

The Sixth Central Pay Commission was appointed by the Government of India in October 2006 under the Chairmanship of Justice B.N. Srikrishna. It submitted its report covering all the aspects of its mandate in March 2008.

TERMS OF REFERENCE OF THE COMMISSION

1. To examine the principles, the date of effect thereof that should govern the structure of pay, allowances and other facilities/benefits whether in cash or in kind to the following categories of employees:
 - i. Central government employees—industrial and non-industrial.
 - ii. Personnel belonging to the All India Services.
 - iii. Personnel belonging to the Armed Forces.
 - iv. Personnel to the Union Territories.
 - v. Officers and employees of the Indian Audit and Accounts Department.
 - vi. Members of the regulatory bodies (excluding the RBI) set up under Acts of Parliament.
 - vii. Officers and employees of Supreme Court of India.
2. To transform the Central Government Organisations into modern, professional and citizen-friendly entities that are dedicated to the service of the people.
3. To work out a comprehensive pay package for the categories of Central Government employees mentioned at (1) above that is suitably linked to promoting efficiency, productivity and economy through rationalisation of structures, organisations, systems and processes within the government, with a view leveraging economy, accountability, responsibility, transparency, assimilation of technology and discipline.
4. To harmonise the functioning of the Central Government Organisations with the demands of the emerging global economic scenario. This would also take in account, among other relevant factors, the totality of benefits available to the employees, need of rationalisation and simplification, thereof, the prevailing pay structure and retirement benefits available under the Central Public Sector Undertakings, the economic conditions in the country, the need to observe fiscal prudence in the management of the economy, the resources of the Central Government and the demands thereon on account of economic and social development, defence, national security and the global economic scenario, and the impact upon the finances of the states if the recommendations are adopted by the states.

5. To examine the principles which should govern the structure of pension, death-cum-retirement gratuity, family pension and other terminal or recurring benefits having financial implications to the present and former Central Government employees appointed before January 1, 2004.
6. To make recommendations with respect to the general principles, financial parameters and conditions which should govern payment of bonus and the desirability and feasibility of introducing Productivity Linked Incentive Scheme in place of the existing ad hoc bonus scheme in various departments and to recommend specific formulae for determining the productivity index and other related parameters.
7. To examine desirability and the need to sanction any interim relief till the time the recommendations of the Commission are made and accepted by the government.

RECOMMENDATIONS OF THE COMMISSION

1. Running Pay Bands

Introduction of running pay bands for all posts in the Government presently existing in scales below that of ₹ 26,000 (fixed). Four distinct running pay bands being recommended—one running band each for all categories of employees in groups ‘B’ and ‘C’ (posts in the scale of ₹ 5000–8000 have, as a result of delayering and elongation of certain scales, been placed in Group ‘B’) with 2 running pay bands for Group ‘A’ posts. All posts presently in Group ‘D’, after retraining and multiskilling of the present incumbents, to be upgraded and placed in the lowest grade of pay band PB-1. The posts of Secretary to Government of India/equivalent and Cabinet Secretary/equivalent to be kept in distinct pay scales. A separate running pay band, designated as –1S scale, is not to be counted for any purpose as no future recruitment is to be made in this grade and all the present Group ‘D’ employees not possessing the prescribed qualifications are to be retrained and thereafter upgraded and placed in the Group ‘C’ running pay band once they are suitably retrained.

2. Minimum and Maximum Salary

Minimum salary at the entry level of PB-1 pay band to be ₹ 6660 (₹ 4860 as pay in the pay band plus ₹ 1800 as grade pay). Maximum salary at the level of Secretary/equivalent to be ₹ 80000. The minimum: maximum ratio 1:12.

3. Grade Pay and Promotions in Running Pay Bands

All the employees belonging to Groups ‘A’, ‘B’, ‘C’, and ‘D’ to be placed in distinct running pay bands. Every post, barring that of Secretary/equivalent and Cabinet Secretary/equivalent to have a distinct grade pay attached to it. Grade pay (being a fixed amount attached to each post in the hierarchy) to determine the status of a post with (apart from the two apex scales of Secretary/equivalent and Cabinet Secretary/equivalent that do not carry any grade pay) a senior post being given higher grade pay. The total number of grades reduced to 20 spread across four distinct running pay bands; one Apex Scale and another grade for the post of Cabinet Secretary/equivalent as against 35 standard pay scales existing earlier. At the time of promotion from one post to another in

the same running pay band, the grade pay attached to posts in different levels within the same running pay band to change. Additionally, increase in form of one increment to be given at the time of promotion. A person stagnating at the maximum of any pay band for more than one year continuously to be placed in the immediate next higher pay band without any change in the grade pay.

