall also be reckoned for this.
  - (b) Personal pay, if any, not specifically ordered to be absorbed in future increase of pay.

- (c) Special pay drawn in lieu of higher time scale of pay provided there is no special pay attached to revised scale.
- (d) Dearness Allowance admissible at the rate of 80% on such pay vide (a), (b) and (c) above.

Note: - Special pay, in addition to the pay drawn in the existing scale shall not be reckoned for fixation of pay in the revised scale.

- (v) To the existing emoluments computed above, shall be added an amount equal to 12% of basic pay subject to a minimum of `2000/- in Rule (iv)(a) above towards fitment benefit and another amount equivalent to ½% of basic pay, specified in Rule (iv)(a) above, for each completed year of service subject to a maximum of 30 completed years, towards service weightage.

Note: - Service for the purpose of this rule means service including broken periods of service qualifying for normal increments in the scale of pay. Time spent on leave not counting for normal increment will not be reckoned. Service during the period of bar on increment, without cumulative effect will be reckoned. Prior Regular service in aided schools/colleges, Municipal Common Service, Panchayat service and High Court of Kerala Service may also be reckoned.

- (vi) The amount so arrived at under Rule (v) above shall be stepped up to the next immediate stage in the revised scale of pay.
- (vii) If the amount arrived at under Rule (v) above is more than the maximum of the revised scale, the pay shall be fixed at the maximum of the revised scale and the difference shall be treated as personal pay and it will not be absorbed in future increase in pay on account of granting increments. This personal pay will count for all purposes viz; fixation of pay, calculation of leave salary, drawal of allowance and pension.
- (viii) In cases, where a senior government servant promoted to a higher post before 1.7.2014, (other than a time bound higher grade) draws less pay in the revised scale than his Junior promoted to the higher post after 1.7.2014, the pay of the senior employee shall be stepped up to the level of the pay of the junior w.e.f. the date on which junior draws more pay, provided that
  - (a) The senior and the junior employee should belong to the same category and should have been promoted to the same category of post.
  - (b) The pre-revised and revised scale of pay of the lower and higher posts in which they are entitled to draw pay should be identical.
  - (c) The senior Government servant at the time of promotion has been drawing equal or more pay than the junior

- (d) The anomaly should have arisen directly as a result of the introduction of the revised scale of pay
- (e) The anomaly should not have arisen due to the option exercised on different dates or due to any advance increments granted to the junior in the lower post or due to increased service weightage to the junior.

Note: - (i) If in the lower post, the junior employee was drawing more pay in the pre-revised scale than the senior, the senior to such junior will have no claim over the pay of the junior.

- f. All appointments and promotions made on or after 1.7.2014 shall be deemed to have been made in the revised scale of pay.
- g. Provisional employees recruited through the employment exchanges who were in service on 30.6.2014 and continued thereafter shall be eligible for the minimum of the revised scale of pay only.
- h. Increments will be granted on due dates as if one had continued in the old scale without waiting for one year from the date of revision.
- i. An employee whose increment is withheld for want of declaration of probation on 1.7.2014 will also be allowed the benefit of fixation of pay by notionally counting the increment accrued but withheld, in relaxation of Rule 37 B(b), Part I Kerala Services Rules, subject to the condition that the next increment after such fixation will be allowed only after he is declared to have satisfactorily completed his probation and the period of approved service required to earn an increment.
- j. In the case of an employee whose pay has been reduced with the effect of postponing future increments, fixation of pay in the revised scale will be allowed as on 01.07.2014 but he has to remain in that pay till the expiry of the period of reduction. The pay will, however, be fixed on the date of expiry of the period of reduction. The next increment in such cases will be allowed only on completion of approved service required to earn an increment from the date of such fixation.
- k. In the case of employees whose increment in the pre-revised scale is barred as punishment without cumulative effect, their pay as on 01.07.2014 (if it is w.e.f. a date on which the increment bar is in force) in the revised scale will be fixed on the basis of the pay notionally arrived at by counting increment each, in the pre-revised scale, for every completed year of service which would have been counted for normal increment, but for the punishment. The next increment in the revised scale will be sanctioned only after expiry of the remaining period of increment bar as on the date of fixation of pay in the revised scale.

- l. In the case of employees whose increment in the pre-revised scale is barred as punishment with cumulative effect, their pay as on 01.07.2014 (if it is w.e.f. a date on which the increment bar is in force) will be fixed on the basis of the pay they were drawing immediately before increment bar. They will be entitled to the pay at the same rate till the expiry of the period of increment bar. The next increment in the revised scale will be sanctioned only after expiry of the period of increment bar.
- m. In the case of employees whose pay in the pre-revised scale is reduced to lower stage as penalty temporarily, their pay in the revised scale will be fixed as on 01.07.2014 (if it is w.e.f a date on which the reduction in pay is in force) on the basis of the pay after reduction in the pre-revised scale. The next increment that will accrue in the revised scale will be sanctioned only after the expiry of the remaining period of penalty.
- n. In the case of employees whose pay in the pre-revised scale is reduced permanently to lower stage as penalty with the effect of postponing future increments, his pay in the revised scale will be fixed on 01.07.2014 on the basis of the reduced pay in the pre-revised scale. They will have to remain in that pay till expiry of the period of reduction. The next increment that will accrue in the revised scale will be sanctioned only after expiry of the remaining period of penalty.

