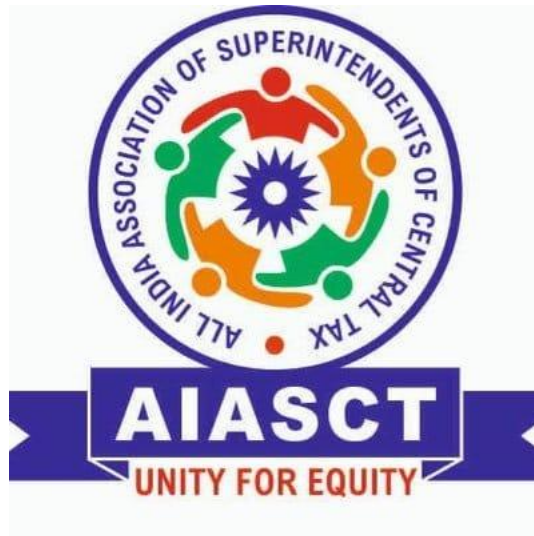


DRAFT MEMORANDUM
FOR
SUBMISSION BEFORE
THE 8TH PAY COMMISSION
(Detailed)



Prepared by:

The AIASCT Committee Members

(Constituted vide AIASCT Letter AIASCT/49/CBIC/2025-26 dated 19.03.2026)

Raju Halder, Kolkata
Prabodh S, Kerala
Sonu Kumar, Pune
Badri Vishal, Chennai

Ashutosh Kumar, Chennai
Bhaskarnath, Kerala



ALL INDIA ASSOCIATION OF SUPERINTENDENTS OF CENTRAL TAX

(Formerly known as AIACEGEO)

[Recognised vide CBIC Letter F. No. E-12017/02/2021 – AD IVA dated 22/04/2022]

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Date: 19.03.2026

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CIRCULAR

After due deliberation, a resolution was passed during the XVI All India Convention held on 12th-13th March 2026 at Coimbatore to constitute a Committee for preparing the draft Memorandum for submission before the 8th Pay Commission.

Accordingly, in terms of Article 10 (C) (viii) of the Constitution of the All India Association of Superintendents of Central Tax (AIASCT), the following members are being nominated to the Committee for drafting the Memorandum:

Sl.No	Name (Shri)	Unit	Contact No
1.	Prabodh S	Kerala	9995361697
2.	Raju Halder	Kolkata	9547211210
3.	Badri Vishal	Chennai	8544170168
4.	Sonu Kumar	Pune	7038748049

The Committee shall examine pay matter, allowances and allied issues related to our cadre directly or indirectly, falling within the scope of terms of references of the 8th pay commission and submit a comprehensive draft Memorandum (to be submitted before 8th Pay Commission) on or before 15th April 2026 to the Secretary General for placing it before the Central Committee and the Central Executive Committee. Units may submit their suggestions/inputs by 31.03.2026, through e-mail: aisacbitc@gmail.com.


(Rabish Chandra)
Secretary General

To

1. All the Members of the Committee
2. The Members, Central Executive Committee

Address for Correspondence and Communications:
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MEMORANDUM TO THE 8TH CENTRAL PAY COMMISSION

(BY All India Association of Superintendents of Central Tax)

1. PAY LEVEL ISSUE:

I. Introduction:

The Central Board of Indirect Taxes and Customs (CBIC), functioning under the Department of Revenue, Ministry of Finance, Government of India, is the apex body responsible for administration and enforcement of indirect tax laws, including the Goods and Services Tax (GST), Customs, Central Excise, and allied fiscal legislations. The Board plays a pivotal role in revenue mobilisation, trade facilitation, and economic enforcement, thereby contributing significantly to the fiscal stability and governance framework of the country.

Within this institutional framework, the posts of **Inspector and Superintendent of Central Tax** constitute the core executive machinery of field formations across CGST, Customs, and various Directorates. These officers are deployed in a wide spectrum of functional areas including assessment, audit, anti-evasion, investigation, intelligence, adjudication, and compliance verification, both in domestic taxation as well as in international trade environments such as ports, airports, and land customs stations.

The role of these cadres has undergone a substantial transformation, particularly in the post-GST regime, evolving into a **technology-driven, intelligence-based, and enforcement-oriented function**. Officers are entrusted with highly demanding responsibilities including investigation into tax evasion, intelligence collection, anti-smuggling operations, search and seizure, adjudication, and prosecution under GST, Customs, and Central Excise laws. Superintendents, as Group 'B' Gazetted officers, additionally exercise **quasi-judicial powers**, such as adjudication of cases, confirmation of tax liabilities, and imposition of penalties, involving significant legal accountability and independent decision-making.

