



**FINANCE [Pay Cell] DEPARTMENT**

**G.O.Ms.No.328, Dated 31<sup>st</sup> October 2017.**

*(Heyvilambi, Ippasi-14, Thiruvalluvar Aandu 2048)*

**ABSTRACT**

**OFFICIAL COMMITTEE, 2017** - Implementation of the recommendations of the Official Committee, 2017 on revision of pay and pension in respect of **employees drawing higher pay and pension based on court orders – Orders – Issued.**

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**Read the following:-**

1. G.O.Ms.No.234, Finance (Pay Cell) Department, dated: 1-06-2009.
2. G.O.Ms.No. 257, 259, 263, 277, 279, 283, 287, 288, 290, 300, 303, 305, 312, 315, 317, 324, 331 & 335, Finance (Pay Cell) Department, dated: 26-08-2010.
3. G.O.Ms.No. 448 to 452, Finance (Pay Cell) Department, dated: 31-12-2010.
4. G.O.Ms.No.71, Finance (Pay Cell) Department, dated: 26-02-2011.
5. Government Letter No.17502/Pay Cell/Finance Department, dated: 28-03-2011.
6. G.O.Ms.No.242, Finance (Pay Cell) Department, dated: 22-07-2013.
7. Govt. Letter No.46373/Pay Cell/2013-1, Finance Department, dated: 26-08-2013.
8. Govt. Letter No.46373/Pay Cell/2013-8, Finance Department, dated: 27-03-2014.
9. Govt. Letter No.53137/Pay Cell/2015-1, Finance Department, dated: 25-09-2015.
10. Govt. Letter No.60067/Pay Cell/2015-1, Finance Department, dated: 26-11-2015.
11. G.O.Ms.No.40, Finance (Pay Cell) Department, dated: 22-02-2017.
12. G.O.Ms.No.189, Finance (Pay Cell) Department, dated: 27-06-2017.
13. G.O.Ms.No.303, Finance (Pay Cell) Department, dated: 11-10-2017.

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**ORDER:**

In the Government Order first read above, orders were issued revising the pay scales of State Government employees, Teachers and employees of Local Bodies on a “pay scale to pay scale basis” based on the recommendations of Official Committee, 2009 notionally with effect from 01.01.2006 with monetary benefit from 01.01.2007. One of the major recommendations is to adopt the Pay Band and Grade Pay system similar to Government of India. Subsequently, an One Man Commission was constituted to go into the anomaly arising out of the recommendations of the Official Committee, 2009. Based on the recommendations of the One Man Commission, orders were issued in the Government Orders second read above including the revision of the scale of pay of the Assistant Engineers in Public Works Department / Highways Department from Rs.9300-34800 + Grade Pay Rs.4700 to Rs.15600-39100 + Grade Pay Rs.5400 and its promotional posts, Assistant Executive Engineers from Rs.15600-39100 + Grade Pay Rs.5400 to Rs.15600—39100 + Grade Pay Rs.6600 and Executive Engineers from Rs.15600-39100 + Grade Pay Rs.6600 to Rs.15600-39100 + Grade Pay Rs.7600. Accordingly, orders were issued giving effect to the above revision notionally from 01.01.2006 and with monetary benefit from 01.08.2010.

**2.** Subsequently, through a spate of representations from equivalent categories from other departments, it came to the notice of the Government in February 2011 that the One Man Commission had erroneously recommended the pay scales of Central Engineering Service (C.E.S.) officers (who are recruited to work at the Sub-Division level in Government of India after two years training like Civil Servants) with that of Assistant Engineer who work at the Section Level in the State i.e. a level below the Sub-Divisional level, i.e. at a level on par with Group—I Officers, to which they are not entitled. The appropriate comparison should have been only with the comparable post of Assistant Engineer in Central Public Works Department in Section Level and not with that of sub-divisional level. In the meantime similar parity in pay scale of Assistant Engineers had been extended to Agriculture Officers, Veterinary Assistant Surgeons and Inspector of Fisheries with consequential upward revision for the promotion posts in each of these departments where the Joint Directors of these departments were given a huge jump from Pay Band-3 Rs.15600—39100 + Grade Pay Rs.7600 to Pay Band-4 Rs.37400-67000 + Grade Pay Rs.8700. This led to a series of anomalies in maintaining horizontal parity across various departments like Revenue, Rural Development, Co-operation, Hindu Religious and Charitable Endowments and Secretariat and that of All India Service Officers.