4. Scheme of Revised Pay Bands

The following scheme of revised pay bands is being recommended:

Table A5.1 Scheme of Revised Pay Bands				
(in ₹)				
Pre-Revised		Revised		
Pay Scale	Pay Scale	Pay Band	Corresponding Pay Bands	Grade Pay
S-1*	2550-55-2660-60-3200	-1S	4440-7440	1300
S-2*	2610-60-3150-65-3540	-1S	4440-7440	1400
S-2A*	2610-60-2910-65-3300-70-4000	-1S	4440-7440	1600
S-3*	2650-65-3300-70-4000	-1S	4440-7440	1650
S-4	2750-70-3800-75-4400	PB-1	4860-20200	1800
S-5	3050-75-3950-80-4590	PB-1	4860-20200	1900
S-6	3200-85-4900	PB-1	4860-20200	2000
S-7	4000-100-6000	PB-1	4860-20200	2400
S-8	4500-125-7000	PB-1	4860-20200	2800
S-9	5000-150-8000	PB-2	8700-34800	4200
S-10	5500-175-9000	PB-2	8700-34800	4200
S-11	6500-200-6900	PB-2	8700-34800	4200
S-12	6500-200-10500	PB-2	8700-34800	4200
S-13	7450-225-11500	PB-2	8700-34800	4600
S-14	7500-250-12000	PB-2	8700-34800	4800
S-15	8000-275-13500	PB-2	8700-34800	5400
New Scale	8000-275-13500 (Group A Entry)	PB-3	15600-39100	5400
S-16	9000	PB-3	15600-39100	5400
S-17	9000-275-9550	PB-3	15600-39100	5400
S-18	10325-325-10975	PB-3	15600-39100	6100

S-19	10000-325-15200	PB-3	15600-39100	6100
S-20	10650-325-15850	PB-3	15600-39100	6500
S-21	12000-375-16500	PB-3	15600-39100	6600
S-22	12750-375-16500	PB-3	15600-39100	7500
S-23	12000-375-18000	PB-3	15600-39100	7600
S-24	14300-400-18300	PB-3	15600-39100	7600
S-25	15100-400-18300	PB-3	15600-39100	8300
S-26	16400-450-20000	PB-3	15600-39100	8400
S-27	16400-450-20900	PB-3	15600-39100	8400
S-28	14300-450-22400	PB-4	39200-67000	9000
S-29	18400-500-22400	PB-4	39200-67000	9000
S-30	22400-525-24500	PB-4	39200-67000	11000
S-31	22400-600-26000	PB-4	39200-67000	13000
S-32	24050-650-26000	PB-4	39200-67000	13000
S-33	26000 (Fixed)	Apex Scale	80000 (Fixed)	Nil
S-34	30000 (Fixed)	Cabinet	90000 (Fixed)	Nil

Secretary/Equivalent

* Employees in these scales to be eventually placed in pay band PB-1

5. Annual Increments

Annual increments to be paid in form of two and half per cent of the total of pay in the Pay Band and the corresponding grade pay. The date of annual increments, in all cases, to be first of July. Employees completing six months and above in the scale as on July 1 to be eligible.

6. Variable Increments

Another form of differential increments for Group 'A' Pay Band PB-3, where annual increments in the band will vary depending upon the performance. Eighty per cent or more employees in the grade to be allowed normal increment at the rate of 2.5 per cent with the high performers (not exceeding 20 per cent) during the year being allowed increment at the higher rate of 3.5 per cent. Government advised to extend the scheme of variable increments in running pay bands PB 1 and PB 2.

7. Pay Scales of Defence Forces

Introduction of running pay bands on par with those recommended for civilians in respect of the Defence Forces.

Director-General (Armed Force Medical Services) placed in the Apex grade of ₹ 80,000 (fixed). Only two trade groups to be retained for personnel below Officer Ranks with the earlier trade groups 'Y' and 'Z' being merged. The personnel in trade group 'X' to have a separate 'X' Group Pay.

