OFFICE MEMORANDUM

Subject: Regulation of pay on imposition of a penalty under CCS (CCA) Rules, 1965.

The Undersigned is directed to say that the following penalties prescribed in the Rule 11 of CCS (CCA) Rules, 1965, have a bearing on the pay of the officer:

11. Penalties

.......

Minor Penalties –

(iii)(a) reduction to a lower stage in the time-scale of pay by one stage for a period not exceeding three years, without cumulative effect and not adversely affecting his pension.

(iv) withholding of increments of pay;

Major Penalties –

(v) save as provided for in clause (iii) (a), reduction to a lower stage in the time-scale of pay for a specified period, with further directions as to whether or not the Government servant will earn increments of pay during the period of such reduction and whether on the expiry of such period, the reduction will or will not have the effect of postponing the future increments of his pay.

(vi) reduction to lower time-scale of pay, grade, post or Service for a period to be specified in the order of penalty, which shall be a bar to the promotion of the Government servant during such specified period to the time-scale of pay, grade, post or Service from which he was reduced, with direction as to whether or not, on promotion on the expiry of the said specified period -

(a) the period of reduction to time-scale of pay, grade, post or service shall operate to postpone future increments of his pay, and if so, to what extent; and

(b) the Government servant shall regain his original seniority in the higher time scale of pay, grade, post or service;

2. Vide Central Civil Services (Revised Pay) Rules, 2016 notified vide notification No. GSR 721(E) dated 25.07.2016, the present system of Pay Bands and Grade Pays have been dispensed with and a new system of pay matrix as specified under Part A of Schedule of Central Civil Service (Revised Pay) Rules, 2016 have been introduced. The status of the employee so far determined by Grade Pay, will now be
determined by Level in the Pay Matrix. Further, as per Rule 10 (1) of the CCS (Revised Pay) Rules, 2016, there are two dates for grant of increment namely, 1st January and 1st July of every year, instead of the existing date of 1st July.

3. As per clause 3 of the Central Civil Services (Revised Pay) Rules, 2016 ‘Level’ is defined as under:

'Level' in the Pay Matrix shall mean the Level corresponding to the existing Pay Band and Grade pay or Scale specified in Part A of the Schedule.”

4. In the light of implementation of the Revised (Pay) Rules, 2016, the regulation of pay on imposition of these penalties, is discussed in the subsequent paras:

A. Reduction to a lower stage of pay by one stage (Rule 11(iii a))

On imposition of a penalty under this Rule, the pay would be fixed at the next upper vertical cell in the same level in the pay matrix. In other words, in case of reduction by one stage, the revised pay would be the pay drawn in the same level at the stage before the last increment.

Note: The above mentioned penalty cannot be imposed on a Government Servant drawing pay at the minimum of the Level.

B. Withholding of increment (Rule 11(iv))

As already noted in para 2 above, increment is granted either on 1st January or 1st July of every year, as per the eligibility. Therefore, on imposition of penalty of withholding of increment, the next increment(s) due after the date of imposition of the penalty would be withheld. In case where penalty of withholding of multiple increments is imposed, increments due on 1st January or 1st July, as the case may be, in the subsequent years would similarly be withheld. The increment would be restored at the end of the period for which the penalty is imposed. The increments will be given on notional basis without arrears and without affecting date of next increment on restoration of increment.

This also applies to cases where the penalty is imposed for part of a year. For instance, if the penalty of withholding of one increment for six months is imposed on a Government servant in October 2017, then withholding of increment will be on following manner:

<table>
<thead>
<tr>
<th>When the date of increment is 1st January</th>
<th>When the date of increment is on 1st July</th>
</tr>
</thead>
<tbody>
<tr>
<td>The increment falling due on 1.01.2018 will be withheld for a period of next six months, that is, till 30.06.2018. The increment would be released on 1.07.2018 without arrear.</td>
<td>The increment falling due on 1.07.2018 will be withheld for a period of next six months, that is, till 31.12.2018. The increment would be released on 01.01.2018 without arrears.</td>
</tr>
</tbody>
</table>

C. Reduction to a lower stage in the time-scale of pay for a specified period [Rule 11(v)]
The process of imposition of penalty of reduction by one stage under Rule 11(iii a) explained above shall be repeated for every additional stage of reduction to the lower vertical cell in the same level of pay in the Pay Matrix.

