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## MASTER CIRCULAR

### Master Circular No. 46

#### Drawal of Increments of Non-gazetted Staff - Consolidation of Instructions - Issue of Master Circular

At present, the orders relating to drawal of increments of non-gazetted staff are contained in a number of office circulars/orders issued from time to time. The question of consolidation of these existing orders/circulars into one Master Circular has been under consideration of the Ministry of Railways. They have now decided to issue a consolidated order on the subject as below, for the information and guidance of all concerned.

#### 2. NORMAL INCREMENT IN THE TIME SCALE OF PAY

- 2.1 An annual increment, other than the increment next above the Efficiency Bar, shall ordinarily be drawn as a matter of course, unless it is withheld

[[Rules 1313](#) (FR 24-RII)]

- 2.2 From 01.11.1973, the annual increment is admitted from the first of the month in which it would fall due under the operation of the normal rules and the date of next increment shall be reckoned on this basis viz first of the month in which initially the increment was drawn on or after 01.11.1973. In such cases the pay of Railway servants on promotion/ appointments to higher grade posts shall be fixed in the higher scale after taking into account the increment to be drawn from the first of the month notwithstanding that the date on which that increment actually falls due is after the date of promotion.

[Rule [1318](#) (FR-24) R-II read with [PC-III/74/INC/1](#) dated 17.1.1974 and [03.06.1975](#)]

- 2.3 The drawing of increment on the first of the month in which it falls due, will not apply to -

- i. Advance/enhanced increments;
- ii. Increments withheld as punishment; and
- iii. In the case of employees on deputation to Railways from States Govts. or other Bodies, who under the terms of their deputation opt to draw pay in the scale of pay applicable to them in their parent Deptt/Body.

[[PC-III/74/INC/1](#) dated 7.1.1975 and [03.06.1975](#)]

- 2.4 An increment may be withheld from a Railway servant by a competent authority if the Railway servant's conduct has not been good or his work has not been satisfactory. In ordering the withholding of an increment, the withholding authority should state the period for which it is withheld and whether the postponement shall have the effect of postponing future increments.

[Rule [1318](#) (FR-24) R - II]

- 2.5 When the increment is withheld as a measure of penalty as referred to in para 2.4 above, the same should be drawn from the date from which the penalty

imposed ceases to operate. The subsequent increments should be admitted/drawn from the first of the month in which they fall due under normal rules, the period of dies-non like break in service etc being treated in the same way as leave without pay.

[Rule [1313](#)(FR-24) R-II  
and [PC-III/74/INC/1 dated 7.1.1975](#)  
& [PC-III/75/INC/2 dated 10.11.1975](#)]

2.6 All duty in a post on a Time Scale counts for increment in that Time Scale provided that, for the purpose of arriving at the exact date of increment in that Time Scale, the total of all such periods, as do not count for increment in that Time Scale is added to the normal date of increment.

(Rule [1320](#) (a) (FR-26) R-II)

2.7 In cases where the periods not counting for increments exceed 29 days, the periods as well as the total of the periods not counting for increments should be converted in terms of months and days and added to the normal date of increment for arriving at the next date of increment. If the postponed increment falls on any date of a month it will be granted from the first of that month as per illustration below: -

**Illustration.**

(a)	Data of increment	01.01.1981
(b)	Date of next increment	01.01.1982
(c)	Periods not counting for increment	2 months & 13 days
	i) Extraordinary leave not counting for increment 7 days from 02.06.1981 to 08.08.1981	
	ii) Suspension from 08.09.1981 to 07.11.1981	2 months
	iii) Extraordinary leave not counting for increment 6 days from 01.12.1981	
	Total	2 months & 13 days
(d)	Date of next increment - (b + c)	14.03.1982
(e)	As per extant orders the date of next increment would be on	01.03.1982

[[F\(E\)II/71/IC/3 dated 25.10.1972](#),  
[PC-III/74/INC/1 dated 7.1.1975](#)  
and [PC-III/77/INC/3 dated 25.7.1978](#)]

2.8 An employee during leave draws leave salary and not duty pay. An increment accruing during leave cannot, therefore, be drawn during leave. The increment in such cases will be drawn from the date of resumption of duty on return from leave.

[[PC-III/74/INC/1 dated 7.1.1975](#)]

2.9 In case of there being broken periods of service at the same stage and after counting broken periods equal to one year next increment falls on a date later than 1st of the month, it will be granted from the first of the month provided the Railway servant had been holding the post from the 1st of the month to the date it falls due. Else, it will be granted from the date it falls due. This will be followed by the application of provisions of sub-para 2.7 above, wherever attracted.

[[PC-III/74/INC/1 dated 7.1.1975](#)  
and [F\(E\)II-81/IC/1 dated 22.04.1982](#)]

2.10 (i) The period of training/apprenticeship irrespective of duration whether on

remuneration of stipend or otherwise shall be counted for the purpose of grant of increment(s) on absorption in the regular scale of pay. Provided that period spent in training/ apprenticeship prior to 01.10.1991 and the repeat course without stipend will not be taken into account for this purpose.

[[E\(NG\)I/86/ICI/3 \(PNM/NFIR\) dated 2.5.1988](#)(RBE 93/1988)  
and [E\(NG\)I-90/ICI/1 dated 04.02.1991](#)(RBE 25/1991)]

- 2.10 (ii) The benefit of treatment of such training as duty for the purpose of increments may be allowed in the case of those Railway servants also who had undergone such training on or after 1.1.1966 on national basis from 1.1.1986 and on actual basis from 1.10.90.

[[E\(NG\)I/90/ICI/1 dated 02.06.1992](#) (RBE 89/1992)]

- 2.11 Service in another post, other than a post carrying less pay whether in a substantive or officiating capacity, service on deputation out of India and leave except extraordinary leave taken otherwise than on medical certificate, shall count for increments in the time-scale applicable to the post on which the Railway servant holds a lien, as well as in the time scale applicable to the post or posts, if any on which he would hold a lien had his lien not been suspended.

