OFFICE MEMORANDUM

Subject: Incentive for acquiring higher qualification.

...

The system of giving incentives in the form of advance increments to those employees who acquire higher qualifications which are useful in the discharge of their official work has been engaging the attention of the Govt. in the light of the recommendations made by the Fourth Pay Commission. In order to streamline the system with a view to have uniformity, the Committee of Secretaries reviewed the existing scheme in various Ministries/Departments and felt that there is a clear need for switching over from the present system of advance increments to a system of payment of one time lump-sum incentive. Accordingly from the current financial year the present system of giving advance increments shall be replaced by grant of lump-sum amount as incentive for which the following guidelines may be adopted:

(i) No incentive shall be allowed for acquiring higher qualification purely on academic or literary subjects. Incentives should be considered only if the higher qualification will make the official more effective in the present or next higher assignment. Incentives need not be considered for qualifications like MBA or Degree in Humanities. Incentives may be given for Engineering Degree, Accountancy, Computer Sciences and Post Graduate Degree in Medicine and the like;

(ii) The quantum of lump-sum, one time incentive shall be based on qualification without any relation to increment or level/grade of the officer.

(iii) A Central Govt. employee who acquires higher qualification by taking study leave will not be eligible for any incentive. This condition will not apply to Members of the Armed Forces and will be applicable only to civilian employees of Ministry of Defence;

(iv) Incentive payment should be given only for higher qualification acquired after induction into service and will not apply for the incentives now being given in the existing schemes for possession of higher qualification at an entry stage;

(v) No incentive would be admissible if an appointment is made in relaxation of the educational qualification. No incentive would be admissible if the employee acquires the requisite qualification for such appointment at a later date;
No stepping up of pay shall be allowed in the case of judges by virtue of drawing more pay under the head of advance increments.

The Committee of Secretaries has also directed for a Centralised Committee comprising JS(E), DOPT, JS(M), Ministry of Finance and representatives of Railways, Defence, Education, and Telecommunications for drawing up the list of qualifications which would entitle sanction of lump-sum incentive. The Committee will lay down the standard scales of incentives based on qualification. Pending the formulation of such standard scales of incentive based on qualification, all Ministries and Departments may review their existing schemes in the meantime and final guidelines. The standardised scale of incentive finally approved by the Government would be communicated to the Departments in due course so that Ministries and Departments regulate the quantum of incentives accordingly.

3. Hindi version will follow.

( T.O. THOMAS)
UNDER SECRETARY TO THE GOVT

To

All Ministries & Departments of Govt. of India

(as per Standard Mailing list)

No. 1/2/69-Estt.(Pay-I) dated the 23 June, 1989

1. The Comptroller & Auditor General of India and all States under his control.


3. Secretaries to Union Public Service Commission, Supreme Court of India/Election Commission/Doi Secretariat/Rajya Sabha Secretariat/Cabinet Secretariat/Central Vigilance Commission/President's Secretariat/President's Secretariat/Prime Minister's Secretariat/Planning Commission.

4. Department of Personnel & Training (AIS Division)/JCA/Admn. Section.

5. Additional Secretary (Union Territories), Ministry of Home Affairs.