Both Inspectors and Superintendents are regularly required to represent the Department before judicial and quasi-judicial forums, including the Hon'ble Tribunals and Courts. Further, they are frequently deputed to premier national agencies such as DRI, NIA, IB, CBI, ED, NCB, Competition Commission of India, and the Serious Fraud Investigation Office, where they handle complex investigations involving economic offences, smuggling, narcotics, and other matters of national importance. They also perform critical assignments such as Assistant Expenditure Observers during elections, reflecting the high degree of trust and responsibility reposed in the cadre.

Despite identical recruitment through a common national examination (SSC-CGL), **at Inspector grade**, comparable or in many cases broader field responsibilities, higher risk exposure, and wide-ranging deputation opportunities, these cadres continue to remain placed at comparatively lower pay levels vis-à-vis similarly situated investigative and enforcement organisations. At the same time, they contribute significantly to national revenue mobilisation, accounting for a substantial share of the Government's total tax collection.

Notwithstanding the criticality, complexity, and expansion of their functional role, the existing pay structure and career progression framework have not kept pace with these evolving responsibilities. This has resulted in structural concerns relating to **stagnation, pay compression, and distortion of horizontal and vertical relativities** vis-à-vis comparable posts across departments.

In this context, the present memorandum seeks rationalisation of the pay structure and career progression of the Inspector and Superintendent cadres, in light of:

- i. Substantial expansion in functional responsibilities, particularly in the GST era,
- ii. Structural stagnation and limited promotional avenues,
- iii. Distortion in horizontal and vertical pay relativities vis-à-vis comparable cadres,
- iv. Principles and guiding frameworks laid down by previous Central Pay

<u>Summary of Core Demand</u>
The present memorandum seeks limited and rationalised corrections in the pay structure of the Inspector and Superintendent cadres in CBIC, focusing on the following core measures: i. <u>Upgradation of Inspector (CBIC/CBDT)</u> from Pay Level 7 to Pay Level 8, restoring parity with analogous cadres. ii. <u>Upgradation of Superintendent (CBIC)</u> from Pay Level 8 to Pay Level 9, to reflect supervisory, enforcement, and quasi-judicial responsibilities. iii. <u>Introduction of Non-Functional Upgradation (NFU) to Pay Level 10 after 4 years</u> of service in Level 9, as an independent progression mechanism. iv. <u>Targeted rationalisation of career progression and function-linked allowances</u>, to address stagnation and operational requirements.

Commissions.

II. Pay Parity – Inspector Cadre (CBIC vis-à-vis CBI & IB):

A consistent and well-recognised principle in public service pay structure has been the maintenance of **horizontal parity among posts with comparable recruitment standards, duties, and responsibilities**.

In this context, it is submitted that **Inspectors of Central Excise/Customs/Income Tax (CBIC/CBDT), Inspectors of CBI, and ACIO Grade-I of IB** historically constituted a **homogeneous class of Inspector-level cadres**, with identical pay scales and broadly comparable functional profiles.

(i) Historical Position:

Till the 4th Central Pay Commission (effective from 01.01.1986), complete parity existed among these cadres, all being placed in the pay scale of **₹1640–2900**.

This long-standing parity was **disturbed without any clearly established functional or administrative justification** vide Government of India notification dated 22.09.1986, wherein:

- i. Inspectors of CBI and ACIO Grade-I (IB) were upgraded to **₹2000–3200**
- ii. CBIC/CBDT Inspectors were retained at **₹1640–2900**

While functional distinctions may exist, the underlying recruitment framework and core investigative responsibilities remain broadly comparable.