**3.** In order to rectify these anomalies, Government re-examined the recommendations of the One Man Commission and orders were issued in Government Order fourth read above downgrading the scales of pay of about 52 categories in various departments restoring them to their original levels that prevailed prior to the revision granted based on One Man Commission recommendations duly waiving the excess payments already disbursed in order to rectify the error.

**4.** Aggrieved by the above orders, several individual employees / associations filed a number of Writ Petitions in the Hon'ble High Court to quash the above Government Order. The Hon'ble High Court granted "Interim Stay" on the operation of the aforesaid Government Order. Subsequently, the High Court in its order dated: 8.3.2012 in W.P.Nos.7006/2011 and other Writ Petitions dismissed the Writ Petition with a direction to the Government to constitute a Pay Grievance Redressal Cell within a period of 4 weeks. Against this order, individual employees / Associations filed Writ Appeals in W.A.Nos.504, 505, 514 to 516/2012 and the Division Bench in its order dated 27.03.2012 in these Writ Appeals granted "Interim Stay" on the implementation of G.O.Ms.No.71, Finance (PC) Department, dated 26.02.2011 and the order of the Learned Single Judge except the para-32 of the order regarding constitution of Pay Grievance Redressal Cell.

**5.** In compliance of the orders of the Hon'ble High Court, a Pay Grievance Redressal Cell was constituted by Government to examine the representations received from Employees Association / HODs / Individual employees including the aggrieved petitioners in Writ Petitions filed challenging G.O.Ms.No.71, Finance (PC) Department, dated 26.02.2011. The Pay Grievance Redressal Cell after holding personal hearings with Associations / Individuals / Writ Petitioners on their grievances and taking note of the hierarchical structure in the Central Government recommended that the scale of pay of Assistant Engineers and other equivalent posts in State Government be brought down from Pay Band-3 (Rs.15600—39100) + Grade Pay 5100 to Pay Band—2 in the pay scale of Rs.9300-34800 + Grade Pay 5100. However, the Grade Pay of Rs.5100/- already fixed in the

Government Order fourth read above was retained as it maintains an appropriate difference of Rs.700/- in Grade Pay between Junior Engineers, who also act as a Section level Officers with lower diploma qualification. Accordingly, orders have been issued in Government Order sixth read above.

**6.** Several individuals and Associations filed Writ Petitions to quash the above Orders issued in the Government Order sixth read above. The Hon'ble Division Bench of the Madras High Court in its order dated: 27.02.2014 in W.A.No.504/2012 and a batch of Writ Petitions disposed the Writ Appeals and Writ Petitions on the ground that principles of Natural Justice was not followed before the reduction of pay and directed constitution of a fresh Pay Grievance Redressal Cell under Chairmanship of a Retired Judge.

**7.** Against the orders issued by the Hon'ble High Court Division Bench in W.A.No.504 of 2012 and batch cases dated: 27.02.2014, Government has filed 159 SLP's in the Hon'ble Supreme Court of India. The Hon'ble Supreme Court has granted stay of the impugned Judgment to the extent the fresh Pay Grievance Redressal Cell has been directed to be setup. The employees in the categories mentioned in the G.O.Ms.No.71, Finance (PC) Department, dated 26.02.2011 and G.O.Ms.No.242, Finance (PC) Department, dated 22.07.2013 continue to draw the higher pay scales in the light of the Court Orders from the year 2006 onwards and the SLP Nos. 35679 to 35383 of 2014 has been converted as Civil SLP Nos.10030 to 10154. Subsequently, it was brought to the notice of the Government that pay scales of Assistant Engineers and Horticulture Officers recruited as per the TNPSC notification for filling up posts in the scale of pay of Rs.9300-34800 + Grade Pay 5100 had also been erroneously fixed as Rs.15600-39100 + Grade Pay 5400. Government therefore issued a letter in reference ninth read above, clarifying that the Assistant Engineers and equivalent categories are entitled only to the pay scale Rs.9300-34800 + Grade Pay 5400 and directed that the excess payment made to the individuals should be recovered after giving due notice to the individuals concerned. Aggrieved by the aforementioned clarification, individual employees who have been appointed after the issue of G.O.Ms.No.242, Finance (PC) Department, dated 22.07.2013 i.e. on or after 22.07.2013 filed Writ Petitions to quash the instructions issued in the Government letter ninth read above. The Hon'ble High Court has granted "Interim Stay" on the implementation of the instructions issued in the above Government Letter. Accordingly, necessary instructions have been issued in the Government Letter tenth read above keeping the Government Letter ninth read above in abeyance until further instructions. As such, the above employees stand to continue to draw the pay in the inadmissible higher pay scales till date.