[Rule [1320](#) (b) (i) – R II]

- 2.12 (i) All leave except extraordinary leave taken otherwise than on medical certificate and the period of deputation out of India, shall count for increment in Time Scale applicable to the post in which the Railway servant was officiating at the time of proceeding on leave/ deputation and would have continued to officiate but for going on leave or deputation out of India.

[Rule [1320](#) (b) (ii) – R II]

Provided that the competent authority may, in any case in which he is satisfied that the extraordinary leave was taken for any reason beyond the control of the Railway servant or for prosecuting higher technical/scientific studies, direct that the extraordinary leave should be counted for increment.

[Rule [1320](#) (b) (ii) – R II]

- 2.12 (ii) For the purpose of (i) above the certificate to the effect that the Railway servant would have continued to officiate but for his proceeding on leave or deputation out of India should be issued by the appointing authority.

In the case of Railway servant proceeding on leave where no officiating arrangement is made in the leave vacancy and the concerned Railway servant returns to the same post on the expiry of leave, such a certificate may be issued by the leave sanctioning authority.

[[F\(E\)61/IC/1 dated 6.3.1962](#)]

- 2.13 If a Railway servant, while officiating in a post or holding a temporary post on a time-scale of pay, is appointed to officiate in a higher post, his officiating or temporary service in higher post, shall, if he is re-appointed to the lower post or is appointed or re-appointed to a post on the same time-scale of pay, count for increment in the time-scale of pay applicable to such lower post. The period of officiating service in the higher post which counts for increment in the lower post is, however, restricted to the period during which the Railway Servant would have officiated in the lower post but for his appointment to the higher post.

[Rule [1320](#) (c) (i) – R II]

- 2.14 If a Railway servant on reversion from an ex-cadre post to the parent cadre is appointed to a post on a scale lower than that of ex-cadre post, but not on the same time-scale as the post held at the time of transfer to the ex-cadre post,

the service rendered in the higher scale in the ex-cadre post shall count for increment in the time-scale applicable to the cadre post subject to the condition as laid down in proviso (1) (iii) to Rule [1313](#) (FR 22) being fulfilled.

[Rule [1320](#) (c) (ii) – R II]

- 2.15 In the case of medically decategorised Railway servant, who is granted leave until his absorption in an alternative post and who retains his lien in his substantive post, the period of leave counts for increment in his substantive post.

[[E\(NG\)66/RE1/54 dated 19.10.1956, 4.3.1968 & 22.7.1967](#)]

- 2.16 Services rendered by a Railway servant concerned in the post to which he was wrongly promoted/appointed as a result of an error should not be reckoned for the purpose of increments or for any other purpose in that grade/post to which he would not normally be entitled but for the erroneous promotion/appointment.

[[E\(NG\)63/PM 1/43 dated 6.9.1963](#)]

- 2.17 In the case of transfer of an employee from one establishment to another particulars, which have, direct bearing on the date of increment should be embodied in the transfer order or L.P.C. when there is likely to be delay in despatching the service records.

[[E. 55/ICI/15/2 dated 25.4.1956](#)]

- 2.18 (i) To avoid unnecessary delay in the drawal of normal increment of staff, ineligibility statement should be prepared instead of eligibility statement. The date of normal increment of every employee should be recorded by the bill preparing offices in a separate column to be opened in the pay sheets etc so as to facilitate timely drawal of increment. An entry should invariably be recorded in this column against the affected employee if (a) the employee has been permitted to cross the Efficiency Bar in a time-scale or (b) the increment has been withheld for any reason whatsoever.

[[E\(NG\)II/76/ICI/1 dated 20.1.1977](#)]

- 2.18 (ii) The instructions in (i) above should be implemented vigorously and officers dealing with the matter should be made responsible for eliminating delay.

[[E\(NG\)II/78/ICI/2 dated 8.12.1978](#)]

### 3. ANNUAL INCREMENT TO DIRECTLY RECRUITED JUNIOR ACCOUNTS ASSISTANTS IN SCALE RS. 1200-2040 IN ACCOUNTS DEPARTMENT

- 3.1 They may be granted annual increment only on passing the [Appendix II](#) Examination or on completion of one year's service whichever is later. Once they pass the Appendix II Examination, increment may be allowed to them in the normal course with full payment of arrears from the date they complete one year of service.

[[E\(NG\)I/84/ICI/1 dated 19.11.1984](#)]

- 3.2 In case a Junior Accounts Assistant has not passed the Appendix II Examination and has been retained beyond a period of 3 years, with the approval of the Board, he may also be allowed the annual increment on passing Appendix II Examination with appropriate arrears after completion of the first year of service.

[[E\(NG\)I/84/ICI/1 dated 19.11.1984](#)]

### 4. INCREMENT IMMEDIATELY ABOVE THE EFFICIENCY BAR (EB)

- 4.1 Where an Efficiency Bar is prescribed in Time Scale, the increment next above

the bar should not be given to a Railway servant without the specific sanction of the authority empowered to withhold increments under Rule [1318](#) (FR-24) R-II or any other authority to whom the competent authority may, by general or special order, authorise in this behalf.

[Rule [1319](#) (FR-25) R-II]

- 4.2 When with respect to a Railway servant an Efficiency Bar is in force or increment has been withheld for failure to pass the prescribed examination ordinarily such detention at Efficiency Bar stopping or withholding of increment for failure to pass the prescribed examination will have only the effect of postponing the drawal of increment above that stage by the time taken in qualifying for crossing that stage and future increments will be allowed from the original date of increment (e.g. if a Railway servant is stopped at EB on 01.08.1960 and allowed to cross the EB on 01.12.1960, his next increment should be on 01.08.1961)

[President's orders below Rule [1319](#) (FR-25) R-II based on letter No. [E\(NG\)59/ICI/3 dated 5.12.1961](#) and No. [E\(NG\)62/ICI/3 dated 12.12.1963](#)]

- 4.3 If the E.B. test could not be held in time due to administrative reasons or due to the illness of the Railway servant, whether he is governed by the Payment of Wages Act or not, the competent authority is empowered to grant the same from the due date only when the Railway servant passes the test at the first opportunity. This would mean that while no increment will be drawn until the Railway servant passes the test, this would be drawn as soon as he does so, with effect from the due date.

