

No.F.2(46)-E.III(A)/60 Pt.II of 1966  
Government of India  
Ministry of Finance  
Department of Expenditure

New Delhi, the 7th February, 1968.

OFFICE MEMORANDUM

Subject:- Scope of Fundamental Rule 27.

In terms of the provisions of F.R. 27, subject to any general or special orders that may be made by the President in this behalf, an authority may grant a premature increment to a Government servant on a time-scale of pay if it has power to create a post (permanent or temporary) in the same cadre on the same scale of pay. The utility of this rule lies in its applicability to cases of fixation of pay where the application of normal rules gives rise to extreme hardship or difficulties. The main rules governing the fixation of pay on promotion or on initial appointment to a post are F.R. 22 and F.R. 22-C. The Ministries or other competent authorities may, in their discretion, fix the pay of a Government servant at a stage higher than that permissible under F.R. 22 by invoking the powers under F.R. 27. There are, however, certain limitations to the use of this discretion; for example, it is a long established convention that F.R. 27 should not be resorted to in any case in order to give a higher initial pay than that recommended by the U.P.S.C. In this connection, our Office Memorandum No.F.10(2)-Est.III/55, dated 15.2.55 refers. It was also clarified in our O.M. No.F.2(46)-E.III(A)/60, dated the 5th August, 1960 that the powers to disregard the provisions of F.R. 22 must be exercised with discrimination and that recourse should not be taken to F.R. 27 so often as to reduce F.R. 22 to a mere nullity.

2. The exercise of powers under F.R. 27 has been further reviewed and the President is pleased to decide that these powers shall not be used by the Ministries or other competent authorities to grant premature increments:-

- i). as reward for meritorious work;
- ii) in disregard of the advice given by the Ministry of Finance in any individual case of fixation of pay;
- iii) in disregard of the normal rules governing fixation of pay except in cases of hardship or where the circumstances are unusual; or

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- iv) to take into account the monetary equivalent of certain perquisites allowed, special pay drawn, or deputation allowance granted in a previous post, for the purpose of fixing the initial pay on appointment to another post where monetary benefits are not permissible.

3. These orders do not affect the use of F.R. 27 where specifically allowed under special Government orders already in existence.

4. In so far as persons serving in Indian Audit and Accounts Departments are concerned, these orders are issued after consultation with the Comptroller and Auditor-General.

*[Signature]*  
( V. DORAI SWAMY )  
DEPUTY SECRETARY TO THE GOVERNMENT OF INDIA.

To

All Ministries/Departments of Government of India,  
etc. etc.