**8.** Likewise there are cases filed by other employees including the basic servants in Municipal Administration Department drawing pay in the pay scale of Rs.5200-20200 + Grade Pay 1900 applicable to unskilled trade post for whom the appropriate pay scale is Rs.4800-10000 + Grade Pay 1300. These employees continue to draw higher pay scales by virtue of court orders. Similarly, the Grade Pay of the Statistical Inspectors of Statistics Department has been revised from Rs.9300-34800 + Grade Pay 4400 to Rs.9300-34800 + Grade Pay 4800 notionally with effect from 12.12.2007 with monetary benefit from 01.12.2013. Instead of revising the grade pay alone for these employees, their pay have been revised in the higher pre-revised scale of pay of Rs.7000-11500 initially with corresponding revision in the revised Pay Band-2 Rs.9300-34800 + Grade Pay 4800 to which they are not entitled to. They however continue to draw such undue benefit by virtue of the stay granted by the Hon'ble High Court in these cases.

9. The Official Committee 2017 has recommended that considering the pendency of Court Cases in Supreme Court as well as High Court, the pay scale of such of the category of employees drawing higher pay scale by virtue of Court Orders shall be made applicable in the revised pay structure based on the pay as revised and ordered on the recommendations of Pay Grievance Redressal Cell 2012. Such employees can give an option either to revise their pay in the revised pay structure in the above manner or to continue to draw the pay which is drawn by them based on the interim orders of the Court whichever is financially advantageous to them. It has also recommended that whatever be the option so exercised, the same would be subject to the outcome of the final verdict of the Hon'ble Courts.

10. The Government after careful consideration has decided to implement the above recommendation of the Official Committee 2017. Accordingly, Government direct that all the category of employees who have filed court cases and are drawing higher pay scales / pension by virtue of court orders till date shall be permitted to migrate to the revised pay structure based on the pay ordered in Government Order sixth read above which is issued on the recommendations of Pay Grievance Redressal Cell 2012. Such employees shall exercise option to revise their pay in the above manner or to continue to draw the pay being drawn by them presently based on the interim order of the court whichever is financially advantageous to them. Whatever may be the option exercised by the employees, the same shall be subject to the outcome of the final verdict in the court cases pending in both Hon'ble High Court and Supreme Court and appropriate orders issued thereon by Government.

11. The above order is also applicable to the pensioners / family pensioners with respect to employees who have retired in the categories mentioned in the Government Orders fourth and sixth read above and who continue to draw higher pension / family pension by virtue of court orders. The Pension Pay Officer / Treasury Officers / Sub-Treasury Officers are requested to strictly comply the above orders in regulating the pension / family pension of such pensioners / family pensioners.

**(BY ORDER OF THE GOVERNOR)**

**K.SHANMUGAM  
ADDITIONAL CHIEF SECRETARY TO GOVERNMENT**

To

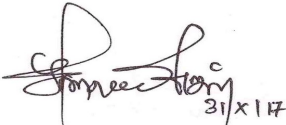
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The Director, Motor Vehicle Maintenance Department, Chennai-42.  
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 The Commissioner of Town Panchayat, Chennai-104.  
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 The Commissioner of Revenue Administration, Chennai-5.  
 The Director General of Police, Chennai-4.  
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 The Commissioner, Treasuries and Accounts, Chennai-15.  
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 Salai, Chennai-600 018.  
 All Recognised Service Associations.

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 The Deputy Secretary to Hon'ble Deputy Chief Minister, Chennai-9.  
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 The Senior Private Secretary to Additional Chief Secretary to Government, Finance  
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 The Senior Research Officer, Pay Research Unit, Ministry of Finance (Department of  
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