4.22 In the terms of reference, it was suggested to look into the anomalies created by the last Pay Revision, owing to any undue and unexplainable hike to certain categories of employees and to make suggestions to rectify them. The Commission felt it not proper to sit on judgment of another Commission's findings. Different Commissions may have different perceptions and that has to be respected. Government have already issued more than 200 rectification orders since the implementation of the 2009 Pay Revision Order. The word 'anomaly' is a relative term as far pay scales are concerned. For instance, there will be a number of dissimilar posts under a single scale and whenever there is a change in the case of a post, the others call it an anomaly. Equations are made with posts that have nothing to do in common. Past histories are dug up to emphasize claims and what not. Virtually, there was no claim for higher pay which assessed their own work.

4.23 One of the impediments the Pay Commissions had to face is lack of data to scientifically assess the various posts. Each Commission had to depend on its own wisdom and make assessment on generalities of a post. It's exactly for this reason that claims for anomalies are being made. There is a Section in Finance Department, called "Pay Research Unit". It is doubtful whether the unit has ever done any research on pay. It is high time Data, a to z, of each and every post is collected, analysed and codified into a measurable unit. Data shall comprise pay scales, workload, promotion avenues as per Special Rules, educational and other qualifications, actual performance as a unit and Department etc. New technologies

and tools may be used to arrive at the desired end. It is hoped that the Department will seriously take steps to make the unit worthwhile.

#### **APPROACH TOWARDS FUTURE PAY REVISION**

- 4.24 If one goes through the revenue expenditure graph of the State over the years, none can miss the hump in every five years. In short, it sums up all. The periodicity of 5 year revision augurs well for the employees but puts enormous pressure on State's revenue. This revision will also be no exception and may perhaps make the hump bigger. While a few previous Pay Revision Commissions suggested for a ten year periodicity some suggested for retaining the existing 5 year periodicity. We are of the view that the State will not be in a position to withstand the doubling or near doubling of pay scales of government employees every five years along with steady D.A increase at Central rates. It is with this in mind we have framed the new scales of pay and other benefits. We are therefore of the view that the new pay scales and pension revision recommended by us should be in force for 10 years.

## Illustrations - Fixation of Pay

No.1

An employee with less than one year's service and drawing a basic pay of ` 8500/- in the pre-revised scale.

Basic Pay as on 01.07.2014		8,500
DA at 80%		6,800
Fitment at 12% (minimum ` 2000/-)	2,000	
Service weightage at 1/2% per completed year (maximum 15%)	0	
Total of Fitment+Service weightage	2,000	
Maximum limit ` 12000/-		2,000
Total		17,300
Pay in revised scale(next stage)		17,500
Net benefit as on 01.07.2014		2,200

No.2

An employee with 10 year's service and drawing a basic pay of ` 12220/- in the pre-revised scale.

Basic Pay as on 01.07.2014		12,220
DA at 80%		9,776
Fitment at 12% (minimum ` 2000/-)	2,000	
Service weightage at 1/2% per completed year (maximum 15%)	611	
Total of Fitment+Service weightage	2,611	
Maximum limit ` 12000/-		2,611
Total		24,607
Pay in revised scale(next stage)		25,200
Net benefit as on 01.07.2014		3,204

No.3

An employee with 15 year's service and drawing a basic pay of ` 20740/- in the pre-revised scale.

Basic Pay as on 01.07.2014		20,740
DA at 80%		16,592
Fitment at 12% (minimum ` 2000/-)	2,489	
Service weightage at 1/2% per completed year (maximum 15%)	1,556	
Total of Fitment+Service weightage	4,045	
Maximum limit ` 12000/-		4,045
Total		41,377
Pay in revised scale(next stage)		41,500
Net benefit as on 01.07.2014		4,168

No.4

An employee with 26 year's service and drawing a basic pay of ` 29180/- in the pre-revised scale.

Basic Pay as on 01.07.2014		29,180
DA at 80%		23,344
Fitment at 12% (minimum ` 2000/-)	3,502	
Service weightage at 1/2% per completed year (maximum 15%)	3,793	
Total of Fitment+Service weightage	7,295	
Maximum limit ` 12000/-		7,295
Total		59,819
Pay in revised scale(next stage)		60,900
Net benefit as on 01.07.2014		8,376