Note 1: It is not permissible to impose a penalty under this rule if the pay after imposition of the penalty would fall below the first cell of the same Level.

Note 2: Disciplinary Authority may weigh all factors before deciding upon the quantum of penalty i.e. the number of stage by which the pay is to be reduced.

D. Reduction to lower time-scale of pay under Rule 11(vi)

In the case of imposition of penalty of reduction to lower time-scale of pay, the pay of the Government servant would be reduced to the stage of pay he/she would have drawn had he/she continued in the lower post for the period of penalty. The mode of fixation of pay in this case is similar to reversing the mode of fixation of pay on promotion.

However, Disciplinary Authority has the power, in terms of FR 28, to indicate the pay which the Government servant on whom a penalty of reduction in rank has been imposed, would draw.

It may also be noted that a Government servant cannot be reduced in rank to a post not held earlier by him in the cadre.

For example:

(i) A direct recruit Assistant Section Officer cannot be reduced to the lower rank like SSA/JSA.
(ii) A Government servant holding any post like LDC/ Tax Assistant etc. who qualifies as Assistant Section Officer as a Direct Recruit and is later promoted as Section Officer cannot be reduced to the rank, which was earlier held by him before ASO (DR) but only to that of an Assistant Section Officer.

5. Some illustrations on pay fixation on the above cases are annexed.

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

7. Hindi version will follow.

(Satish Kumar)
Under Secretary to the Govt. of India

To

The Secretaries of All Ministries/Departments (as per the standard list)

Copy to:
1. President's Secretariat, New Delhi.
2. Vice-President's Secretariat, New Delhi.
3. The Prime Minister's Office, New Delhi.
5. Rajya Sabha Secretariat/Lok Sabha Secretariat, New Delhi.
7. The Secretary, Central Vigilance Commission
8. The Secretary, Union Public Service Commission, New Delhi.
9. The Secretary, Staff Selection Commission, New Delhi.
10. All attached offices under the Ministry of Personnel, Public Grievances and Pensions.
14. Secretary, National Council (JCM), 13, Feroze Shah Road, New Delhi.
15. CVOs of all Ministries/Departments.
16. ADG (M&C), Press Information Bureau, DoP&T
17. NIC, Department of Personnel & Training, North Block, New Delhi [for uploading the same on the website of this Ministry under the Head Notifications >> OMs & Orders >> Establishment >> CCS (CCA Rules) & What's New]
18. Hindi Section, DoP&T

(Satish Kumar)
Under Secretary to the Govt. of India
ILLUSTRATIONS

Reduction to lower stage in the time-scale of Pay

Example

<table>
<thead>
<tr>
<th>Level</th>
<th>Cell</th>
<th>Pay</th>
</tr>
</thead>
<tbody>
<tr>
<td>On the date of Penalty</td>
<td>9</td>
<td>7</td>
</tr>
<tr>
<td>Reduction by 1 Stage</td>
<td>9</td>
<td>6</td>
</tr>
<tr>
<td>Reduction by 2 Stage</td>
<td>9</td>
<td>5</td>
</tr>
<tr>
<td>Reduction by 3 stage</td>
<td>9</td>
<td>4</td>
</tr>
<tr>
<td>Reduction by 4 stage</td>
<td>9</td>
<td>3</td>
</tr>
<tr>
<td>Reduction by 5 stage</td>
<td>9</td>
<td>2</td>
</tr>
</tbody>
</table>

