

**MEMORANDUM SUBMITTED TO THE 8TH CENTRAL PAY COMMISSION BY THE
POSTS AND TELECOMMUNICATIONS ACCOUNTS AND FINANCE OFFICERS
ASSOCIATION**

We represent the Assistant Accounts Officers, Accounts Officers, Senior Accounts Officers and all Promotee IPTAFS Group A Officers of the Departments of Posts and Telecommunications, forming part of the Organized Accounts Cadre, and present their collective concerns.

1- Pay Matters

Q1. What concerns / views do you have related to pay matters (18266 Characters without Annexure and 5695 Characters contained in Annexures I, II & III submitted separately as attachment pdf)

1.1 FITMENT FACTOR AND OTHER PAY MATTERS

We fully support and endorse the recommendations submitted by the Staff Side of the National Council (JCM) on pay-related issues and reiterate the following demands:

- Minimum pay of a Central Government employee should be fixed at ₹69,000.
- A fitment factor of 3.833 should be applied for all existing employees.
- The annual increment rate should be enhanced from 3% to 6% of Basic Pay.

(Justification: Memorandum submitted by the Staff Side of the JCM dated 14.04.2026)

Before presenting our specific pay-related demands, it is pertinent to briefly trace the evolution of the Posts and Telecommunications Accounts. Historically, the accounting and audit functions of the Government of India were combined under the Comptroller and Auditor General (CAG). The Indian Posts and Telecommunications Accounts and Finance Service was constituted in 1972 to manage the financial, accounting and internal audit functions of the Posts and Telecommunications sector. Following the departmentalisation of accounts in 1976, accounting functions were separated from audit and transferred to the respective Ministries and Departments, while the CAG continued to perform the constitutional responsibility of external audit. Consequently, maintenance of Central Government accounts is now vested in the concerned Accounts organisations.

The Accounts and Finance Wings of the Departments of Posts and Telecommunications perform critical statutory and financial management functions, including preparation and maintenance of accounts, budget formulation and control, reconciliation, internal audit, and financial reporting. The cadres also function as Internal Financial Advisers, ensuring financial scrutiny, expenditure control and compliance with delegated financial powers. They are responsible for pension authorisation and perform Pay and Accounts Office functions under the National Pension System and Unified Pension Scheme, including subscriber management, contribution accounting and claim settlement.

In addition, they undertake bank reconciliation, regulatory compliance and management of public funds. In the Department of Posts, Postal Accounts Offices will undertake GST return filing for all Head Post Offices at the State/UT level from 01.07.2026 and continue to handle legacy GST matters, including Show Cause Notices and Orders-in-Original issued prior to the “One State One GST” framework. They are also scheduled to centrally disburse around 10 lakh pension payments from 01.07.2026.

In Telecommunications, the Accounts and Finance cadres are entrusted with assessment, realisation, accounting and reconciliation of government revenues such as licence fees, spectrum usage charges and Universal Service Obligation Fund

contributions. They also play a significant role in pension disbursement and accounting for retired employees.

Further, these cadres provide financial advice on policy matters, vet proposals, ensure compliance with financial rules and regulations, prepare financial statements, coordinate with audit authorities and oversee effective management of public funds.

This Association's other demands are furnished below.

1.2 GRANT PAY LEVEL 9 SUBSTANTIVELY TO AAOs OF ALL ORGANIZED ACCOUNTS CADRE AT PAR WITH AAOs/ADFMs IN RAILWAY ACCOUNTS WITH NFU AT LEVEL 10

The Organized Accounts Cadres—P&T, Civil, Defence, Railways and IA&AD—originate from a common lineage, having been carved out of the IAAD following the Departmentalization of Union Accounts Act, 1976. These cadres perform identical statutory functions, including maintaining Public Accounts, conducting internal or statutory audits of large public expenditures, and providing financial advice to executive authorities. Assistant Accounts Officers (AAOs), including Assistant Financial Advisers (AFAs) in Railways, are recruited through the same Subordinate Accounts Service (SAS) examination or equivalent systems. Their qualification standards, subjects, and professional requirements are uniform across departments. Their duties—such as budget monitoring, pension authorization, and management of NPS/UPS, Internal Audit/ Statutory Audit, Internal Financial Advice, Compilation and Submission of Accounts, etc., are functionally interchangeable, with only minor sectoral differences. From the 3rd to the 7th CPC, there has been consistent emphasis on maintaining absolute pay parity among Organized Accounts Cadres.

The hierarchical structure of Accounts/Audit Posts in Organized Accounts Cadre upto 5th CPC is as follows.

Category of Posts	5th CPC Pay Scales
Auditor/Accountants (JA)	Rs. 4500-125-7000
Senior Auditor/Accountants (SA)	Rs. 5500-175-9000
Section Officer (SO/JAO)	Rs. 6500-200-10500
Assistant Accounts/Audit Officer (AAO)	Rs. 7450-225-11500
Accounts/Audit Officer	Rs. 7500-250-12000
Senior Accounts/Audit Officer (SAO)	Rs. 8000-275-13500

Para 7.56.9 of 6th CPC Report states that "In so far as other posts are concerned, a clear cut parity of these posts vis-à-vis those existing in CSS have never been established in past and it is difficult to establish any parity even now. The proposed upgradations for the post of SAO, AO will, therefore, have to be considered on merits. **It is observed that the post of SAO constitutes a feeder cadre for induction into IA&AS. The entry grade for IA&AS is presently Rs. 8000-13500 which is identical to the scale of SAOs. Upgrading their pay scale any further will place them in a higher level than the entry grade of IA&AS which is a promotion post. This will be anomalous. The existing pay scale of SAO will therefore be maintained.** Merger of the 6th CPC Pay Scales of Rs. 5000-8000, Rs. 5500-9000 and Rs. 6500-10500 will place the posts of Senior Auditor/Accountant and Section Officer in an identical pay band and grade pay even though the former are the feeder cadre for promotion to the latter. The post of Section Officer would therefore also need to be upgraded. The post will consequently be placed in the next higher grade carrying Grade Pay of Rs. 4800 in Pay Band PB-2 of Rs. 8700-34800 that corresponds to the Pre-revised pay scale of Rs. 7500-12000. **This upgradation will place the posts of Section Officer and Assistant Accounts/Audit Officer in**

an identical pay scale and thus necessitating the upgradation of the latter category i.e. AAO. The posts of Assistant Accounts/Audit Officer and Accounts/Audit Officer should therefore be merged in the pay Band PB-2 of Rs. 8700- 34800 along with grade pay of Rs. 4800 that corresponds to the pre-revised pay scale of Rs. 7500-12000. The Post of Senior Accounts/Audit Officer shall be placed in the corresponding revised pay band PB 2 of Rs. 8700-34800 along with grade pay of Rs. 5400. The existing parity between posts in various organized Cadres shall be maintained. Accordingly, the aforesaid structure being recommended in IA&AD will be extended in case of other Organized Accounts Cadres like Controller General of Accounts, Controller General of Defence Accounts, Railway Accounts, Postal Accounts, Telecom Accounts”

As a result of above recommendation of 6th CPC, the pay of all cadres upto Section Officer was upgraded by the Government in 6th CPC as below.

Category of Posts	5th CPC Pay Scales	6th CPC Accepted PB and Grade Pay
Auditor/Accountants (JA)	Rs. 4500-125-7000	Grade Pay 2800 in PB-1 Rs. 5200-20200
Senior Auditor/ Senior Accountants (SA)	Rs. 5500-175-9000	Grade Pay 4200 in PB-2 Rs. 9300-34800
Section Officer (SO/JAO)	Rs. 6500-200-10500	Grade Pay 4800 in PB-2 Rs. 9300-34800
Assistant Accounts/Audit Officer (AAO)	Rs. 7450-225-11500	Grade Pay 4800 in PB-2 Rs. 9300-34800. Though recommended further upgradation not upgraded to GP 5400 in PB 2 since it may result in the pay of SAO will go beyond the pay of promotional post JTS i.e. beyond GP 5400 in PB 3 37400-67000
Accounts/Audit Officer	Rs. 7500-250-12000	Grade Pay 5400 in PB-2 Rs. 9300-34800.
Senior Accounts/Audit Officer (SAO)	Rs. 8000-275-13500	GP 5400 in PB 3 37400-67000 at par with JTS

Even though in all rest of the Organized Accounts Cadres the GP of Rs. 4800 in PB-2 Rs. 9300-34800 only granted to AAOs, though recommended for further upgradation of pay scale of AAO by 6th CPC, in Railway Accounts the Grade Pay of AAO was upgraded to GP of 5400 in PB-2 Rs. 9300-34800 substantively as per the Railway Services Revised Pay First Amendment Rules 2008 issued vide GSR 674 (E) dated 23.09.2008, since the upgradation of AAO to Grade Pay 5400 in PB-2 Rs. 9300-34800 will not result in anomaly of pay in Railway Accounts, because in Railways, the promotional post of AAO is JTS with designation Accounts Officer which was granted GP 5400 in PB 3 Rs. 37400-67000 and further promotional post of SAO is STS which was granted GP 6600 in PB 3.