[[E\(NG\)59/EB/1/2 dated 4.2.1960](#) and [E\(S\)I/59/CPC/108 dated 21.12.1960](#)]

- 4.4 Where a Railway servant who was due an increment next above the EB quits service after the date from which the increment was due but before EB test could be held and where a Railway servant proceeds on L.P.R and the increment next above the EB falls due while he is on LPR (irrespective of the reasons why he has proceeded on LPR); the Railway servant concerned may be granted the increment next above the EB if the competent authority is satisfied that the Railway servant would have crossed the bar but for quitting service or proceeding on LPR.

[[PC-III/74/EB/1 dated 14.02.1975](#)]

- 4.5 A Railway servant whose pay under the normal operation of rules happens to be fixed at a stage above the EB in a Time Scale, the EB should be operated for the first increment after the initial fixation of pay.

(Para 623 of IREM, 1989)

- 4.6 The stoppage of an increment at an EB does not constitute a penalty under the D&A Rules.

(Para 617 of IREM 1989, Vol. I)

## 5. ADVANCE INCREMENTS / QUALIFICATION PAY

### 5.1 Stenographers:

1. Stenographers in the Pay Scales of Rs. 330-560 may be granted one or two advance increments on their qualifying at 100 or 120 w.p.m respectively in Shorthand both at recruitment stage and while in service w.e.f. 1.1.1973.
2. In respect of existing Stenographers the Railways will hold special tests and

grant the advance increments according to whether they qualify Shorthand test for 100 or 120 words per minute. They will be given three chances to qualify at higher speed.

3. In respect of future recruits tests at the time of recruitment should be held at the speeds of 80/100/120 w.p.m and advance increment(s) granted at the recruitment stage according to the maximum speed at which they qualify. After they enter service, they will have three chances to qualify at a higher speed for purposes of earning advance increments(s) at 100/120 w.p.m as the case may be.
4. Hindi Stenographers are also eligible for the above mentioned increments.
5. However, the Stenographers who had already availed of the benefit of advance increments/higher start of pay on qualifying both the speed of 100 and 120 w.p.m in Authorised Scale should not be eligible for the advance increments in the Revised Scales.

(Authority for sub-paras 5.1(1) to 5.1(5): -

[\[PC-62/PS-5/5-16 dated 3.1.1963,](#)  
[PC/64/PS-5/5-8 dated 5.3.1966,](#)  
[PC-62/PS-5/5-16 dated 5.7.1966,](#)  
[PC-68/PS-5/5-4 dated 5.6.1968,](#)  
[PC-68/PS-5/5-4 dated 6.9.1968,](#)  
[PC-69/PS-5/5-33 dated 2.6.1969,](#)  
[PC-III/74/INC/3 dated 7.11.1975,](#)  
[PC-III/74/INC/3 dated 3.8.1976,](#)  
[PC-III/74/INC/3 dated 20.11.1976,](#)  
[PC-III/74/INC/3 dated 18.11.1977,](#)  
[and PC-III/74/INC/3 dated 15.3.1978](#)  
Para [636](#) of IREM (Vol. I) 1989)]

6. The rate of increment(s) in respect of those Railway employees who were already in receipt of advance increment(s) prior to 1.1.86, will be an amount equivalent to the lowest rate of increment in the revised scale corresponding to the re-revised scale of Rs. 330-560. The increments granted on or after 1.1.86 in the revised pay scales will be treated as a separate element and will be only additional increments over and above the pay in the revised scale and not part of the scale and will not count as pay for allowances and as emoluments for pension or Gratuity.

[\[PC-IV/88/Increment/1 dated 27.10.1989 \(RBE 271/1989\)\]](#)

7. Where the increments had been allowed as part of the pre-revised scale instead of as a separate element in addition to the scale of the post, and had consequently been taken into account for fixation in the Revised Pay Scales, no further increments will be granted in the Revised Pay Scales as well.

[\[PC-IV/88/Increment/1 dated 1.3.1990 \(RBE 44/1990\)\]](#)

8. Employees in receipt of the advance increment(s) in the revised pay scales would cease to draw the same on promotion to the higher post. The advance increments will also not be reckoned for fixation of pay on promotion.

[\[PC-IV/88/Increment/1 dated 25.9.1990 \(RBE 166/1990\)\]](#)

9. The advance increment(s) drawn as a separate element would continue to be admissible even after the employee had reached the maximum of the scale of pay and was in receipt of stagnation increment(s).

[\[PC-IV/88/Increment/1 dated 25.9.1990 \(RBE 166/1990\)\]](#)

10. Grade 'D' Stenographers of RBSS and RDSO who qualify in the Limited Departmental Competitive Examination with the speed of 100/120 w.p.m and do not get promoted as Steno Gr. 'C' for want of vacancies will be allowed one or



two additional increment(s). If as a result of subsequent Limited Departmental Competitive Exam, they qualify with similar speed and are also promoted, additional increment(s) will be discontinued with effect from the date of promotion to the next higher grade.

[\[PC-IV/88/Increment/1 dated. 15.06.1990 \(RBE 101/1990\)\]](#)

11. If the pay fixed on promotion under FR-22 (I) (old FR-22C) with reference to the pay in the lower post of Stenographer Gr. 'D' is less than the pay as Steno 'D' plus additional increment (s) the difference of pay will be allowed as personal pay to be absorbed in future increases of pay.

[\[PC-IV/88/Increment/1 dated. 15.06.1990 \(RBE 101/1990\)\]](#)

## **5.2 NURSING STAFF**

Nursing staff that possess at the time of recruitment or acquire subsequently a degree in Nursing should be granted two advance increments. This is admissible to only regular Nurses and not to substitute Nurses.