Example: 2

<table>
<thead>
<tr>
<th>Level</th>
<th>Cell</th>
<th>Pay</th>
</tr>
</thead>
<tbody>
<tr>
<td>On the date of Penalty</td>
<td>9</td>
<td>3</td>
</tr>
<tr>
<td>Reduction by 1 Stage</td>
<td>9</td>
<td>2</td>
</tr>
<tr>
<td>Reduction by 2 Stage</td>
<td>9</td>
<td>1</td>
</tr>
<tr>
<td>Reduction by 3 stage</td>
<td>**</td>
<td>**</td>
</tr>
<tr>
<td>Reduction by 4 stage</td>
<td>**</td>
<td>**</td>
</tr>
<tr>
<td>Reduction by 5 stage</td>
<td>**</td>
<td>**</td>
</tr>
</tbody>
</table>

** In the above illustration, a penalty of reduction by more than two stages would fall below the first cell of the same Level, such a penalty therefore, would not be implementable. Therefore, while imposing the penalty of reduction to a lower stage in time-scale of pay under Rule 11 (v) of the CCS (CCA) Rules, 1965, Disciplinary Authority may weigh all factors before deciding upon the quantum of penalty, i.e. the number of stages by which the pay is to be reduced.
Case History No. 1

(i) Case 1: Reduction to a lower stage [penalty under Rule 11 (iii a)]

The penalty of reduction to a lower stage in the time-scale of pay by one stage for a period of one year, without cumulative effect and not adversely affecting his pension is imposed on a Government servant w.e.f. 13.08.2017. The Government servant is drawing Rs. 50500 in Level 7 of Pay Matrix. Pay would be fixed on following manner:

<table>
<thead>
<tr>
<th>Pay when Penalty imposed</th>
<th>When the date of increment is 1st January</th>
<th>When the date of Increment is 1st July</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pay w.e.f. 13.08.2017</td>
<td>Rs. 50500 [5th Cell of Level 7]</td>
<td>Rs. 50500 [5th Cell of Level 7]</td>
</tr>
<tr>
<td>Reduced Pay w.e.f. 13.08.2017 [pay during the currency period from 13.08.2017 to 12.08.2018]</td>
<td>Rs. 49000 [4th Cell of Level 7]</td>
<td>Rs. 49000 [4th Cell of Level 7]</td>
</tr>
<tr>
<td>Increment (notional)</td>
<td>On 1st January, 2018</td>
<td>On 1st July, 2018</td>
</tr>
<tr>
<td>Pay w.e.f. 13.08.2018</td>
<td>Rs. 52000 [6th Cell of Level 7]</td>
<td>Rs. 52000 [6th Cell of Level 7]</td>
</tr>
</tbody>
</table>

On 1.07.2019, his pay will be 53600 [7th Cell of Level 7] after drawal of due increment
(ii) **Case 2: Reduction to a lower stage [penalty under Rule 11 (iii a)]**

The penalty of reduction to a lower stage in the time-scale of pay by one stage for a period of two years, without cumulative effect and not adversely affecting his pension is imposed on a Government servant w.e.f. 13.08.2017. The Government servant is drawing Rs. 50500 in Level 7 of Pay Matrix. Pay would be fixed on following manner:

<table>
<thead>
<tr>
<th>Pay when Penalty imposed</th>
<th>When the date of increment is 1st January</th>
<th>When the date of Increment is 1st July</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pay when Penalty imposed</td>
<td>Rs. 50500 [5&lt;sup&gt;th&lt;/sup&gt; Cell of Level 7]</td>
<td>Rs. 50500 [5&lt;sup&gt;th&lt;/sup&gt; Cell of Level 7]</td>
</tr>
<tr>
<td>Reduced Pay w.e.f. 13.08.2017</td>
<td>Rs. 49000 [4&lt;sup&gt;th&lt;/sup&gt; Cell of Level 7]</td>
<td>Rs. 49000 [4&lt;sup&gt;th&lt;/sup&gt; Cell of Level 7]</td>
</tr>
<tr>
<td>[pay during the currency period from 13.08.2017 to 12.08.2019]</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increment (notional)</td>
<td>On 1&lt;sup&gt;st&lt;/sup&gt; January, 2018 Rs. 52000 [6&lt;sup&gt;th&lt;/sup&gt; Cell of Level 7]</td>
<td>On 1&lt;sup&gt;st&lt;/sup&gt; July, 2018 Rs. 52000 [6&lt;sup&gt;th&lt;/sup&gt; Cell of Level 7]</td>
</tr>
<tr>
<td></td>
<td>On 1&lt;sup&gt;st&lt;/sup&gt; January, 2019 Rs. 53600 [7&lt;sup&gt;th&lt;/sup&gt; Cell of Level 7]</td>
<td>On 1&lt;sup&gt;st&lt;/sup&gt; July, 2019 Rs. 53600 [7&lt;sup&gt;th&lt;/sup&gt; Cell of Level 7]</td>
</tr>
<tr>
<td>Pay w.e.f. 13.08.2019</td>
<td>Rs. 53600 [7&lt;sup&gt;th&lt;/sup&gt; Cell of Level 7]</td>
<td>Rs. 53600 [7&lt;sup&gt;th&lt;/sup&gt; Cell of Level 7]</td>
</tr>
<tr>
<td>w.e.f. 1.01.2020, his pay will be 55200 [8&lt;sup&gt;th&lt;/sup&gt; Cell of Level 7] after drawl of due increment</td>
<td>w.e.f. 1.07.2020, his pay will be 55200 [8&lt;sup&gt;th&lt;/sup&gt; Cell of Level 7] after drawl of due increment</td>
<td></td>
</tr>
</tbody>
</table>
(iii) **Case 3: Withholding of increment [Penalty under Rule 11(iv)]**

The penalty of withholding of one increment for a period of two years is imposed on a Government servant on 13.08.2017. The Government servant is drawing Rs. 50500 in Level 7 of Pay Matrix. Pay would be fixed on the following manner.

<table>
<thead>
<tr>
<th>Pay when Penalty imposed i.e. 13.08.2017</th>
<th>When the date of increment is 1&lt;sup&gt;st&lt;/sup&gt; January</th>
<th>When the date of increment is 1&lt;sup&gt;st&lt;/sup&gt; July</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pay during the currency period</td>
<td>The increment due on 01.01.2018 will be withheld for two years i.e. upto 31.12.2019. As such, the pay w.e.f. 13.08.2017 will be as under:</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(i) Pay w.e.f. 13.08.2017 to 31.12.2017 will be Rs. 50500 [5&lt;sup&gt;th&lt;/sup&gt; Cell of Level 7]</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(ii) Pay w.e.f. 1.01.2018 to 31.12.2018 will be Rs. 50500 [5&lt;sup&gt;th&lt;/sup&gt; Cell of Level 7] [due to imposition of penalty]</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(iii) Pay w.e.f. 1.01.2019 to 31.12.2019 will be Rs. 52000 [6&lt;sup&gt;th&lt;/sup&gt; Cell of Level 7]</td>
<td></td>
</tr>
<tr>
<td>Increment (notional)</td>
<td>On 1&lt;sup&gt;st&lt;/sup&gt; January, 2018 Rs. 52000 [6&lt;sup&gt;th&lt;/sup&gt; Cell of Level 7]</td>
<td>On 1&lt;sup&gt;st&lt;/sup&gt; July, 2018 Rs. 52000 [6&lt;sup&gt;th&lt;/sup&gt; Cell of Level 7]</td>
</tr>
<tr>
<td></td>
<td>On 1&lt;sup&gt;st&lt;/sup&gt; January, 2019 Rs. 53600 [7&lt;sup&gt;th&lt;/sup&gt; Cell of Level 8]</td>
<td>On 1&lt;sup&gt;st&lt;/sup&gt; July, 2019 Rs. 53600 [7&lt;sup&gt;th&lt;/sup&gt; Cell of Level 8]</td>
</tr>
<tr>
<td>Pay after the currency period</td>
<td>w.e.f 1.01.2020 = Rs. 55200 [8&lt;sup&gt;th&lt;/sup&gt; Cell of Level 7]</td>
<td>w.e.f 1.07.2020 = Rs. 55200 [8&lt;sup&gt;th&lt;/sup&gt; Cell of Level 7]</td>
</tr>
<tr>
<td>Currency Period</td>
<td>13.08.2017 to 31.12.2019</td>
<td>13.08.2017 to 30.06.2020</td>
</tr>
</tbody>
</table>
Case History No. 4

