

No.1-6/2016-IC/E-IIIA  
• Govt. of India  
Ministry of Finance  
Department of Expenditure

North Block, New Delhi  
Dated the 07<sup>th</sup> February, 2019

Office Memorandum

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

The undersigned is directed to invite attention to this Departments OM No. 1-6/2016-IC dated 3<sup>rd</sup> 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 7<sup>th</sup> 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 7<sup>th</sup> 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 6<sup>th</sup> 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 7<sup>th</sup> 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 7<sup>th</sup> Pay Commission, is to be considered strictly as per the recommendations of the 7<sup>th</sup> Pay Commission, as illustrated in para 5.1.37 of its report. The principle of bunching as recommended by the 7<sup>th</sup> 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 6<sup>th</sup> 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 7<sup>th</sup> Pay Commission is independent of the principle followed earlier and has no link thereto.

4. The 6<sup>th</sup> 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 6<sup>th</sup> Pay Commission, the Commission illustrated the bunching meant by it. The examples from the fitment tables prepared by the 6<sup>th</sup> 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 7<sup>th</sup> 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 7<sup>th</sup> Pay Commission is contained in the above illustration given by the 7<sup>th</sup> 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 7<sup>th</sup> 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 6<sup>th</sup> Pay Commission because in the 6<sup>th</sup> Pay Commission regime the benefit was allowed at the 3<sup>rd</sup> consecutive stage and not at the 2<sup>nd</sup> stage itself (next stage) for the purpose of bunching.

8. Furthermore, in the illustration given in para 5.1.37 of its report, the 7<sup>th</sup> 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 7<sup>th</sup> 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.

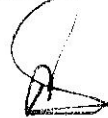
9. In view of the above, the benefit of bunching consequent upon fixation of pay in the revised pay structure effective from 1.1.2016 based on the recommendation of the 7<sup>th</sup> Pay Commission is to be considered in the light of the above and the clarifications already issued in terms of the aforesaid 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 7<sup>th</sup> Pay Commission in para 5.1.37, as mentioned above. This is further illustrated as below:

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

6 <sup>th</sup> CPC Pay Structure (PB-4 and GP of Rs. 8,700)	Pay fixation in 7 <sup>th</sup> CPC Pay Matrix (Level-13)		
	Pay	Consolidation based on 2.57 multiple	Pay after bunching
	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 7<sup>th</sup> 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 <sup>th</sup> CPC Pay Structure (PB-4 and GP of Rs. 8,700)	Pay fixation in 7 <sup>th</sup> 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.