However, presently the posts of AO and Senior AO were merged in all Organized Accounts Cadres with grant of Group A status to Senior AO except in P&T Accounts where the implementation of Group A status only is pending though the proposal was approved by the Minister of Communications. In addition, we wish to

bring it to the notice of 8th CPC that such pay parity for Organized Accounts Cadre with Railway Accounts was granted by DOE vide OM no. F.No. 6/82/E.III(B)/91 dated 28.02.2003. **Hence, as recommended by 6th CPC as well as to maintain historical pay parity of AAOs of Railway Accounts and rest of the Organized Accounts which was also recommended by 6th CPC, the pay of AAO posts may be upgraded to Level 9/ GP of Rs. 5400 in PB-2 Rs. 9300-34800 in 6th CPC w.e.f 01.01.2006 to establish the principle of "Equal Pay for Equal Work" and right to equality as enshrined in Article 14 and Article 16(1) of the Constitution of India.**

1.3 GRANT NFU AT LEVEL 10 TO AAO AFTER 4 YEARS AND FURTHER NFU UPTO LEVEL 12/LEVEL 13 AT EVERY 6 YEARS ENSURING MINIMUM 3 FINANCIAL UPGRADATIONS IN SERVICE TO AAO/Sr. AOs RESPECTIVELY:

The posts of Assistant Accounts/Audit Officer are filled up through LDCE from Departmental employees who pass SAS/SAS Equivalent Examinations and also through Direct Recruitment from SSC or through Deputations. The cadre strength of Organized Accounts Cadre from AAO to JTS are furnished below.

Name of the Posts	Number of Posts in various Departments			
	P&T	Defence	CGA	CAG
AAO	1208	3690	2153	11936
AO/Sr. AO (Merged)	470	2108	1159	5510
JTS/Non-IAAS Promotional Posts to Sr. AO	88 (Only 44 Posts for SCF 50% Quota)	167 (Only 83 Posts for SCF 50% Quota)	80 (Only 40 Posts for SCF 50% Quota)	127 (Only 64 Posts for SCF 50% Quota) and 172 Non-IAAS Group A DAG/DD Posts in CAG. Total 236 Posts

Promotion from Post to Post	Ratio between promotional posts resulting stagnation			
	P&T	Defence	CGA	CAG
AAO to Sr. AO	2.6 : 1	1.8 : 1	1.9 : 1	2.2 : 1
Sr. AO to JTS/ Non-IAAS Promotional Posts to Sr. AO	11 : 1	25 : 1	29 : 1	23 : 1
AAO+Sr. AO to JTS/ Non-IAAS Promotional Posts to Sr. AO	38 : 1	70 : 1	83 : 1	74 : 1

Given the severe stagnation at AAO Cadre, it is evident that reaching any pay level beyond Level 10 by AAOs has become nearly impossible to most officers during their entire service. As per accepted 6th CPC resolution no. x(b) published in official Gazette vide No. 1/1/2008/I C dated 29.08.2008, Section Officers at GP 4800/Level 8 in PB 2 were granted GP of 5400 in PB 3 i.e. Level 10 after 4 years. **Hence, AAO Pay level should be upgraded to Level 9 and First NFU at Level 10 should be given after 4 years. Thereafter, two more NFU may be granted after every 6 years upto Level 12.**

Further, even though Sr. AOs are granted Group A status, they are not treated at par with Organized Group A Service Officers who are getting time-bound NFU irrespective of their promotions when their junior get promoted as per DOPT OM no. AB.14017/64/2008-Estt.(RR) dated 24.04.2009. This is huge injustice to the Organized Accounts Cadre. **As such, Sr. AOs (Group A) should be granted minimum 3 financial upgradations through NFU upto Level 13 at every 6 years, since Sr. AOs even after grant of Group A status are not granted Time-Bound NFU at par with Organized Group A services.**

1.4 SOLUTIONS REQUIRED FOR RULE 10 ANOMALY:

The fundamental principle of Central Government service is that a senior employee must not draw less basic pay than a junior within the same cadre. However, the rigid application of Rule 10 of the CCS (Revised Pay) Rules, 2016, regarding the Date of Next Increment (DNI) has created severe pay inversions. This anomaly is driven by the six-month qualifying service condition, which can delay a promoted officer's first increment beyond 12 months. Such delays occur most frequently when an officer is promoted after MACP without a pay fixation option, allowing juniors in different increment cycles to overtake them.

Detailed evidence of this career-long financial injury is documented in the attached Annexure I and II and DOP Clarification issued vide OM No. 1-8/2023-PCC dated 07.11.2024. To resolve this, 8th CPC should recommend that the next increment in a promotional post be granted strictly on the first January or July following six months of service. Further, where the six-month rule would cause a delay beyond the next immediate cycle, an "Advance Increment" should be authorized. This increment should be drawn on the 1st of January or 1st of July immediately following the promotion date without requiring the minimum service period. Such a mechanism would effectively eliminate stagnation of increments beyond 12 months that triggers these inversions. Implementing this change ensures that pay remains commensurate with seniority and service length. This rationalization is essential to restore administrative equity and employee morale within the 8th CPC framework.

Note: Detailed service particulars and evidence regarding the Rule 10 anomalies are structured in Annexure I and II. Due to portal formatting constraints, these Annexures have been uploaded as a supplementary PDF attachment

1.5 SOLUTIONS REQUIRED FOR ANOMALY ARISING OUT OF MACP AND PROMOTION PAY FIXATION PROVISIONS:

In the Posts and Telecommunications Accounts Organisation, promotion to the cadre of Assistant Accounts Officer (AAO) is made through a Limited Departmental Competitive Examination (LDCE) equivalent to the SAS Examination. However, the present MACP and pay fixation provisions have given rise to situations where a senior employee, despite longer service and higher merit, is placed at a financial disadvantage vis-à-vis a junior employee.

A representative case is furnished in Annexure-III. In the said case, Official 'X' entered service on 08.09.1998, whereas Official 'Y' entered service on 01.11.1999. Thus, Official 'X' had more than one year of additional service. Both officials qualified the LDCE-2018 for promotion to the AAO cadre and were promoted on 01.10.2018. Official 'X' secured Rank No.556 in the examination, whereas Official 'Y' secured Rank No.697, making Official 'X' senior to Official 'Y' both in the feeder cadre as well as in the AAO cadre. Prior to promotion, Official 'X' had already earned his second MACP and was drawing ₹49,000 in Pay Level-6. On promotion to AAO on 01.10.2018, his pay was fixed at ₹49,000 in Pay Level-8. Official 'Y', being junior, was drawing only ₹47,600 in Pay Level-8 on the same date. However, on 02.12.2019, Official 'Y' became eligible for his second MACP and was granted financial upgradation to Pay Level-9 with pay fixed at ₹53,100, thereby surpassing the pay of Official 'X', who continued to remain in Pay Level-8 with pay of ₹50,500.

Consequently, despite entering service earlier, possessing longer qualifying service, securing a much higher rank in the departmental competitive examination and being senior in both cadres, Official 'X' was placed at a financial disadvantage compared to his junior solely due to the operation of MACP and pay fixation provisions. The anomaly continued until the grant of the next financial upgradation to Official 'X' through NFU.

Hence, it is requested that 8th CPC may review the existing stepping up guidelines and provide proper provisions in stepping up guidelines to the effect that a senior does not draw lesser pay than a junior under any circumstances for any period.

Note: Detailed service particulars and evidence regarding the MACP anomalies are structured in Annexure III. Due to portal formatting constraints, these Annexures have been uploaded as a supplementary PDF attachment

1.6 REMOVAL OF PAY FIXATION ANOMALY IN PAY LEVELS 6, 7, AND 8 – ENSURING REAL FINANCIAL BENEFIT ON PROMOTION:

Under the existing Pay Matrix introduced through the CCS (Revised Pay) Rules, 2016, an anomaly has arisen in Pay Levels 6, 7, and 8 due to overlapping or identical cells. At present, when an employee is promoted from one of these levels to the next, the pay is often fixed in the same corresponding cell of the higher level instead of the next higher cell, resulting in no real financial gain.