(iv) Case 4: Withholding of increment [Penalty under 11(iv)]

The penalty of Withholding of one increment for a period of six months is imposed on a Government servant on 13.08.2017. The Government servant is drawing Rs. 50500 in Level 7 of Pay Matrix. Pay would be fixed on following manner:

<table>
<thead>
<tr>
<th>Pay when Penalty imposed</th>
<th>When the date of increment is 1st January</th>
<th>When the date of Increment is 1st July</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pay during the currency period</td>
<td>The increment due on 01.01.2018 will be withheld i.e. upto 30.06.2018.</td>
<td>The increment due on 01.07.2018 will be withheld i.e. upto 31.12.2018.</td>
</tr>
</tbody>
</table>

As such, the pay w.e.f. 13.08.2017 to 30.06.2018 = Rs. 50500 [5th Cell of Level 7]

Increment (notional) | On 1st January, 2018 | On 1st July, 2018 |
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Rs. 52000 [6th Cell of Level 7]</td>
<td>Rs. 52000 [6th Cell of Level 7]</td>
<td></td>
</tr>
</tbody>
</table>

Pay after the currency period

<table>
<thead>
<tr>
<th>Pay after the currency period</th>
<th>w.e.f. 1.07.2018 = Rs. 52000 [6th Cell of Level 7]</th>
</tr>
</thead>
<tbody>
<tr>
<td>[w.e.f. 01.01.2019 i.e. date of next increment, the pay will be Rs. 53600 (7th Cell of Level 7).]</td>
<td>[w.e.f. 01.07.2019 i.e. date of next increment, the pay will be Rs. 53600 (7th Cell of Level 7).]</td>
</tr>
</tbody>
</table>

Currency Period | 13.08.2017 to 30.06.2018 | 13.08.2017 to 31.12.2018 |
Case 5: Reduction to a lower stage without cumulative effect [penalty under Rule 11(v)]:-

The penalty of reduction to a lower stage by two stages in the time-scale of pay for a period of one year is imposed on a Government servant w.e.f. 13.08.2017. It is further directed that the Government servant would earn increment during the period and the reduction will not have the effect of postponing his future increments of pay. The Government servant is drawing Rs. 50500 in Level 7 of Pay Matrix. Pay would be fixed on following manner:

<table>
<thead>
<tr>
<th>Pay when Penalty imposed</th>
<th>When the date of increment is 1st January</th>
<th>When the date of Increment is 1st July</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reduced during the currency period w.e.f. 13.08.2017 to 12.08.2018</td>
<td>(i) Reduced pay w.e.f. 13.08.2017 to 31.12.2017, will be Rs. 47600 [3rd Cell of Level 7]</td>
<td>(i) Reduced pay w.e.f. 13.08.2017 to 30.06.2018, will be Rs. 47600 [3rd Cell of Level 7]</td>
</tr>
<tr>
<td></td>
<td>(ii) Pay w.e.f. 1.01.2018 to 12.08.2018 after drawl of increment will be Rs. 49000/- [4th Cell of Level 7]</td>
<td>(ii) Pay w.e.f. 1.07.2018 to 12.08.2018 after drawl of increment will be Rs. 49000/- [4th Cell of Level 7]</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Increment (notional)</th>
<th>On 1st January, 2018</th>
<th>On 1st July, 2018</th>
</tr>
</thead>
</table>