[\[PC-III/75/Med/2 dated 20.8.1975,](#)  
[PC-III/75/P5-3/Med/2 dated 18.05.1976,](#)  
[E\(NG\)I-79/PM1-274 dated 23.01.1982,](#)  
[E\(NG\)I-88/IC2/17 dated. 17.11.1989 \(RBE 287/1989\)](#)  
and [Para 160 - IREM, 1989](#))

## **5.3 Additional Increments to Accounts Staff**

For passing Departmental Examination the following incentive/ qualification pay is admissible on passing the examination(s) as indicated below: -

### **A. For passing Appendix-II Examination:**

1. From 1.6.81 Accounts Clerks/Typists in Accounts Department on passing Appendix-II Examination are eligible to get a special pay of Rs. 15/- p.m. Those who passed such examinations earlier and had not derived the benefit of advance increments will also be eligible to get a special pay of Rs. 15/- p.m.

[\(PC-III/73/PS/Acct. dated 30.10.1981\)](#)

2. From 1.1.86 the special pay of Rs. 15/- p.m. has been increased to Rs. 30/- p.m. In the case of those who opted to draw pay in the revised scale from a date later than 1.1.86, the special pay on the enhanced rate will be payable from that date, Dearness Allowance/Addl. D A. already drawn on the qualification pay prior to date of adoption of revised scale by the individual should be regularised.

[\[PC-IV/87/Imp/7 dated 17.11.1988 \(RBE 256/1988\)\]](#)

### **B. For passing Appendix-III Examination**

1. Accounts Clerks, Junior Accounts Assistants, Accounts Assistants, Stock Verifiers, Typists, Stenographers on passing Appendix-III Examination after 31.12.72 would be eligible to get a special pay of Rs. 20/- p.m. from the date following the last date of Appendix-III Examination w.e.f. 1.1.73.

[\[PC-III/74/PS-3/Acct./2 dated 29.10.1976\]](#)

2. The special pay of Rs. 20/- p.m. will be enhanced to Rs. 35/- p.m. from the second year onwards of the date of passing the Appendix-3 Examination. However, as such enhancement is effective only from 22.09.79, actual payment @ Rs. 35/-p.m. less incentive

increment(s) already drawn upto 31.12.72, will accrue only from 22.09.1979 and not from 01.01.1973.

[\[PC-III/79/PS-3/13 dated 23.4.1980\]](#)

3. Such of the persons who had passed App. III-A Examination before 1.1.1973 but had not been promoted as SO/ISA/TIA would get as special pay only such amount as is equal to Rs.20/- less the benefit that they had already got up to 31.12.1972. Similarly, Rs. 35/- p.m. would be admissible from 22.09.1979.

[\[PC-III/79/P5-3/13 dated 31.10.1990 \(RBE 193/1990\)\]](#)

4. The qualification pay @ Rs. 20/- p.m. during the first year and @ Rs. 35/- p.m. from 2<sup>nd</sup> year onwards of passing App. III exam shall be enhanced to Rs. 40/- and Rs. 70/- p.m. respectively from 01.01.1986 on the date an individual elects to draw pay in the Revised pay Scales. This qualification pay would be admissible upto the date of promotion to higher grade and the same would be taken into account while fixing pay on promotion to higher grade.

[\[PC-III/79/P5-3/13 dated 31.10.1990 \(RBE 193/1990\)\]](#)

5. In case of qualified App. III Railway employees who opted for the Revised Pay Scales from a date later than 01.01.1986, the qualification pay shall be paid at old rates till the date of option. The total of qualification pay and Dearness /allowance admissible thereon prior to the adoption of the revised scale for the period shall not exceed the revised rates of Rs.40/- and Rs. 70/- as the case may be.

[\[PC-IV/87/Imp/7 dated 22.09.1989 \(RBE 225/1989\)\]](#)

**C. For passing Appendix-IV Examination**

1. Stock Verifiers on passing Appendix-IV Examination would be entitled to the benefit of two additional increments in the revised scale of pay of Rs. 425-750 w.e.f. 1.1.1973 subject to the condition laid down in Board's letter No. [E\(P&A\)I/73/PS-5/AC-1 dated 05.11.1974](#), [16.02.1976](#), [01.03.1977](#), and [PC-III/73/PS/1 dated 9.3.1978](#) and [24.11.1979](#)).
2. In the revised scale of Rs. 1400-2600 the stock Verifiers shall be given three advance increments after their passing Appendix-IV Examination from 1.1.1986 or the date from which they elect to opt for RS(RP) Rules 1986; Appendix-III qualified staff of Inspector of Stores Accounts Group remaining exempted from passing Appendix-IV Examination on promotion as stock Verifiers.

[\[PC-IV/87/Imp/7 dated 3.3.1989\(RBE 61/1989\)\]](#)

**5.3.1 Other Conditions**

1. Additional increments will be taken into account for fixation of pay on promotion.

[\[PC-III/74/PS-3/Acct./2 dated 29.10.1976,](#)  
[PC-III/73/PS/Acct. dated 30.10.1981](#)

and [PC-IV/87/Imp/7 dated 17.11.1988](#) (RBE 256/1988) & [22.09.1989](#) (RBE 225/1989)]

2. The employee will not get additional increment if he refuses the promotion offered.

[\[PC-III/79/PS-3/13 dated 29.12.1981\]](#)



## **5.4 INCENTIVE INCREMENTS TO SPORTS PERSONS**

- i. G.Ms on the recommendations of the Railway Sports Control Board (RSCB) are empowered to grant advance increments to Sportspersons as follows: -

**A. For excellence at National Level**

(a)	Gold medal winning performance	2 increments
(b)	Silver or Bronze medal winning performance	1 increment if found justified.

**B. For excellence in International meet**

(a)	Category A1 – Olympic Games	To be decided on merits for medal winning performance.
(b)	Category A2 – Asian Games (Gold, Silver & Bronze)	Upto 3 increments for medal winning performance.
(c)	Category B – Commonwealth Games, World Championships, World Cup;	Upto 2 increments for medal winning performance.
(d)	Category C – Asian Championship, Commonwealth Championship.	One increment for medal winning performance.