8. Military Service Pay

Military Service Pay for all personnel of Defence Forces till the level of Brigadier/equivalent. The Military Service Pay to count for all purposes excluding increments.

9. Selection for Higher Posts in Future

Certain posts in Senior Administrative Grade (SAG) and Higher Administrative Grade (HAG) requiring technical or specialised expertise and not encadred in any of the services to be opened up for being filled by suitable officers within the Government as well as by outsiders on contract. Shift from career based to post based selection in the higher echelons of Government in order to get the best domain based expertise.

10. Creation of Posts in SAG & HAG

Creation of additional posts in Senior Administrative Grade/equivalent/higher grades in future to be strictly on functional considerations with such posts invariably being created outside the cadre to be filled by method of open selection.

11. Performance Related Incentive Scheme (PRIS)

Introduction of PRIS in the Government under which employees to be eligible for pecuniary remuneration over and above the pay. PRIS to replace ad-hoc bonus scheme immediately and eventually replace Productivity Linked Bonus (PLB). PRIS to be budget neutral.

12. Special Incentive for Scientists, etc.

System put in place for giving market driven compensation package to young scientists and posts requiring special expertise and professional skills.

13. Ministerial Posts in Field Offices and Secretariat

Parity established between Field and Secretariat Offices. The Secretariat and Stenographers cadres to stand merged in future.

Introduction of a new grade (designated as Principal Staff Officer) in the scale of ₹ 14300–18300 (revised pay band PB-3 along with grade pay of ₹ 7600) for CSSS/all other analogous Stenographers cadres.

All future recruitment to CSS/CSSS/analogous Secretariat and Stenographers cadres in non-participating Ministries/Organisations in the scale of ₹ 6500–10500 to be made as Executive Assistants with minimum qualifications of Graduation and one year Diploma in Computers. Executive Assistants to discharge the functions presently being carried out by Assistants as well as the Personal Assistants. The cadres of CSS/CSSS and analogous cadres in other non-participating Ministries/Organisations to be merged. Present incumbents of CSS/CSSS and analogous cadres in other non-participating Ministries/Organisations to continue as distinct cadres till the time the

Administrative Ministry concerned evolves a procedure for their job enlargement/enrichment, retraining, and redeployment.

14. All India Services and Organised Group 'A' Services

Existing edge for IAS in the three grades viz. Senior Time Scale, Junior Administrative Grade, and Non-Functional Selection Grade to be retained. Grades of DIG and Conservator to be retained in IPS and Indian Forest Service respectively. Posts of Director General in the five Central Para Military Forces i.e., BSF, CRPF, ITBP, CISF, and SSB to be at par and placed in the scale of ₹ 26,000 (fixed) corresponding to the revised pay scale of ₹ 80,000 (fixed). The post of Director, Indira Gandhi National Forest Academy, to be upgraded to the scale of ₹ 26,000 (fixed) corresponding to the revised pay scale of ₹ 80,000 (fixed).

Existing parity between IAS & Indian Foreign Service to be maintained. Modified batch-wise parity proposed between respective batches of IAS and other Organised Group 'A' services for empanelment and/or posting at Centre with the gap being restricted to two years.

Twenty per cent of additional posts in SAG/HAG in all organised Group 'A' services to be operated on non-functional basis provided matching number of posts are decadred for open selection.

Some recommendations relating to individual services like IA&AS, IC&CES, IDAS, IPoS, and IRS.

15. Central Staffing Scheme

Opening up of Central Staffing Scheme. All posts under this scheme as well as SAG/HAG posts not already encadred in any service to be filled by transparent, web-based procedure. Changes recommended in eligibility norms so as to enable officers with domain expertise to apply, irrespective of their service.

16. Dearness Allowance

Base year of the Consumer Price Index (CPI) for computation of dearness allowance to be revised as frequently as feasible. Formulation of a separate CPI for Government employees for computation of dearness allowance suggested. National Statistical Commission to carry out this exercise.

17. Allowances

Existing rates of most of the allowances to be doubled both in case of Defence Forces as well as civilian employees.