This defeats the fundamental principle of promotion, which is intended to reward higher responsibility with a tangible monetary benefit. The current structure leads to situations where an employee assumes greater duties and accountability without any immediate increase in basic pay, causing dissatisfaction and demotivation.

The issue arises because the Pay Matrix progression does not adequately differentiate between these neighbouring levels, and the pay fixation method does not mandate movement to the next higher cell when the corresponding cell is identical. As a result, the intended benefit of one increment on promotion is effectively neutralized in many cases.

It is therefore requested that 8th CPC may recommend suitable modification of Pay Levels 6, 7, and 8 to eliminate overlapping cells. Alternatively, a clear provision may be introduced that on promotion, pay shall be fixed at least at the next higher cell in the promoted level, ensuring a definite and visible financial benefit.

This correction is essential to uphold the principle of fair compensation for higher responsibility, maintain employee morale, and preserve the integrity of the promotion system. Ensuring a minimum guaranteed financial gain on promotion will align the pay structure with its intended objective and remove a widely felt anomaly among employees.

2- Allowances

Q2. What concerns / views do you face related to Allowances? (9890 Characters)

Before proceeding into our demands on various allowances, we wish to submit that we are in agreement with JCM on DA, HRA, Transport Allowance, Night Duty Allowance and other allowances.

2.1 RESTORATION OF CITY COMPENSATORY ALLOWANCE:

The 6th Central Pay Commission abolished the City Compensatory Allowance (CCA) by subsuming it into the Transport Allowance, a framework unfortunately continued by the 7th CPC. However, this merger fundamentally misdiagnosed the broader economic realities of urban postings. Transport Allowance is strictly designed to offset commuting costs, whereas the erstwhile CCA existed to buffer the overarching, premium cost of living in metropolitan and major urban areas. Over the past decade and a half, Tier-1 (X-class) and major Tier-2 (Y-class) cities have experienced hyper-inflation in day-to-day expenses—such as education, local services, utilities, and daily consumables—that drastically outpaces the national average used to calculate Dearness Allowance (DA). While House Rent Allowance (HRA) attempts to address accommodation, it offers absolutely no relief for these steep, non-housing living expenses. Consequently, government employees posted in major cities face a severe erosion of their real wages and purchasing power, resulting in significantly lower savings compared to their counterparts in smaller towns drawing the exact same basic pay. This disparity violates the principle of financial equity within the uniform pay matrix. Therefore, we strongly demand that the 8th CPC rectify this historical anomaly and restore the City Compensatory Allowance as an independent, tiered allowance. Reinstating CCA is absolutely essential to ensure that employees in metropolitan centres are not financially penalized for their place of posting and can maintain a dignified, equitable standard of living

2.2 INTRODUCTION OF A PERIODIC FURNITURE & HOUSEHOLD ASSET ALLOWANCE FOR CENTRAL GOVERNMENT EMPLOYEES WITH ALL-INDIA TRANSFER LIABILITY:

Central Government employees with All-India Transfer Liability play a crucial role in maintaining nationwide administrative connectivity. However, frequent transfers impose significant personal financial burdens due to repeated relocation of household goods. Regular dismantling, transport, and reinstallation of furniture and appliances lead to rapid wear, depreciation, and damage. The existing Composite Transfer Grant (CTG) only covers incidental relocation costs like packing and transit, not the replacement of damaged assets. It also does not address the need to purchase new furniture suited to different housing conditions across locations.

As a result, employees—especially at junior and middle levels—face continuous depletion of personal savings just to maintain a basic standard of living. Despite the Government of India's commitment to being a "Model Employer," a clear disparity exists compared to CPSEs and Public Sector Banks. Institutions such as State Bank of India, Bank of Baroda, and Canara Bank provide structured furniture allowances to their employees. Central Government employees, facing similar or greater transfer liabilities, lack such support.

Introducing a structured Furniture Allowance would significantly reduce the financial and psychological stress of relocations. It would enable employees to quickly establish a stable and dignified household in new locations. This, in turn, would improve morale, productivity, and administrative efficiency. Therefore, it is proposed that the 8th Central Pay Commission recommend a periodic Furniture

Allowance. Officers up to Pay Level 8 should receive a block grant of ₹3,00,000 every five years. Officers in Pay Level 9 and above should receive ₹6,00,000 every five years. This benefit should be restricted to employees with All-India Transfer Liability. Such a measure would fairly compensate for asset depreciation caused by service conditions and reinforce the Government's role as a model employer.

2.3 PROPOSAL FOR RATIONALIZATION AND EXPANSION OF CHILDREN EDUCATION ALLOWANCE (CEA):

The existing Children Education Allowance (CEA) framework provides a uniform reimbursement irrespective of the stage of education, which no longer reflects the progressive nature of educational expenditure. Costs increase significantly at higher levels due to coaching, laboratory fees, digital learning, and competitive examination requirements, making the current structure inadequate. Further, expansion of admissibility from pre-school to Class XII under NEP 2020 has increased the financial burden without corresponding revision in allowance structure.

It is therefore proposed that CEA be rationalized through a slab-based structure as follows:

- Stage I (Pre-primary to Class V): Basic level allowance
- Stage II (Class VI to Class X): Enhanced allowance
- Stage III (Class XI and above): Highest allowance, considering peak expenditure phase, extendable up to PG Degree level

In addition to the above, the present framework does not adequately cover essential components such as coaching and residential education. Students in higher classes increasingly require specialized coaching for competitive examinations, involving substantial expenditure. Similarly, due to transfer liability or lack of suitable institutions at the place of posting, employees often incur additional costs towards hostel or paying guest accommodation for their children. The Commission may take note that tuition fee and hostel accommodation charges for completing UG degree in NIT/IIT is around 12 lakhs.

It is therefore proposed that CEA be expanded to include reimbursement of coaching expenses for recognized academic and entrance examination preparation along with provision of Hostel Allowance for children studying away from the place of posting and CEA may be extended upto PG Course completion.

2.4 GRANT OF RISK/HARDSHIP ALLOWANCE FOR OFFICERS POSTED IN REMOTE AND HILLY AREAS:

Officers of the organized accounts cadres possess all-India transfer liabilities and are frequently posted to remote locations and hill stations such as Himachal Pradesh, Uttarakhand, Jammu & Kashmir, and the North-Eastern region. Serving in these challenging terrains involves navigating extreme weather conditions, a significantly higher cost of living, and a severe lack of basic infrastructural amenities. Furthermore, officers posted in these regions face intense personal hardships, including prolonged family separation, inadequate medical facilities, and a dearth of quality educational institutions for their children. While nominal allowances exist under the current Tough Location matrix, they are grossly disproportionate to the actual premium paid for basic goods, travel, and housing in such topographies. To adequately compensate for these exceptionally difficult service conditions, we demand the introduction of a completely revised, comprehensive Risk and Hardship Allowance. We propose that this hard area allowance be granted at a realistic rate of at least **20% of the Basic Pay, or a minimum flat rate ranging from ₹15,000 to ₹20,000 per month**, depending on the severity of the location. This allowance must

also be dynamically linked to prevailing inflation rates so its real value does not erode over time. Providing a robust financial incentive of this magnitude will alleviate operational difficulties and sustain a high level of morale for those deployed in strategic locations.

2.5 COMPENSATORY ALLOWANCES AND REIMBURSEMENTS SHOULD BE CLASSIFIED AS NON-TAXABLE INCOME:

Reimbursements and allowances granted to Government servants—such as Children Education Assistance (CEA), Medical Reimbursement, Telephone/Internet reimbursement, LTC reimbursement, House Rent Allowance (HRA), Transport Allowance, and similar payments—are primarily compensatory in nature and intended to offset actual expenditure incurred due to service conditions. At present, many of these benefits are taxed beyond prescribed limits, imposing an additional financial burden despite not constituting real income or financial gain. Taxation of such allowances reduces their effective value and defeats their intended purpose of compensation.

Expenses towards housing, education, healthcare, commuting, and official communication are essential and unavoidable, and the corresponding allowances merely reimburse these costs rather than providing any economic benefit. Treating such reimbursements as taxable income is therefore conceptually inconsistent and inequitable. In particular, taxation of education and medical-related reimbursements places an undue burden during critical and unavoidable expenditure phases.

It is therefore proposed that all compensatory allowances and reimbursements (excluding Basic Pay and Dearness Allowance) be classified as Non-Taxable Income. This will ensure that employees receive the full intended benefit of such provisions and prevent erosion of real income. Such a measure will enhance equity in compensation, improve financial well-being, and align taxation policy with the fundamental principle that reimbursement of expenditure should not be treated as income. The Hon'ble 8th Central Pay Commission is requested to consider this demand favourably and recommend suitable provisions to consider by the Government of India/Income Tax Department.