**Note:** The above increments will be in addition to those, if any, granted on the performance at National level covered under (A) above.

**[E(NG)II/90/RR3/3 dated 25.05.1990 (RBE 89/1990)]**

- ii. The coaches who render exemplary service and contribute to the good performance of Indian Railways teams may be granted one additional increment subject to a maximum of 5 (five) increments in lifetime, with the approval of the Railway Board. Performance of the coaches is to be reviewed once in a calendar year.

**[E(NG)II/90/RR3/3 dated 25.05.1990 (RBE 89/1990)]**

## **6. INCENTIVE INCREMENTS FOR ACQUIRING HIGHER SCIENTIFIC/ TECHNICAL/ PROFESSIONAL ETC QUALIFICATIONS**

- 6.1** Group 'C' Scientific/ Technical/ Accounts staff are granted incentive increments for acquiring higher technical/ Professional etc. qualifications as indicated below: -

- (a) For passing Part I or A or Two increments.  
pre-final or Intermediate  
examination
- (b) For passing Part II or B or Four increments.  
final examination.

**[E(NG)I/87/IC2/1 dated 29.5.1989 (RBE 140/1989)]**

**Note:**

1. Two stages not being there in B.E/B.Tech. examinations, Technical non-gazetted staff acquiring these qualifications directly may be granted six increments.

**[E(NG)I/87/IC2/1 dated 14.2.1990 (RBE 30/1990)]**

2. The cases occurring upto 28.05.1989 will be regulated in terms of incentive scheme in force prior to issue of Board's letter No. **E(NG)I/87/IC2/1 dated 29.5.1989 (RBE 140/1989)**

**[E(NG)I/89/IC2/1 (Pt.) dated 04.09.1990]**

- 6.2** The following general conditions will govern the grant of incentives: -

1. Such qualifications must be equivalent to a Degree examination and must have been recognised by the Central Govt. for the purpose of recruitment to posts and services under the Central Govt. For this purpose reference may be made to the qualifications prescribed for recruitment to superior posts and services in the pamphlet "List of Technical and Professional qualifications" recognised by the Govt. of India, issued by the Ministry of Human Resource Development from time to time.
2. This incentive is to be given to such of the staff who pass the relevant examination and for whom a degree of equivalent (in the cadre of Scientific/ Technical (Staff) and membership of the Institute of Cost and Works Accountants or Institute of Chartered Accountants of India (in the case of Accounts Staff) is not obligatory as a condition of recruitment.
3. If in a grade, posts are filled both by promotion from lower grades and also by direct recruitment of persons possessing a specified professional or equivalent qualification, the promotees in that grade will be eligible for the incentive/ cash award if they acquire the same qualification while employed in that grade.
4. Incentives are to be given only once and not twice over.
5. Except as stated below at item (6), the benefit of incentives will be made available to all the staff, permanent or temporary, irrespective of their working in the parent department or any other department of Railways in a cadre or ex-cadre post. In the case of those on deputation to a non-Railway Deptt./Project of Central or State Govt. while the cash award should be granted by the parent office of the employee, the benefit of advance increments should be given proforma.

If the Railway employee on deputation is drawing his grade pay plus (deputation) duty allowance, the advance increments will also get reflected in his deputation (duty) allowance. If on the other hand he is drawing the pay of the deputation post, it will not be affected by his proforma pay on the Railway. However, if with the grant of proforma advance increments the grade pay exceeds the deputation post pay, he may be given a fresh option with regard to his pay in the deputation post.

6. Non-Accounts staff, who are temporarily working in the Accounts Department may also be granted the benefit of the incentive scheme so long as they continue to work in the Accounts Department. In the eventuality of their going back to their parent department, the advance increments granted to them under the incentive scheme should be withdrawn. The cash awards, if any, given need not be withdrawn. However, every effort should be made to absorb such staff in the Accounts Department.
7. The grant of advance increment cannot be extended to staff who have reached the maximum of the scale on or before the date of passing the specified examination. Such employees may be granted following incentives if otherwise due in terms of the extant scheme: -
  - i. A lumpsum of Rs. 1000/- for passing Part I or A or Intermediate exam.
  - ii. A lumpsum of Rs. 2000/- for passing Part II or B or Final exam.
8. The staff concerned will draw their normal increment on due dates, i.e. the date on which their normal increment would accrue but for the grant of advance increments.
9. Advance increments would be limited to the maximum of the scale, i.e. if only one increment is left to reach the maximum of the scale, the employee can get only one increment although he may be due two

increments.

10. When the qualifying examination is passed during apprenticeship the benefit of advance increment would be granted only on assumption of charge of working post in the scale of pay.
11. Advance increment should be granted in the grade in which an employee is working at the time of passing the relevant examination. If this is an officiating grade, he should be granted proforma benefit of advance increments in the lower grade and in the event of his reverting to that grade, he should get the proforma pay in that grade. If on the other hand an employee is promoted to a higher grade after being granted advance increment in a lower grade, the pay drawn by him at the time of promotion should be taken as pay under the normal rules.
12. The benefit of Advance increment/ cash award will be available from the date following the last date of prescribed examination and not the date of publication of the results.
13. The advance increment/cash award should not be extended to those Railway servants who have passed the qualifying examination(s) prior to their appointment to Railway service.
14. The incentives viz advance increments/cash awards would be admissible only if the higher qualifications have been acquired fully at the cost of employees concerned and Railways have not borne any part of the expenses therefor.