Existing rates of HRA to be retained for A-1 cities with A, B-1 & B-2 cities being given this allowance at the rate of 20 per cent and C/Unclassified cities being given the allowance at the rate of 10 per cent.

CCA to be subsumed in Transport Allowance and the rates of this allowance to be increased by four times.

Travel entitlements to be paid on actuals.

Rates of Education allowance reimbursement to be raised from existing ₹ 50 to ₹ 1000 per child

per month, subject to the maximum of two children. Hostel subsidy to be raised from existing ₹ 300 p.m. to ₹ 3000 p.m.

Risk allowance to be replaced by risk insurance.

All the fixed Allowances made inflation proof with provisions of automatic revision whenever dearness allowance payable on revised pay bands goes up by 50 per cent. Transport Allowance to be increased every year on the basis of the increase in the Dearness Allowance.

Encashment of Earned Leave in case of Defence Forces personnel delinked from the number of years of service. All Defence Forces personnel to be eligible for leave encashment of upto 300 days at the time of retirement/discharge.

18. Medical Facilities

A new medical insurance scheme recommended for Government employees. The scheme to be optional for existing Central Government employees and pensioners. New Government employees and pensioners to be compulsorily covered by the scheme.

19. Pension

Fitment formula recommended for serving employees to be extended in case of existing pensioners/family pensioners.

Rates of Constant Attendant Allowance to be increased by five times to ₹ 3000 p.m.

Pension to be paid at 50 per cent of the average emoluments/last pay drawn (whichever is more beneficial) without linking it to 33 years of qualifying service for grant of full pension.

A liberal severance package for employees leaving service between 15 to 20 years of service.

Higher rates of pension for retirees and family pensioners on attaining the age of 80, 85, 90, 95, and 100 years.

In case of Government employees dying in harness, family pension to be paid at enhanced rates for a period of 10 years.

Revision of the commutation table suggested for commutation of pension.

Framing of an appropriate insurance scheme suggested for meeting the OPD needs of pensioners in non-CGHS areas.

20. Advances

A new mechanism for grant of advances under which an employee will take the advance from an approved bank and the Government will give an interest subsidy equal to two percentage points on the rate of interest being charged by the bank to the employee. Existing limits of various advances increased and provisions made for their automatic revision periodically.

21. Public Holidays

Continuation of five-day week. Government offices to remain closed only on the three national holidays. All other gazetted holidays to be abolished and compensated by increasing the number of restricted holidays from two to eight days in a year.

22. Women Employees

Benefits like staggered working hours, special leave for child care, enhanced maternity leave of 180 days, better accommodation facilities in the form of working women's hostels, etc. specifically for women employees.

23. Persons with Disabilities

Government employees with disabilities recommended various benefits like enhanced number of casual leave, special aids and appliances for facilitating office work, higher interest subsidy for automobile loans, liberal flexi hours, higher rate of transport allowance, better prosthetic aids and proper grievance redressal machinery. Extra allowance for disabled women employees to take care of young child till the time the child attains the age of two years.

24. Lateral Entry of Defence Forces Personnel

Lateral movement of all Defence Forces personnel (both Personnel below Officer Ranks & Short Service Commission Officers) at appropriate levels in CPOs/CPMFs as well as in the various posts of defence civilians in Ministry of Defence.

25. Rationalisation of the Existing Processes

Steps leading to improvement in the existing delivery mechanisms by more delegation, layering and an emphasis to achieve quantifiable and concrete end results.

Greater emphasis on field offices/organisation at the cutting edge of delivery. Parity between posts in field offices and the secretariat.

Enhanced pay scales for Nurses, Teachers and Constabulary with whom the common citizen has most frequent interaction. Postmen have also been upgraded.

Layering of administrative offices to cut down hierarchical levels.

Emphasis on training academies and training processes within the Government.

26. Regulatory Bodies

Normal replacement pay bands, grade pay and allowances for the existing Members of regulatory bodies. A revised method of selection with a higher pay package to those recruited through the revised processes of selection in selected organisations.

27. Employees and Court Officers of the Supreme Court

No relativity established between employees and court officers of the Supreme Court vis-à-vis those working in the Central Government.

28. Date of Implementation

Implementation of the revised pay scales to be done retrospectively from January 1, 2006.
Recommendations relating to allowances to be implemented prospectively.