2.6 REMOVAL OF ANOMALY ON HRA ADMISSIBILITY FOR CO-LOCATED WORKING SPOUSES:

In cases where both spouses are Central Government employees posted at the same station, denial of HRA to both employees upon allotment of a single Government accommodation is inequitable. HRA, being compensatory in nature, is linked to individual service conditions and not to family status. It is therefore proposed that at least one spouse be allowed to draw full HRA, or proportionate HRA be granted to both, in order to ensure fairness and maintain the compensatory character of the allowance.

Advances

Q3. What concerns / views do you face related to Advances? (3696 Characters)

3.1 DEMAND FOR UPWARD REVISION OF HOUSE BUILDING ADVANCE (HBA) LIMITS AND ENHANCEMENT OF THE COST CEILING FOR RESIDENTIAL UNITS:

House Building Advance (HBA) is a key welfare measure that enables Central Government employees to own a house, but its current limits based on 2016 prices are no longer adequate. Over the past decade, housing prices and construction costs have risen sharply, with property values in major cities increasing by 60–100%.

As a result, the existing ₹25 lakh HBA covers only a fraction of the cost of a modest house. For example, acquiring land and constructing even a basic 1BHK residence on a small 80 to 85 square meter plot—allowing for standard structural requirements, Vastu compliance, and minimal open space—in any major Tier-1 or Tier-2 city today involves costs that completely exhaust the legacy advance limits. Employees are therefore compelled to take additional loans from banks at higher interest rates, defeating the purpose of a subsidized government advance. The current ₹1 crore cost ceiling is also unrealistic, as most urban housing now exceeds this limit.

To address this, it is proposed to increase the maximum HBA limit to ₹75 lakh and 50 months' basic pay condition. The cost ceiling should be enhanced to ₹3 crore, with provision for further relaxation in deserving cases. The limit for expansion or addition should also be increased to ₹30 lakh. Additionally, the HBA interest rate should be maintained at least 2% below prevailing home loan rates of State Bank of India to ensure it remains a genuine welfare measure. The process for obtaining NOC or second charge for top-up loans should be simplified and digitized.

Since HBA is a self-liquidating advance recovered with interest, increasing its limit does not burden the exchequer. Instead, it promotes housing investment, stimulates economic activity, and supports the goal of "Housing for All." Therefore, doubling the HBA limit and revising cost ceilings is essential to reflect current realities and ensure dignified living for employees.

To prevent HBA limits from becoming functionally obsolete before the constitution of the next Pay Commission, an automatic indexation mechanism must be introduced. The HBA advance limits and cost ceilings should automatically increase by 25% whenever the Dearness Allowance (DA) crosses 25%, akin to the standard inflation-proofing applied to other major allowances.

3.2. RESTORATION OF MOTOR CAR AND MOTOR CYCLE ADVANCES:

The facility of Motor Car and Motor Cycle advances was historically a vital welfare measure, enabling government employees to acquire personal vehicles for commuting and familial needs. Following the recommendations of 7th CPC, these advances were abruptly discontinued, compelling employees to rely on commercial bank loans burdened with exorbitant interest rates. In today's era of rapid urbanization, reliable personal transportation has transitioned from a luxury to an absolute necessity, especially given the continuous expansion of city limits and unpredictable public transit networks. The withdrawal of this government-sponsored advance has placed an undue financial strain on the staff, particularly younger employees and those in lower pay matrices. We strongly urge the 8th CPC to recommend the immediate restoration of the Motor Car and Motor Cycle/Scooter advances at a nominal, subsidized rate of interest. Furthermore, the quantum of the advance should be realistically revised upward to reflect the current market prices of automobiles. Restoring this benefit will significantly enhance the welfare, efficiency, and morale of the workforce without placing an unreasonable fiscal strain on the exchequer.

4-Facilities

Q4. What concerns / views do you face related to Facilities? (13080 Characters)

Before going forward on our Association's demands on requirement of various facilities, We wish to state that we are in agreement with JCM's demands on the following.

1. Increase EL Balance at credit ceiling from 300 days to 600 days and enable EL encashment upto 600 days

2. Grant of 100% of Fully Paid CCL for 730 days, and the introduction of menstrual, parent's care, and special surgery leaves
3. Fully agree with JCM on removing the 5% cap for Compassionate Appointment
4. increasing death-on-duty ex-gratia to Rs. 2 Crores

4.1. PROVISION FOR ANNUAL SURRENDER OF 15 DAYS EARNED LEAVE (EL):

Due to acute staff shortages and high vacancy levels, employees are frequently denied leave due to "exigencies of service." This results in the forced accumulation of leave, often reaching the 300-day ceiling years before retirement. We demand the facility to surrender up to 15 days of Earned Leave (EL) every year in exchange for equivalent Leave Salary (Basic Pay + DA). This should be a standalone facility, independent of the requirement to physically avail of leave. Allowing annual encashment at current pay scales reduces the Government's massive "deferred liability." Paying for 15 days at today's rates is significantly more economical for the Exchequer than paying for that same leave at the "Last Pay Drawn" rate at the time of retirement.

4.2 REMOVAL OF THE 60-DAY LIFETIME LIMIT FOR LTC LEAVE ENCASHMENT:

Currently, employees can encash 10 days of EL while availing LTC, but this is restricted to a lifetime ceiling of 60 days. This limit is arbitrary and penalizes senior employees. Once the 60-day limit is reached, the facility is withdrawn for the remainder of their career, regardless of their leave balance. The 8th CPC should recommend the complete abolition of the 60-day career ceiling for leave encashment during LTC. An employee should be permitted to encash 10 days of EL whenever they avail of LTC (within the permissible blocks), as long as they maintain the prescribed minimum balance in their leave account.

4.3 PROVISION OF HOME TOWN LTC FACILITY EVERY YEAR:

A significant portion of the Central Government workforce serves in locations far from their native states. The current system—providing Home Town LTC only once in a two-year block—is insufficient for maintaining family bonds and fulfilling social/filial obligations (such as caring for elderly parents or attending to ancestral property/rituals). We demand that **Home Town LTC be granted every year** to all Central Government employees. The "All India LTC" facility may continue to be granted once in a four-year block as per existing patterns, but the Home Town travel facility should be made an annual entitlement. Regular visits to the home town significantly reduce stress and "home-sickness," leading to better mental health and increased focus on duty upon return. Many State Governments and Public Sector Undertakings (PSUs) already recognize the importance of annual travel for their staff.

4.4 EXTENSION OF CGHS CASHLESS TREATMENT FACILITY TO SERVING GOVERNMENT EMPLOYEES AT PAR WITH PENSIONERS:

Central Government Health Scheme (CGHS) presently provides the facility of cashless medical treatment to pensioners, ensuring timely and hassle-free access to healthcare services. However, this crucial benefit is not extended to serving Central Government employees, who continue to bear the burden of upfront payments and subsequent reimbursement procedures.

Serving employees, like pensioners, face medical emergencies where immediate financial outflow can be substantial and distressing. The existing reimbursement system often leads to delays, procedural complexities, and financial strain, particularly in cases involving hospitalization, specialized treatments, or high-

cost procedures. This creates an avoidable disparity between serving and retired employees under the same healthcare framework.

In the current era of digital governance and empanelled hospital networks, implementation of a cashless system for serving employees is both administratively feasible and operationally efficient. Extending this facility will ensure timely access to quality healthcare without financial barriers, thereby reducing stress and improving overall well-being and productivity of employees.

It is therefore earnestly requested that the 8th CPC recommend the extension of cashless medical treatment facilities under CGHS to all serving Central Government employees, at par with pensioners. This measure will promote equity, enhance employee welfare, and reinforce the Government's role as a model employer. Furthermore, we strongly demand that all recommendations of the Parliamentary Standing Committee on CGHS—such as the rapid expansion of wellness centers and modernized reimbursement protocols—be directly incorporated into our service conditions to ensure the quality of this cashless care.

4.5 CGHS FACILITIES TO BOTH PARENTS AND PARENTS-IN-LAW:

Under the existing Central Government Health Scheme (CGHS) and CS(MA) Rules, employees can declare either their parents or their parents-in-law as dependents for medical facilities. However, this restriction forces employees to make an agonizing choice between providing essential healthcare to their own parents or their spouse's parents. The Maintenance and Welfare of Parents and Senior Citizens Act mandates the care of senior citizens, making it both a legal and moral obligation for children to support them. In today's socio-economic environment, particularly in nuclear family setups, both sets of parents often rely entirely on the working couple for healthcare and financial support. Restricting the medical dependency to only one set of parents causes immense financial strain and emotional hardship for the employee. Furthermore, aging parents require continuous and specialized medical care that is financially crippling without government health scheme coverage. Therefore, we strongly demand that the existing rules be amended to allow both dependent parents and dependent parents-in-law to be included for CGHS and CS(MA) medical facilities simultaneously. This progressive step would align the Government's healthcare policy with modern familial responsibilities. Ultimately, it would reinforce the Government's role as a model employer committed to the holistic social security of its workforce and their immediate elderly families. Hence, in cases where both parents and parents in law are financially dependent on the employee, the rules should be amended to allow the employee to declare both parents and parents in law as dependents for CGHS facilities.