(Authority for Para 6.2: - [E\(NG\)64/RC 1/25 dated 14.5.1966](#),  
[E\(NG\)II/67/RC 1/87 dated 04.03.1968](#),  
[E\(NG\)I/89/IC2/5 \(PNM/NFIR\) dated 19.10.1989](#) (RBE 265/1989)  
& [E\(NG\)I/87/IC2/1 dated 14.2.1990](#) (RBE 30/1990)]

6.3 The incentive scheme has been extended to non-gazetted employees working in the Stores and the Personnel Departments w.e.f.14.2.1990 as under: -

1. For staff of Stores Departments

- (a) On acquiring Diploma in Engineering or passing 2 (Two) AMIE/Section or Studentship course in Materials increments. Management (SMM) of Indian Institute of Materials Management.
- (b) On passing AMIE Final/Section 'B' or Graduate Diploma in 4 (Four) Materials Management (GDMM) from Indian Institute of increments. Materials Management, or
- (c) On acquiring degree in Engineering directly. 6 (Six) increments.

2. For staff of Personnel Department

- (a) On acquiring Post Graduate Diploma in personnel 2 (Two) Management or Industrial relations conducted by a increments. recognised university or any other recognised institution
- (b) On acquiring Master of Business Administration (MBA) with 4 (Four) specialisation in Personnel Management and/or Industrial increments. Relations.

[\[E\(NG\)I/87/IC2/1 dated 14.2.1990 \(RBE 30/1990\)\]](#)

6.4 The conditions stipulated in para 6.2 will apply mutatis-mutandis to incentive scheme covered by para 6.3.

[\[E\(NG\)I/87/IC2/1 dated 14.2.1990 \(RBE 30/1990\)\]](#)

and [E\(NG\)I-87/IC2/1 Pt. dated 26.04 1991\]](#)

- 6.5 GMs/Heads of Departments are empowered to decide each case on its merits under the guidelines stipulated above.

[\[E\(NG\)64/RC 1/25 dated 14.5.1966\]](#)

## **7. STAGNATION INCREMENT**

1. All Railway employees who have opted for the Revised Scales (RP) Rules 1986, the maximum of whose pay scale does not exceed Rs. 6700/- and who may reach the maximum of their revised scale of pay shall be granted one stagnation increment on completion of every 2 years at the maximum of the respective scales. The stagnation increment shall be equivalent to the rate of the increment last drawn by the employees in their pay scales and shall be treated as personal pay. A maximum of three such increments shall be allowed. The pay plus the stagnation increment should not exceed in any case Rs. 7300/-.

[\[PC-IV/87/Increment/3 dated 3.8.1987\(RBE 201/1987\)\]](#)

2. Employees who have reached the maximum of the scale, not in the normal course but by virtue of the grant of advance increments as incentive for being an outstanding Sportsmen etc., would also be eligible for the personal pay on account of stagnation if they fulfil the other conditions referred to in para 7 (i) above.

[\[No. E\(P&A\)I-70/PP/6 dated 26.8.1970\]](#)

3. The benefit of personal pay granted to a Railway employee when he fulfils the conditions referred to above, cannot be refused by the employee on the ground that there would be reduction in the total emoluments, as such a consequence can arise even in the normal cases of pay arising with increments.

[\[No. E\(P&A\)I-70/PP/6 dated 26.8.1970\]](#)

4. Employees who are already having the benefit of special pay are also eligible for the grant of personal pay subject to the fulfilment of other conditions attached thereto.

[\[E\(P&A\)I-70/PP/6 dated 31.12.1970\]](#)

5. The period of officiating in the higher post on ad-hoc basis will be taken into account for counting the two years stagnation at the maximum of the scale of the lower post and on reversion the employee will be granted the benefit of stagnation increment if the period of stagnation is two years or more. This will, however, be subject to the condition that the competent authority issues a certificate that but for his promotion to the higher post, the employee would have continued to hold the lower post in cases where the person is officiating in the higher post. No certificate is necessary if the employee is holding the lower post in substantive capacity.

[\[PC-IV/87/Increment/3 dated 2.1.1989 \(RBE 4/1989\)\]](#)

6. The period of 2 years referred to will count from the dated the employee reaches the maximum of the scale after the grant of last increment.

[\[PC-IV/87/Increment/3 dated 2.1.1989 \(RBE 4/1989\)\]](#)

7. The benefit of stagnation increment is also admissible in the selection grade (non-functional).

[\[PC-IV/87/Increment/3 dated 2.1.1989 \(RBE 4/1989\)\]](#)

8. The stagnation increment will not count for the purpose of fixation of pay on promotion to higher post. However, if pay fixed in the higher post under normal rules happens to be less than that in the lower post, the difference may be allowed as personal pay to be absorbed in future increases in pay. The portion of personal pay will be treated as 'pay' for all purposes.

[\[PC-IV/87/Increment/3 dated 2.1.1989 \(RBE 4/1989\)](#)  
and [7.8.1990 \(RBE 132/1990\)\]](#)

9. In some cases, an employee may be in receipt of special pay as well as stagnation increment(s), when promoted to higher posts, the pay is fixed excluding these elements. However, the loss in the pay fixed in the promotional post with reference to basic pay of lower posts, plus special pay plus stagnation increment (s), is protected as personal pay. The amount of personal pay will be arrived at in such cases by first taking into account the special pay and then the amount of stagnation increment (s). All benefits like D.A. etc. will be admissible on the balance element on account of stagnation increment(s) so arrived at.

[\[PC-IV/87/Increment/3 dated 7.8.1990 \(RBE 132/1990\)\]](#)

10. The benefit of stagnation increment is also applicable to the re-employed pensioners whose pay is regulated in terms of this Ministry's letter No. [E\(G\)58 EM 1-29 dated 31.03.1959](#) and [E\(G\)86 EM 1-8 dated 21.01.1987](#).

[\[E\(P&A\)II/74/PP/Stag. dated 4.8.1984\]](#)

11. The stagnation increment is also admissible to the employees holding ex-cadre post so long as the conditions are fulfilled.

[\[PC-IV/87/Increment/3 dated 2.1.1989 \(RBE 4/1989\)\]](#)

12. In the case of employees who have been drawing maximum of the existing scale for a year or more as on 1.1.1986, next increment in the revised scale may be allowed on 1.1.1986.