Next increment: w.e.f. 1.01.2019, his pay will be Rs. 53600 [7th Cell of Level 7] after drawl of due increment | w.e.f. 1.07.2019, his pay will be Rs. 53600 [7th Cell of Level 7] after drawl of due increment
(vi) Case 6: Reduction to a lower stage without cumulative effect \[\text{[penalty under Rule 11(v)]}\]

The penalty of reduction to a lower stage by two stages in the time-scale of pay for a period of one year is imposed on a Government servant w.e.f. 13.08.2017. It is further directed that the Government servant **would not earn increment** during the period and the reduction will **not have the effect of postponing future increments of pay**. The Government servant is drawing Rs. 50500 in Level 7 of Pay Matrix. Pay would be fixed on following manner:

<table>
<thead>
<tr>
<th>Pay Penalty when imposed</th>
<th>When the date of increment is 1\textsuperscript{st} January</th>
<th>When the date of Increment is 1\textsuperscript{st} July</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rs. 50500 [5\textsuperscript{th} Cell of Level 7]</td>
<td>Rs. 50500 [5\textsuperscript{th} Cell of Level 7]</td>
<td>Rs. 50500 [5\textsuperscript{th} Cell of Level 7]</td>
</tr>
<tr>
<td>Rs. 47600 [3\textsuperscript{rd} Cell of Level 7]</td>
<td>Rs. 47600 [3\textsuperscript{rd} Cell of Level 7]</td>
<td>Rs. 47600 [3\textsuperscript{rd} Cell of Level 7]</td>
</tr>
<tr>
<td>Pay w.e.f. 13.08.2017 to 12.08.2018 will be Rs. 47600 [3\textsuperscript{rd} Cell of Level 7]</td>
<td>Pay w.e.f. 13.08.2017 to 12.08.2018 will be Rs. 47600 [3\textsuperscript{rd} Cell of Level 7]</td>
<td>Pay w.e.f. 13.08.2017 to 12.08.2018 will be Rs. 47600 [3\textsuperscript{rd} Cell of Level 7]</td>
</tr>
<tr>
<td>On 1\textsuperscript{st} January, 2018</td>
<td>Rs. 52000 [6\textsuperscript{th} Cell of Level 7]</td>
<td>Rs. 52000 [6\textsuperscript{th} Cell of Level 7]</td>
</tr>
<tr>
<td>Rs. 53600 [7\textsuperscript{th} Cell of Level 7] {w.e.f. 1.01.2019}</td>
<td>Rs. 53600 [7\textsuperscript{th} Cell of Level 7] {w.e.f. 1.07.2019}</td>
<td>Rs. 53600 [7\textsuperscript{th} Cell of Level 7] {w.e.f. 1.07.2019}</td>
</tr>
</tbody>
</table>
(vii) Case 7: Reduction to a lower stage with cumulative effect [penalty under Rule 11(v)]

The penalty of reduction to a lower stage by two stages in the time-scale of pay for a period of one year is imposed on a Government servant w.e.f. 13.08.2017. It is further directed that the Government servant would not earn increment during the period and the reduction will have the effect of postponing future increments of pay. The Government servant is drawing Rs. 50500 in Level 7 of Pay Matrix. Pay would be fixed on following manner:

<table>
<thead>
<tr>
<th>When the date of increment is 1st January</th>
<th>When the date of Increment is 1st July</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pay when Penalty imposed</td>
<td>Rs. 50500 [5th Cell of Level 7]</td>
</tr>
<tr>
<td>Reduced Pay w.e.f. 13.08.2017</td>
<td>Rs. 47600 [3rd Cell of Level 7]</td>
</tr>
<tr>
<td>Pay during the currency period</td>
<td>Pay w.e.f. 13.08.2017 to 12.08.2018 will be Rs. 47600 [3rd Cell of Level 7]</td>
</tr>
<tr>
<td>Increment (notional)</td>
<td>No increment during the period of penalty</td>
</tr>
<tr>
<td>Pay on completion of penalty as on 13.08.2018</td>
<td>Since future increment is to be postponed to adversely affect his pension, no increment will be given on the pre-penalty pay and on restoration pay will remain same as Rs. 50500 (5th Cell of Level 7)</td>
</tr>
<tr>
<td>Next increment</td>
<td>Next increment will be due w.e.f. 01.01.2019 raising his pay to Rs. 52000 (6th Cell of Level 7)</td>
</tr>
</tbody>
</table>

Since future increment is to be postponed to adversely affect his pension, no increment will be given on the pre-penalty pay and on restoration pay will remain same as Rs. 50500 (5th Cell of Level 7)
Case History No. 8

(viii) Case 8: Reduction to lower time-scale of pay/grade

The penalty of reduction to the lower grade carrying Level 8 for a period of two years is imposed on Government servant who is at Level 9 w.e.f. 04.11.2018, with further directions that the reduction shall not postpone his future increments and on the expiry of the period he shall regain his original seniority in the higher grade.

On 4.11.2018, the Government servant is drawing Rs. 58000 in Level 9 of Pay Matrix. The Government servant had been promoted from the post in Level 8 to the post in Level 9 of the Pay Matrix on 13.08.2016 and on promotion his pay was fixed at Rs. 54700/- at the time of promotion his pay was Rs. 52000 in Level 8 of the Pay Matrix.

In this case the pay in Level 8 would need to be fixed w.e.f. 4.11.2018 to 3.11.2020 as if he had continued in Level 8. Pay would be regulated as under:

<table>
<thead>
<tr>
<th>Date</th>
<th>Level 9</th>
<th>Level 8</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.11.2018 [date of penalty order]</td>
<td>55200 [6th Cell in Level 8] [after imposition of penalty]</td>
<td></td>
</tr>
<tr>
<td>Pay during the currency period from 4.11.2018 to 3.11.2020</td>
<td>(i) Reduced pay w.e.f. 4.11.2018 to 30.06.2019 will be 55200 [6th Cell in Level 8]</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(ii) Pay w.e.f. 1.07.2019 to 30.06.2020 will be Rs. 56900/- [7th Cell in Level 8]</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(iii) Pay w.e.f. 1.07.2020 to 3.11.2020 will be Rs. 58600 [8th Cell in Level 8]</td>
<td></td>
</tr>
<tr>
<td>Notional pay during the currency period</td>
<td>On 1st July, 2019 Rs. 59700 [5th Cell in Level 9]</td>
<td></td>
</tr>
<tr>
<td></td>
<td>On 1st July, 2020 Rs. 61500 [6th Cell in Level 9]</td>
<td></td>
</tr>
<tr>
<td>4.11.2020 [After completion of penalty]</td>
<td>61500 [6th Cell in Level 9]</td>
<td></td>
</tr>
<tr>
<td>Next Increment 1.7.2021</td>
<td>63300 [7th Cell in Level 9]</td>
<td></td>
</tr>
</tbody>
</table>

NOTE:
1. © Notional pay in Level 8 from 13.08.2016 to 3.11.2018.

2. Under FR-28, the authority which orders the reduction of a Government servant as a penalty from a higher grade or post to a lower grade or post may allow him to draw pay at any stage, not exceeding the maximum of the lower grade or post, which it may think proper. Provided the pay allowed to be drawn by a government servant shall not exceed the pay which he would have drawn by the operation of FR 22 read with clause (b) or (c), as the case may be of FR 26. This illustration is where no such orders have been passed. Where the disciplinary authority has specified the pay to be drawn in the lower post pay will be drawn as per those directions.