4.6 TELEPHONE BILL/MOBILE BILL/DATA CARD REIMBURSEMENT:

The existing provisions of the Department of Expenditure restrict reimbursement of telephone and internet charges mainly to officers of Deputy Secretary level and above, with only limited and discretionary coverage for officers below this level. However, with the shift to digital governance, IPTAFS Group 'B' officers are now required to extensively use internet and mobile connectivity for official duties. Their work includes accessing e-lekha systems, monitoring cash books and cash accounts, verifying financial data, and performing scrutiny through e-Office platforms. In addition, they are required to regularly communicate over phone with Head Post Offices for settlement of Internal Audit Paras, resolution of objections in Cash Books and Cash Accounts, and handling GST, NPS, and pension-related matters. These functions require continuous and reliable connectivity, often beyond office hours and including work-from-home situations. At present, these officers incur recurring personal expenditure for such official communication and data usage. This creates an inequitable situation where officers performing critical

financial and audit functions are not compensated for essential work-related expenses. The existing policy, based on rank rather than functional requirement, is therefore outdated and requires revision. In view of this, it is proposed that reimbursement of telephone, mobile, broadband, and data card expenses be extended to all IPTAFS Group 'B' officers i.e. AAOs/AOs/Sr.AOs. A reasonable monthly ceiling may be prescribed to ensure uniformity, administrative simplicity, and alignment with the requirements of modern digital governance.

4.7 REIMBURSEMENT OF MOBILE PHONE PURCHASE COST EVERY THREE YEARS:

The rapid transition towards digital governance and platforms like e-Office and PFMS has transformed the operational landscape for finance and accounts officers. Smartphones are no longer just communication devices, but essential working tools required for multi-factor authentication, monitoring digital dashboards, and providing time-sensitive financial concurrence even beyond standard office hours. Relying on personal devices for critical government functions poses operational and cybersecurity risks, especially since most mobile phones cease receiving essential software and security updates after three years. Consequently, officers are forced to bear the recurring out-of-pocket capital cost of replacing obsolete devices simply to maintain efficiency and data security in their official duties.

In light of these functional necessities, our Association strongly urges the 8th CPC to recommend a formal policy for the reimbursement of mobile phone purchase costs. We propose that this reimbursement be permitted once every three years to align with the standard technological obsolescence cycle of smartphones. A prescribed monetary ceiling should be established based on the Pay Level of the officer (e.g., ₹25,000 to ₹40,000) to ensure the procurement of a secure and capable device. After the completion of the three-year period, the officer may be permitted to retain the obsolete device without any requirement for a residual value deposit, keeping in view data privacy and the negligible salvage value of used electronics.

4.8 REMOVAL OF CEILING ON SANCTIONED STRENGTH FOR EXTENSION OF OFFICIAL DEVICES

The existing guidelines of the Department of Expenditure impose a restriction whereby issuance of laptops and similar digital devices to officers of the level of Section Officer/Under Secretary is limited to only up to 50% of the sanctioned strength, while officers of Deputy Secretary level and above are entitled without such restriction. This percentage-based ceiling is arbitrary and does not reflect the functional requirements of present-day governance. In the current digital environment, official work across all levels is carried out through e-Office, online financial systems, and real-time data platforms, making access to such devices essential for all officers.

The restriction results in unequal treatment among officers performing identical duties and creates avoidable administrative discretion in selecting beneficiaries within the prescribed ceiling. Such a system is inconsistent with the principles of equity, transparency, and efficiency in public administration. Further, earlier OMs themselves recognize that issuance of devices should be based on functional necessity rather than rigid criteria.

In view of the above, it is proposed that the ceiling of 50% of sanctioned strength for Section Officers and equivalent levels be removed, and eligibility be determined based on functional requirements of the post. This will ensure uniform access to essential digital tools, improve efficiency in service delivery, and align policy with the realities of modern governance.

4.9 ENHANCEMENT OF CGEGIS COVERAGE

The Central Government Employees Group Insurance Scheme (CGEGIS) was originally designed to provide a robust, two-fold benefit of insurance cover and a savings fund to employees. However, the rates of subscription and the corresponding insurance coverage amounts have remained static and unrevised for several decades.

The current CGEGIS subscription and insurance coverage for Central Government employees is as follows.

Category	Monthly Subscription	Insurance Fund (30%)	Savings Fund (70%)	Insurance Cover (Death in Service)
Group A (Pay Level 10 & above)	₹120	₹36	₹84	₹1,20,000
Group B (Pay Levels 6–9)	₹60	₹18	₹42	₹60,000
Group C (Pay Levels 1–5)	₹30	₹9	₹21	₹30,000

Despite successive recommendations of the 5th, 6th and 7th Central Pay Commissions for periodic review and enhancement of CGEGIS benefits, no substantial upward revision has been implemented. It is therefore strongly urged that the insurance coverage under CGEGIS be enhanced to realistic contemporary levels, with a minimum cover of ₹25 lakh for Group ‘A’ and Group B employees with CGEGIS Insurance Premium (30%) of Rs. 300 to Rs. 500 and 20 lakhs for Group C employees with CGEGIS Insurance Premium (30%) of Rs. 200 to Rs. 400 and Savings Fund may be fixed at 70% proportionately. The whole CGEGIS subscription may be decided after reviewing local market rates for term insurance provided by private players in respect of Insurance Premium. In addition to Term Insurance rates (30%), Savings Fund (70%) premium may be proportionately fixed.

5- Performance Incentive

Q5. What concerns / views do you face related to Performance Incentive? (4484 Characters)

5.1 PERFORMANCE INCENTIVE: ENCOURAGING PROFESSIONAL EXCELLENCE THROUGH INCREMENT SCHEMES:

Earlier, the Government incentivized professional qualifications like CMA, CA, and CFA through advance increments, recognizing their long-term value to public administration. However, after DoPT O.M. dated 31.01.1995 and subsequent 7th CPC changes (O.M. dated 15.03.2019), this was replaced with a one-time lump-sum incentive. This shift has weakened motivation, as a small one-time payment does not reflect the enduring value of such rigorous qualifications. Officers of the Organized Accounts Cadre are technical specialists engaged in costing, internal audit, and complex financial management. Acquiring qualifications like CMA or CA directly enhances their ability to manage public expenditure and strengthen financial control. The current incentive of ₹10,000–₹30,000 is inadequate compared to the effort and expertise involved. It is therefore proposed that the 8th CPC restore a “Professional Increment Scheme,” granting two additional increments to officers who acquire such qualifications during service. These increments should be treated as substantive and counted for all purposes, including pension and future pay fixation.

5.2 PROPOSAL FOR INTRODUCTION OF CONTINUOUS PROFESSIONAL DEVELOPMENT (CPD) EXAMINATIONS AND INCENTIVES:

To ensure continuous upskilling and mitigate stagnation at middle-management levels, we strongly propose the introduction of a Continuous Professional Development (CPD) framework across all Organized Accounts Departments. Currently, officers at the Assistant Accounts Officer (AAO) and Senior Accounts Officer (SAO) levels often face extended periods without horizontal or vertical career progression, leading to a natural plateau in motivation. A highly effective and proven model to resolve this issue already exists within the Indian Audit and Accounts Department (IA&AD). The Comptroller and Auditor General (C&AG) has successfully implemented a scheme of Continuous Professional Development (CPD) tests for its Senior Audit Officers and Audit Officers. These structured examinations—categorized into CPD-I, CPD-II, and CPD-III tiers—are conducted periodically to evaluate officers on foundational basics as well as advanced, contemporary topics. Crucially, the successful clearance of a CPD examination within the C&AG framework is directly incentivized through the granting of an advance increment. Extending this exact CPD framework and its associated financial incentives to all other Organized Accounts Departments would serve as a powerful catalyst for organizational capacity building. By linking professional development with tangible rewards, the administration can cultivate a dynamic culture of lifelong learning and technical excellence among its accounting professionals. We strongly urge the 8th Central Pay Commission to recommend the pan-government implementation of this CPD examination system, including the provision for advance increments, for all AAOs and SAOs across the Civil, Defence, Railway, and Postal/Telecom accounts cadres. This progressive measure will decisively boost employee morale while ensuring the Union Government maintains a highly competent, future-ready accounting workforce

5.3 EXTENSION OF BONUS BENEFITS (PLB/NON-PLB) TO GAZETTED OFFICERS:

At present, Bonus—both Productivity Linked Bonus (PLB) and Non-Productivity Linked Bonus—is restricted to Group ‘C’ and Group ‘B’ (Non-Gazetted) employees, excluding Group ‘B’ Gazetted officers. This exclusion is based solely on Gazetted status, which is an outdated classification not aligned with present-day functional realities. In practice, Gazetted officers contribute equally, if not more, to departmental productivity through supervision, decision-making, and direct operational responsibilities. Moreover, the pay gap between Gazetted and Non-Gazetted employees has significantly narrowed under the 7th CPC structure. In many cases, non-gazetted officials draw equal or even higher pay than entry-level Gazetted officers, yet continue to receive Bonus while the latter are excluded. This creates a clear inconsistency where entitlement is denied not on financial grounds but purely on designation. Such exclusion leads to a sense of inequity and undermines the role of officers who are integral to achieving departmental outcomes. Productivity is a collective effort, and denying Bonus to one segment weakens the incentive structure of the organization.