[\[No. PC-IV/87/Increment/3 dated 10.9.1987 \(RBE 229/1987\)\]](#)

13. In the case of Railway employees who were in receipt of an ad-hoc increment on their stagnation for two years or more than two years at the maximum of the existing scale of pay as on 1.1.1986, one more increment in the revised scale should be allowed to them on 1.1.86 in addition to the increment already allowed under para 7.13.

[\[No. PC-IV/87/Increment/3 dated 10.9.1987 \(RBE 229/1987\)\]](#)

## **8. INCENTIVE INCREMENT FOR ADOPTING SMALL FAMILY NORMS**

1. Employees who undergo sterilization are granted special increment subject to eligibility conditions being fulfilled in the form of "Personal Pay" not to be absorbed in future increment. This remains fixed during the entire service.

[\[80/H/F\(W\)/7/1 dated 7.2.1980\]](#)

2. The rate of "Personal Pay" will be an amount equivalent to the lowest rate of increment in the revised scales of 4th Pay Commission corresponding to the pay scales of the post against which the individual had earned the Personal Pay in the per-revised scales of pay.

[\[PC-IV/86/Increment/1 dated 9.3.1987 \(RBE 48/1987\)\]](#)

## **9. EFFECT OF ORDERS IMPOSING PENALTY OR WITHHOLDING OF INCREMENTS.**

Only the increments accruing in the normal course in the time scale of pay

should be withheld in terms of the orders imposing penalty. Such an order should not interfere with the accrual of advance increments granted as an incentive for passing the test/ Professional/ Departmental Examinations.

**[E(D&A)76/RG 6/2 dated 7.5.1976]**

#### **10. GENERAL**

- a. While referring to this circular the original letter referred to herein should be read for a proper appreciation. This circular is only a consolidation of the instructions issued so far and should not be treated as a substitution to the originals. In case of doubt, the original circular should be relied upon as authority.
  - b. The instructions contained in the original circulars referred to have only prospective effect from the date of issue unless specifically indicated otherwise in the concerned circular. For dealing with old cases, the instructions in force at the relevant time should be referred to; and
  - c. If any circular on the subject, which has not been superseded, has not been taken into consideration while preparing this consolidated letter, the said circular, which might have been missed through oversight, should be treated as valid and operative. Such a missing circular, if any, may be brought to the notice of the Railway Board.
11. A list of letters/ circulars based on which this Master Circular has been prepared is also enclosed

The Consolidations has been made from the following circulars.

1. No. **E. 51/CPC/177 dated 31.12.1951**
2. No. **E. 51 RR 8/1/3 dated 31.10.1952**
3. No. **E. 51/CPC/177 dated 24.11.1953**
4. No. **E. 51 RR 8/1/3 dated 15.1.1954**
5. No. **E. 55/ICI/15/2 dated 25.4.1956**
6. No. **E(W)57/ICI/5 dated 8.1.1958**
7. No. **E(NG)59/ICI/3 dated 18.7.1959**
8. No. **E(NG)58/RC1/143 dated 28.12.1959**
9. No. **E(NG)59/EB/1/2 dated 4.2.1960**
10. No. **E(NG)59/ICI/3 dated 18.3.1960**
11. No. **E(NG)58/RC1/143 dated 25.5.1960**
12. No. **E(NG)59/ICI/3 dated 8.8.1960**
13. No. **E(NG)58/RC1/143 dated 24.9.1960**
14. No. **E(S)I/59/CPC/108 dated 21.12.1960**
15. No. **E(NG)58/RC1/143 dated 10.1.1961**
16. No. **E(NG)58/RC1/143 dated 9.3.1961**
17. No. **E(NG)58/RC1/143 dated 12.5.1961**
18. No. **E(NG)61/RC1/73 dated 8.6.1961**
19. No. **E(NG)58/RC1/143 dated 26.6.1961**
20. No. **E(NG)59/ICI/3 dated 5.12.1961**
21. Para **1318 & 1320** of IREC - R-II
22. No. **E(NG)58/RC1/143 dated 16.1.1962**
23. No. **F(E)61/IC/1 dated 6.3.1962**
24. No. **E(NG)58/RC1/143 dated 10.4.1962**



25. No. [E\(NG\)62/ICI/3 dated 15.6.1962](#)
26. No. [E\(NG\)58/RC1/143 dated 20.11.1962](#)
27. No. [PC-62/PS-5/5-16 dated 3.1.1963](#)
28. No. [F\(E\)61/IC/1 dated 22.3.1963](#)
29. No. [E\(O\)I/62/FE1/12 dated 15.5.1963](#)
30. No. [PC/64/PS-5/5-8 dated 5.3.1966](#)
31. No. [E\(NG\)64/RC 1/25 dated 14.5.1966](#)
32. No. [PC-62/PS-5/5-16 dated 5.7.1966](#)
33. No. [E\(NG\)66/RE1/54 dated 19.10.1956](#)
34. No. [E\(NG\)66/RE1/54 dated 22.7.1967](#)
35. No. [E\(S\)66/CPC/CE3 dated 3.2.1968](#)
36. No. [E\(NG\)66/RE1/54 dated 4.3.1968](#)
37. No. [PC-68/PS-5/5-4 dated 5.6.1968](#)
38. No. [PC-68/PS-5/5-4 dated 6.9.1968](#)
39. No. [PC-69/PS-5/5-33 dated 2.6.1969](#)
40. No. [E\(P&A\)I-70/PP/6 dated 18.3.1970](#)
41. No. [E\(P&A\)I-70/PP/6 dated 12.6.1970](#)
42. No. [E\(P&A\)I-70/PP/6 dated 26.8.1970](#)
43. No. [E\(P&A\)I-70/PP/6 dated 7.10.1970](#)
44. No. [E\(P&A\)I-70/PP/6 dated 30.10.1970](#)
45. No. [E\(P&A\)I-70/PP/6 dated 31.12.1970](#)
46. No. [E\(P&A\)I-70/PP/6 dated 23.1.1971](#)
47. No. [E\(NG\)II/70/ICI/10 dated 4.5.1971](#)
48. No. [E\(P&A\)I-70/PP/6 dated 31.12.1971](#)
49. No. [E\(NG\)II/72/ICI/201 dated 10.3.1972](#)
50. No. [F\(E\)II/71/IC/3 dated 25.10.1972](#)
51. No. [PC-III/74/INC/1 dated 17.1.1974](#)
52. No. [PC-III/73/ROP-1/9 dated 28.1.1974](#)
53. No. [PC-III/73/ROP-1/9 dated 23.5.1974](#)
54. No. [PC-III/74/INC/1 dated 7.1.1975](#)
55. No. [E\(P&A\)II/74/PP/Stag. dated 8.4.1975](#)
56. No. [PC-III/74/INC/3 dated 7.11.1975](#)
57. No. [PC-III/75/Med/2 dated 20.8.1975](#)
58. No. [PC-III/75/INC/2 dated 10.11.1975](#)
59. No. [E\(D&A\)76/RG 6/2 dated 7.5.1976](#)
60. No. [PC-III/75/PS-3/Med.2 dated 11.6.1976](#)
61. No. [PC-III/74/INC/3 dated 3.8.1976](#)
62. No. [PC-III/74/INC/3 dated 20.11.1976](#)
63. No. [PC-III/74/PS-3/Acct./2 dated 29.10.1976](#)
64. No. [E\(NG\)II/76/ICI/1 dated 20.1.1977](#)
65. No. [PC-III/74/INC/3 dated 18.11.1977](#)
66. Para [636](#) of IREM - 1989
67. Para 624 of IREM - 1989
68. Para [1319](#) of IREC - R-II
69. No. [PC-III/73/PS/1 dated 9.3.1978](#)
70. No. [PC-III/74/INC/3 dated 15.3.1978](#)