Q6. What concerns / views do you face related to Empanelment / Postings in GOI? (1105 Characters)

6.1 OBJECTION TO LATERAL ENTRY - PRESERVATION OF THE CAREER CIVIL SERVICE:

The Association is concerned about the increasing use of lateral entry at senior levels such as Secretary, Additional Secretary, and Joint Secretary, as it weakens the structure of the permanent civil service. Career officers are selected through a rigorous national process and gain 15–20 years of experience, but lateral appointments block their promotion opportunities, causing stagnation and demotivation. These officers also possess valuable institutional memory and a deep understanding of legal, constitutional, and parliamentary systems, along with long-term accountability, which contractual entrants may lack. Moreover, while career officers undergo a strict 360-degree empanelment process based on performance and integrity, lateral entry is seen as bypassing these safeguards. Therefore, it is suggested that lateral entry should be strictly limited only to highly specialized technical or scientific roles where internal expertise is not available, and not used for general administrative or policy-making positions.

7 - CADRE MANAGEMENT

Q7. What concerns / views do you face related to Cadre Management? (9999 Characters)

7.1 TREAT AAO AS ENTRY GRADE IN P&T ACCOUNTS AT PAR WITH AAOs OF OTHER ORGANIZED ACCOUNTS CADRE:

As per DoPT guidelines (ID No. 71727/2011/2012) and their adoption by the Ministry of Railways (RBE No. 100/2012), when Recruitment Rules having the element of Direct Recruitment, induction through LDCE should be treated as Direct Recruitment for MACP purpose. In such cases, past service in lower grades is not counted, and employees are entitled for MACP financial upgradations from the date of induction into the Cadre for which they are promoted through LDCE. This principle is already being followed in the Indian Audit and Accounts Department (IA&AD) and the Railway Accounts Cadre and appointment of AAOs through LDCE in those Departments are treated as Direct Recruitment. CAG has ensured the same by issuance of instructions in this regard vide Circular no. 23-Staff Wing/2016 & No. 39-Staff(Entt-I)/184-2014 dated 20.06.2016 to treat SAS passed AAO as Direct Recruitment for the purpose of MACP and such treatment is not given in other Organized Accounts Cadres including IP&TAFS) Group 'B' cadre. The Recruitment Rules of AAOs in all Organized Accounts Cadres are similar and having the element of Direct Recruitment. Hence, parity of treatment of AAOs across all Organized Accounts Departments is much required to establish justice for further financial upgradation from AAO entry. 8th CPC may recommend to ensure equal treatment of AAOs among all Organized Accounts Cadres. Further, it is also requested to grant minimum 5 MACP Financial upgradations to all Cadres in entire service.

7.2 MERGER OF AO AND SENIOR AO CADRE WITH GROUP A STATUS-REQUIREMENT OF PARITY AMONG ALL ORGANIZED ACCOUNTS CADRE:

The cadre of Sr. AOs in P&T Accounts continues to face a long-standing anomaly in comparison with other Organized Accounts Services. While Sr. AOs discharge supervisory, financial advisory, and quasi-administrative functions equivalent to Group 'A' officers, they are still classified below Group 'A' in P&T Accounts. This is despite the fact that, pursuant to the judgment of the Hon'ble Delhi

High Court (2013) upheld by the Hon'ble Supreme Court on 21.08.2018, denial of Group 'A' status to similarly placed Accounts/Audit Officers was held to be arbitrary and inconsistent with service conditions. Following these judicial directions, the Government granted Group 'A' status to Sr. AOs in IA&AD, Civil and Defence Accounts, as reflected in official orders.

Further, structural reforms have already been implemented in other Organized Accounts Cadres by merging the posts of Accounts Officer (AO) and Senior Accounts Officer (Sr. AO), recognizing their functional similarity, and corresponding Recruitment Rules have been aligned accordingly vide CAG circular no. 49-Staff(App I)/2019 issued under letter no. 1376-Staff(App I)/16-2018 dated 22.11.2019, CGA OM no. F.No. A-65061(55)79/2023-Group B-CGA-686 dated 18.09.2023 and CGDA OM No. AN/VIII/8210/RR/SAO/2021/P-212 dated 08.08.2023. However, P&T Accounts has not adopted these reforms even though Minister of Communications approved Group A Status to Senior AOs in P&T Accounts, resulting in disparity in cadre structure, denial of status parity, and stagnation in career progression.

In view of the binding judicial pronouncements, established administrative precedents, and the principle of "Equal Pay and Status for Equal Work," it is proposed that the 8th CPC recommend (i) merger of the posts of Accounts Officer and Senior Accounts Officer in P&T Accounts in view of Grant of Group A Status (ii) grant of Group 'A' status to the merged Sr. AO cadre, in strict parity with other Organized Accounts Services

7.3 MERGER OF ALL ORGANIZED ACCOUNTS CADRES WITH CGA AND CREATION OF CENTRALIZED UNION ACCOUNTS GROUP B AND CENTRALIZED UNION ACCOUNTS GROUP A CADRES SIMILAR TO MERGER OF ALL DEPARTMENTALIZED AUDIT CADRES AND CREATION OF CENTRALIZED AUDIT CADRES UNDER THE CONTROLLER GENERAL OF ACCOUNTS:

The separation of accounts from audit and the subsequent Departmentalization of Accounts in 1976 was a major administrative reform intended to improve the financial competence of Ministries and make accounts an effective tool of management. Consequently, separate Organized Accounts Cadres were maintained or created, including the Indian Civil Accounts Service, Indian Defence Accounts Service, Indian Railway Accounts Service, and the Indian P&T Accounts and Finance Service. While this fragmented system served the manual accounting era of the late 20th century, it has now become structurally obsolete, leading to severe administrative bottlenecks, unequal career progression, and an inefficient siloing of human resources.

The primary justification for maintaining separate departmental accounts cadres was the geographical and functional isolation of physical records. Today, the rapid computerization of accounting data has fundamentally transformed this landscape. With the advent and universal implementation of the Public Financial Management System, centralized access to compilation, booking, and consolidation of accounts is an established reality. The technological barriers that once necessitated separate Accounts Departments for Posts, Telecommunications, Defence, and Railways no longer exist. Maintaining separate cadres in an era of unified digital accounting is an administrative redundancy that results in unnecessary overhead and duplication of efforts.

The necessity of centralized cadre management has already been recognized and implemented by the Supreme Audit Institution of the country. The CAG has recently dismantled its fragmented cadre controls by merging separate offices and creating centralized cadres for Central Revenue Audit and Central Expenditure Audit at the AAO and SAO levels, effective 01.01.2026. The CAG officially noted that fragmented control across multiple Cadre Controlling Authorities led to "inconsistent staffing, reduced mobility, and suboptimal alignment with organizational needs". The

executive accounting apparatus under the Union Government suffers from the exact same systemic flaws and requires the identical structural remedy: a merger of all Organized Accounts Cadres into a single, centralized entity under the CGA.

For a centralized accounts structure to function effectively, the merger cannot be restricted solely to Group A officers. It is imperative that the feeder cadres at the Group B (AAO, AO, SAO) and subordinate levels across IP&TAFS, IDAS, IRAS, and Civil Accounts are fully integrated. Merging the Group B cadres is essential to draw a unified inter-se seniority list, ensuring that promotion prospects to Group A are equitable across all previously separated departments. Currently, promotion avenues are highly skewed depending on the size and stagnation levels of the individual departmental cadre. A single, unified cadre will allow for standardized, high-level training in modern management accountancy, replacing the fragmented and often unequal training capacities of individual departments.

The current fragmented nature of smaller cadres, such as IP&TAFS, often results in frequent and disruptive All-India transfers due to a limited pool of officers available to fill pan-India vacancies. A unified, massive centralized cadre under the CGA would allow for a more humane and scientifically managed Human Resource policy. Drawing inspiration from the recent CAG reforms, a unified cadre can implement a centralized Transfer and Posting Policy that utilizes a "Base Station" and "Choice Stations" methodology. This allows employees to maintain geographic stability while giving the administration a vastly larger pool of personnel to deploy according to functional requirements, thereby improving both morale and productivity.

In light of the technological unification of government accounting, the pressing need for equitable career progression, and the precedent set by the CAG, this Association strongly urges the 8th Central Pay Commission to recommend the complete merger of all Organized Accounts Cadres (IP&TAFS, IDAS, IRAS, and ICAS)—including their respective Group B and subordinate feeder cadres—into a single **Centralized Union Accounts Service** under the administrative control of the Controller General of Accounts.

7.4 REDUCTION OF DR QUOTA IN JTS TO 40%:

The posts of Assistant Accounts/Audit Officer are filled up through LDCE from Departmental employees who pass SAS Examinations and also through Direct Recruitment from SSC or through Deputations. The cadre strength of Organized Accounts Cadre from AAO to JTS are furnished below.

Name of Posts	Posts in various Departments			
	P&T	Defence	CGA	CAG
AAO	1208	3690	2153	11936
AO/Sr. AO (Merged)	470	2108	1159	5510
JTS/Non-IAAS Promotional Posts to Sr. AO	88 (Only 44 Posts for SCF 50% Quota)	167 (Only 83 Posts for SCF 50% Quota)	80 (Only 40 Posts for SCF 50% Quota)	127 (Only 64 Posts for SCF 50% Quota) and 172 Non-IAAS Group A DAG/DD Posts in CAG. Total 236 Posts

Promotion from Post to Post	Ratio between promotional posts resulting stagnation			
	P&T	Defence	CGA	CAG
AAO to Sr. AO	2.6 : 1	1.8 : 1	1.9 : 1	2.2 : 1
Sr. AO to JTS/ Non-IAAS Promotional Posts to Sr. AO	11 : 1	25 : 1	29 : 1	23 : 1
AAO+Sr. AO to JTS/ Non-IAAS Promotional Posts to Sr. AO	38 : 1	70 : 1	83 : 1	74 : 1

While observing the stagnation at AAO Cadre, it is evident that reaching any pay level beyond Level 10 by AAOs becoming impossible to reach in entire service by most of the cadre men. Further, even though Sr. AOs are granted Group A status, they are not treated at par which Organized Group A Service Officers who are getting time-bound NFU irrespective of their promotions when their junior get promoted as per DOPT OM no. AB.14017/64/2008-Estt.(RR) dated 24.04.2009. This is huge injustice to the Organized Accounts Cadre.

Hence, this Association requests to reduce DR Quota to Organized Group A services to 40% and provide 60% SCF Quota opportunity to Promotee Officers(SAOs).

8 - Career Progression

Q8. What concerns / views do you face related to Career Progression? (1274 Characters)

8.1 REDUCE RESIDENCY PERIOD FROM 7 YEARS TO 2 YEARS FOR PROMOTION FROM AAO TO SR. AO GROUP A IN ORGANIZED ACCOUNTS CADRE:

As per Recruitment Rules of Senior Accounts Officer Group A, the residency period in feeder cadre AAO for promotion is fixed as 7 years regular service in all Organized Accounts Cadre where Group A status has been implemented except in P&T Accounts where only the implementation is pending even though approval of Minister for Communications has been obtained for grant of Group A Status. As per DOPT OM No. AB-14017/4/2021-Estt.(RR) dated 20.09.2022, the minimum qualifying service required for promotion from Pay Level 8 to Pay Level 10 is only 4 Years. However, 7 years' service is prescribed for promotion from AAO @ Level 8 to Senior AO Level 10 in revised RR of Sr. AO in CGDA, CAG and CGA Departments. Further, as per the ibid DOPT OM, the minimum qualifying service required for promotion from Pay Level 9 to Pay Level 10 is only 2 Years. As justified in Para 1.2, the Pay Level of AAO should be upgraded to Pay Level 9. Furthermore, promotions from AAO to Senior AO should be granted by reducing the residency period in the AAO Cadre from 7 years to 2 years bringing it in line with the DOPT OM No. AB-14017/4/2021-Estt.(RR) dated 20.09.2022.

9- Retirement Benefits

Q9. What concerns / views do you face related to Retirement Benefits? (5837 Characters)

Before proceeding for our demands on Pensionary benefits, we wish to state that we are in full agreement with JCM on the demand for 67% pension of the last pay drawn and the implementation of Civil OROP with 5% quantum increases every 5 years.

9.1 REQUIREMENT OF REFORMS IN CURRENT PENSION SYSTEM:

Pension is not a bounty but a deferred wage earned through years of service, and the Hon'ble Supreme Court in Deokinandan Prasad vs. State of Bihar has affirmed it as a fundamental right and a vital social security measure. In this context, the Association strongly demands full restoration of the Old Pension Scheme (OPS) for all Central Government employees. The shift to the National Pension System (NPS) and later the Unified Pension Scheme (UPS) has introduced uncertainty due to market linkage, whereas OPS ensured a guaranteed defined benefit of 50% of last basic pay with full inflation protection. Restoring OPS is essential to ensure dignity, parity, and financial security for all employees after retirement.

Without prejudice to this primary demand, if the contributory system continues, certain structural reforms are necessary. The Government contribution under NPS should be increased from 14% to 18%, and employees under UPS should be allowed an additional voluntary contribution to strengthen their retirement corpus. The pooled corpus under UPS must be subject to periodic actuarial review, and partial withdrawal limits should be enhanced to 40% for important life needs such as housing and education and the present partial withdrawal restricted to partial withdrawal from Employee Contribution should be extended to Employer Contribution also. These measures will improve financial adequacy and flexibility for employees.

Further, the conditions under UPS need rationalization to make them fair and practical. The qualifying service for full pension should be reduced from 25 years to 20 years, with a more equitable pro-rata system for those with shorter service. Market linking should be removed. The Government must assure a minimum pension of 50% of the Last Pay Drawn (plus DA) without linking it to the benchmark corpus. The current system causes a proportionate reduction in pension, if the return on benchmark corpus falls below the individual corpus, effectively nullifying the purpose of a pooled fund. Further Pension at 50% of Last Pay Drawn should start immediately from the date of Voluntary Retirement ensuring right to life of pensioner.

Finally, a strong sovereign guarantee must back all pension commitments to ensure that retirement security is not dependent on market performance. Employees who retired under NPS before the introduction of UPS should be granted arrears if they opt for the new system. Overall, the 8th CPC has an opportunity to correct the existing social security gap and ensure that no government employee faces financial uncertainty after retirement.

9.2 APPLICABILITY OF GPF OR INTRODUCTION OF A DEDICATED FUND SCHEME FOR NPS/UPS EMPLOYEES:

The introduction of the National Pension System (NPS) and the Unified Pension Scheme (UPS) has significantly altered the retirement landscape for government employees. A glaring omission in these frameworks is the absence of a reliable, government-backed savings mechanism akin to the General Provident Fund (GPF). The GPF has traditionally served as a crucial financial safety net, allowing employees to save systematically for major life events and unforeseen medical emergencies. Currently, NPS and UPS employees are deprived of this zero-risk, interest-bearing sanctuary, as market-linked Tier-II accounts do not offer the

guaranteed security that government servants require. Therefore, we strongly demand that the GPF scheme be extended to all employees covered under NPS and UPS, or a dedicated, risk-free statutory Provident Fund scheme be instituted exclusively for them. Furthermore, the current ceiling on partial withdrawals under the NPS is overly restrictive and must be substantially relaxed to allow employees meaningful access to their own accumulated funds during life emergencies. In tandem with this, the administrative withdrawal provisions within the existing GPF framework must be made significantly smoother, faster, and free from unnecessary bureaucratic hurdles. Implementing these comprehensive measures will ensure equitable social security and vital financial flexibility for all classes of government employees.