71. No. [PC-III/77/INC/3 dated 25.7.1978](#)
72. No. [PC-III/75/PS-3/Acct./2 dated 28.7.1978](#)
73. No. [PC-III/78/ROP 1/18 dated 8.11.1978](#)
74. No. [E\(NG\)II/78/ICI/2 dated 8.12.1978](#)
75. No. [PC-III/74/EB/1 dated 14.2.1979](#)
76. Para 618 of IREM - 1989
77. Para 617 of IREM - 1989
78. No. [80/H/F\(W\)/7/1 dated 7.2.1980](#)
79. No. [PC-III/79/PS-3/13 dated 23.4.1980](#)
80. No. [PC-III/74/INC/1 dated 10.9.1980](#)
81. No. [PC-III/73/PS/Acct. dated 30.10.1981](#)
82. No. [PC-III/79/PS-3/13 dated 29.12.1981](#)
83. No. [E\(P&A\)II/74/PP/Stag. dated 4.8.1983](#)
84. No. [E\(P&A\)II/74/PP/Stag. dated 4.10.1983](#)
85. No. [E\(P&A\)II/74/PP/Stag. dated 15.12.1983](#)
86. No. [E\(P&A\)II/74/PP/Stag. dated 5.3.1984](#)
87. No. [E\(P&A\)II/74/PP/Stag. dated 4.8.1984](#)
88. No. [E\(P&A\)II/74/PP/Stag. dated 4.8.1984](#)
89. No. [E\(NG\)I/84/ICI/1 dated 19.11.1984](#)
90. No. [PC-IV/86/Increment/1 dated 9.3.1987](#) (RBE 48/1987)
91. No. [PC-IV/87/Increment/3 dated 3.8.1987](#) (RBE 201/1987)
92. No. [PC-IV/87/Increment/3 dated 10.9.1987](#) (RBE 229/1987)
93. No. [E\(NG\)I/86/ICI/3 \(PNM/NFIR\) dated 2.5.1988](#) (RBE 93/1988)
94. No. [PC-IV/87/Increment/3 dated 2.1.1989](#) (RBE 4/1989)
95. No. [PC-IV/87/Imp/7 dated 3.3.1989](#) (RBE 61/1989)
96. No. [PC-IV/86/RSRP/1 dated 16.3.1989](#) (RBE 92/1989)
97. No. [E\(NG\)I/87/IC2/1 dated 29.5.1989](#) (RBE 140/1989)
98. No. [PC-IV/79/PS-3/13 dated 13.7.1989](#) (RBE 152/1989)
99. No. [E\(NG\)I/89/IC2/5 \(PNM/NFIR\) dated 19.10.1989](#) (RBE 265/1989)
100. No. [E\(NG\)II/RR3/3 dated 25.5.1990](#) (RBE 89/1990)
101. No. [PC-IV/87/Increment/3 dated 7.8.1990](#) (RBE 132/1990)
102. Para 623 & 629 of IREM - 1989

#### Supplementary Circulars and subsequent Letters

1. Supplementary Circular No. 1 - Revised rate of Incentive - No. [E\(NG\)I-1993/IC2/5 dated 2.1.1996](#) (RBE 1/1996).
2. Supplementary Circular No. 2 - Counting of training period - No. [E\(NG\)I-90/IC1/1 dated 21.11.1996](#) (RBE 112/1996).
3. Supplementary Circular No. 3 - Corrigendum - [E\(NG\)I/93/IC 2/5 dated 12.9.1997](#) (RBE 122/1997)
4. Supplementary Circular No. 4 - Power to sanction incentive may be exercised by DRM's/CWMs in respect of Group 'C' staff working in the Divisions/ Workshops in consultation with Sr.DAOs/Workshop Accounts Officers - Railway Board's letter No. [E\(NG\)I/99/1C2/3 dated 27.6.2000](#) (RBE 124/2000).
5. Supplementary Circular No. 5 to Master Circular No. 46 vide Railway Board's letter No. [E\(NG\)I/97/IC2/4 dated 12.11.2001](#) (RBE 227/2001)

Grant of Increment to substitute on completion of one year from grant of temporary

status vide railway Board's letter No. [E\(NG\)II/2003/SB/SR/2 dated 29.9.2003](#) (RBE 172/2003).