9.3 COMMUTATION OF PENSION (11 YEARS) & REVISION OF COMMUTATION FACTOR:

Under the current CCS (Commutation of Pension) Rules, 1981, the restoration of the commuted portion of an employee's pension occurs only after a lengthy 15 years. This 15-year recovery period is highly excessive and mathematically unjustified, as the Government typically recovers the commuted amount along with interest much earlier, usually within 10 to 11 years. Continuing to deduct the commuted amount for a full 15 years results in a harsh and unfair financial penalty on aging pensioners during their most vulnerable years. Furthermore, the Commutation Factor Table currently in use has not been updated or revised since 2008. This severely outdated factor fails entirely to account for current interest rates, improved life expectancy, and modern actuarial realities. As a direct result, retiring employees face an estimated 16.8% financial loss upon commuting their pension. Therefore, we firmly demand that the commuted portion of the pension be fully restored after 11 years instead of the existing 15 years. Alongside this, it is absolutely imperative that the Commutation Table and the Commutation Factor be immediately revised to reflect current economic indices. These dual measures will ensure pensioners receive their rightful financial dues without facing unjustified, lifelong monetary deductions.



**/M. SUDHAKAR/
GENERAL SECRETARY**

ANNEXURE I to Para 1.4 – RULE 10 ANOMALY		
Service Particulars of	EMP- 01	EMP-2
Date of Joining	10.04.2007	13.01.2009
Pay Level in PA Cadre	Level- 4	Level- 4
MACP-I detail	10.04.2017 (level-5)	MACP not granted
DNI of the official	Jan-2018	Jul-2018
Total length of service as on 01.04.2018	10Y 11 Mon	9Y 2 Mon
Eligibility for AAO Exam-2018	Yes	Yes
Service eligibility claim (maximum 2 Year)	No	No
Date of Joining in AAO Cadre	08.10.2018	08.10.2018
Basic Pay of PA Cadre before joining to AAO Cadre	Rs.38100/- (Level-5)	Rs.35300/- (Level-4)
Initial Pay in AAO on Oct-2018	47600 (Level-8)	47600 (Level-8)
Pay in AAO on Jan-2019	47600 (Level-8) (Increment not given)	47600 (Level-8)
Pay in AAO on July-2019	47600 (Level-8) (Increment not given)	49000 (Level-8)
Pay in AAO on Jan-2020	49000 (Level-8) (in view of Rule-10 clarification- on change of DNI)	49000 (Level-8)
Pay in AAO on July-2020	49000 (Level-8)	50500 (Level-8)
Pay in AAO on Jan-2021	50500 (Level-8)	50500 (Level-8)
Pay in AAO on July-2021	50500 (Level-8)	52000 (Level-8)
Pay in AAO on Jan-2022	52000 (Level-8)	52000 (Level-8)
Regular AO Promotion	AO w.e.f 20.05.2022 & Opt Pay fixation from DNI	AO w.e.f 23.05.2022 & Opt Pay fixation from DNI
Pay in AO cadre	53100 (Level-9)	53100 (Level-9)
Pay in AO on Jul-2022	53100 (Level-9)	56300 (Level-9)
Pay in AO on Jan-2023	56300 (Level-9)	58000 (Level-9)
Pay in AO on Jul-2023	58000 (Level-9)	58000 (Level-9)
Pay in AO on Jan-2024	58000 (Level-9)	59700 (Level-9)
Pay in AO on Jul-2024	59700 (Level-9)	59700 (Level-9)
Regular SR. AO Promotion	SR. AO w.e.f 01.01.2025 & Opt Pay fixation from DNI	
Pay in Sr. AO 01.01.2025	61300 (Level-10)	65000 (Level-10)
Pay in Sr. AO on Jul-2025	65000 (Level-10)	67000 (Level-10)
Conclusion	In view of above particulars, it is clear that the EMP-02 official of PA Cadre taking service eligibility for appearing AAO Exam 2018, which was drawing less pay in PA cadre then EMP-01 Official.	

	<p>Further MACP was also not given to EMP-02 and he was getting less pay the EMP-01 official.</p> <p>After implementation of DOP HQ order dated 08.11.2024 forwarded by PA Wing vide letter dated 09.12.2024, the Official EMP-01 having long length of service is drawing less pay, whereas EMP-02 getting more Pay.</p>
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ANNEXURE II to Para 1.4- Rule 10 ANOMALY		
Service Particulars	EMP- X	EMP-Y
Date of Joining	18.03.2011	04.07.2014
Pay Level in PA Cadre	Level- 4	Level- 4
MACP-I detail	19.03.2021(level-5)	MACP not granted
DNI of the official	Jan-2022	Jul-2022
Total length of service as on 01.01.2022	10Y 10 Months	07Y 05 Months
Eligibility for AAO Exam-22	Yes	No
Eligibility claimed from eligible Junior	No	Yes (1Y 07 Months)
Service eligibility claim (maximum 2 Year)	No	Yes
Date of Joining in AAO Cadre	14.12.2022	19.12.2022
Basic Pay of PA Cadre before joining to AAO Cadre	Rs.38100/- (Level-5)	Rs.32300/- (Level-4)
Initial Pay in AAO on Dec-2022	47600 (Level-8)	47600 (Level-8)
Pay in AAO on Jan-2023	47600 (Level-8) (Increment not given)	47600 (Level-8)
Pay in AAO on July-2023	47600 (Level-8) (Increment not given)	49000 (Level-8)
Pay in AAO on Jan-2024	49000 (Level-8) (in view of Rule-10 clarification- on change of DNI)	49000 (Level-8)
Pay in AAO on July-2024	49000 (Level-8)	50500 (Level-8)
<p>EMP-Y has less length of regular service in PA Cadre comparison to EMP-X and EMP-Y was also drawing less pay before joining to AAO cadre. After implementation of said OM dated 07.11.2024, EMP-Y is getting more pay in AAO cadre from EMP-X.</p>		

ANNEXURE III TO PARA 1.5 – MACP ANOMALY

Mr. X and Mr. Y both belong to the PA/ cadre. The Date of Entry (DOE) of both officials is June 1998 and November, 1999 respectively. Both the officials were promoted as AAO and the cadre on 01.10.2018 after qualifying the LDCE-2018 and secured their ranking in the LDCE-2018 556 and 697 respectively.

ANNEXURE III TO PARA 1.5 - MACP ANOMALY		
Service Particulars	Mr.- X	Mr.-Y
PA Induction Training Period (90 days)	09.06.1998 to 07.09.1998	02.08.1999 to 31.10.1998
Date of Joining in PA Cadre	08.09.1998	01.11.1999
Pay Scale on Date of Joining	4000-100-6000	4000-100-6000
Pay as on 31.12.2005	4800 (Additional increment was allowed due to join in between February to June under 6 th CPC)	4600
Pay as on 01.01.2006	11,330/-	10,960/-
MACP I date	23.09.2008	02.12.2009
Pay as on 23.09.2008	13,160/-	11,980/-
Pay as on 02.12.2009	13,560/-	13,110/-
Pay as on 31.12.2015	16220/-	15,690/-
Pay fixed on 01.01.2016	42800@L5	40400@L5
MACP II date	25.09.2018	02.12.2019
Pay as on 25.09.2018	49,000/- @ L6 (Opted fixation on date of MACP II)	44100 @ L5
Total length of service as on 01.10.2018	20 yrs. 3 Months	18 yrs. 11 Months
Date of Promotion as AAO	01.10.2018	01.10.2018
Pay as on 01.10.2018	49,000/- @ L8	47600/- @L8. No fixation. Only placement.
DNI of the official	July, 2019	July, 2019
Pay as on 02.12.2019 (MACP II date of Y)	50500@L8	53100@L9. Opted for DNI. Next higher Cell in L9.
Annual Increment	Every July	Every January
Pay as on 01.07.2020	52000@L8	54700@L9
Pay as on 01.01.2021	52000@L8	56300@L9
Pay as on 01.07.2021	53600@L8	56300@L9
Pay as on 01.01.2022	53600@L8	58000@L9
Pay as on 01.07.2022	55200@L8	58000@L9
Date of Next NFU	01.10.2022	No NFU, since MACP got in advance before NFU
Pay as on 01.10.2022	56300@L9	58000@L9

Pay as on 01.01.2023	56300@L9	58000@L9
Pay as on 01.07.2023	59700@L9	59700@L9
Annual Increment after DNI Option	Every January	Every January
Pay as on 01.01.2024	61500@L9	61500@L9
Pay as on 01.07.2024	61500@L9	61500@L9
Pay as on 01.01.2025	63300@L9	63300@L9
<p>It is noticed that after promotion to the AAO cadre, Mr. X, AAO, is drawing lesser Grade Pay than Mr. Y, AAO, despite Mr. Y being junior to him either in the PA cadre or in the AAO cadre. Therefore, the matter may kindly be clarified and the anomaly removed accordingly.</p>		