(ii) Developments Across Pay Commissions:

Subsequent Pay Commissions and Government decisions have repeatedly **disturbed and restored this parity**, as summarised below:

Table: Evolution of Pay Parity – Inspector Level

Sl. No.	Pay Commission Stage	CBIC/CBDT Inspectors	CBI / IB Inspectors	Status
i	Till 3rd CPC	₹1640–2900	Same	Complete Parity
ii	4th CPC (1986)	₹1640–2900	₹2000–3200	Parity Disturbed
iii	5th CPC	₹5500–9000	₹6500–10500	Parity Disturbed

iv	2004 (Post CAT Judgment)	₹6500–10500 (notional 01.01.1996)	Same	Parity Restored
v	6th CPC (Initial)	PB-2 + GP ₹4200	PB-2 + GP ₹4600	Parity Disturbed
vi	6th CPC (Post-2009)	PB-2 + GP ₹4600	PB-2 + GP ₹4600	Parity Restored
vii	7th CPC (Present)	Pay Level 7	Pay Level 8	Parity Disturbed

(iii) Key Observations:

- i. Pay parity between these cadres has been **repeatedly recognised and restored**, including through judicial intervention (CAT, Jabalpur).
- ii. The **5th CPC itself recommended parity**, though it was not implemented initially.
- iii. The Government, after anomaly correction in 2009, **accepted parity as a valid principle** by granting identical Grade Pay.
- iv. The **7th CPC once again disturbed this parity**, without any corresponding change in duties, recruitment standards, or functional requirements.

(iv) Present Position:

At present:

- i. **Inspector (CBIC/CBDT)** at Pay Level 7 (entry grade),
- ii. **Inspector (CBI) & ACIO Grade-I (IB)** at Pay Level 8 (entry grade).

This has resulted in a **fresh and continuing anomaly**, wherein similarly placed cadres are treated unequally in the pay structure.

(v) Principle of Parity and Its Applicability:

It is a settled principle, supported by past Pay Commission approaches and judicial pronouncements, that:

- i. **Parity once established should not be disturbed without strong functional justification**
- ii. **Comparable posts with similar recruitment and duties should be placed in similar pay structures**

In the present case:

- i. Recruitment continues through the **same national-level examination (SSC-CGL)**

- ii. Nature of duties remains **comparable, and in several aspects broader in CBIC**, including revenue enforcement and multi-agency deployment
- iii. No structural or functional justification exists for the present disparity

(vi) Proposal:

In view of the above, it is respectfully submitted that:

- i. The post of **Inspector (Central Tax/Customs)** may be **upgraded from Pay Level 7 to Pay Level 8**,
- ii. Thereby restoring long-standing parity with Inspectors of CBI and ACIO Grade-I of IB.

III. Functional Role and Importance of Superintendent of Central Tax (CBIC):

Superintendents of Central Tax discharge a **multi-dimensional executive role** within the framework of indirect tax administration, encompassing a combination of revenue, enforcement, quasi-judicial, and technology-driven functions. The position represents the **critical operational interface between policy formulation and field-level implementation**, thereby playing a central role in ensuring compliance, safeguarding revenue, and enforcing fiscal laws.

The functional responsibilities of the post may be broadly categorised as follows:

i. Revenue Functions:

- i. Conduct of GST audit, scrutiny, and verification of taxpayer records
- ii. Monitoring of compliance and detection of revenue leakages
- iii. Safeguarding government revenue through timely intervention and corrective action

ii. Enforcement Functions:

- i. Exercise of statutory powers including search, seizure, and arrest under applicable laws
- ii. Conduct of anti-evasion operations and investigation of tax frauds
- iii. Intelligence gathering, analysis, and development of cases involving organised tax evasion

iii. Quasi-Judicial Functions:

The post of Superintendent of Central Tax involves discharge of significant **quasi-judicial functions**, including adjudication of cases, examination of evidence, interpretation of statutory provisions, and passing of legally sustainable orders under the CGST Act and allied laws.

These functions require:

- i. Application of legal principles and judicial discipline,
- ii. Independent decision-making with direct revenue implications,
- iii. Accountability for orders subject to appellate scrutiny before higher judicial forums.

It is respectfully submitted that, across Government, **posts entrusted with significant quasi-judicial responsibilities are often placed at higher pay levels**, recognising the degree of legal authority and accountability involved.

However, the present placement of Superintendents at **Pay Level-8** does not adequately reflect the nature and gravity of these functions, resulting in a mismatch between **functional responsibilities and pay structure**.

iv. Technical and Analytical Functions:

- i. Data-driven compliance monitoring under GST through advanced risk parameters
- ii. Use of integrated IT platforms and analytical tools for scrutiny, investigation, and reporting
- iii. Handling of complex, technology-enabled tax administration systems

These functions involves **significant legal authority, financial responsibility, and administrative accountability**. The post of Superintendent is unique in that it **integrates multiple domains of governance**, namely revenue administration, law enforcement, quasi-judicial decision-making, data-driven regulatory oversight.

Further, it is pertinent to highlight that in many field formations, Superintendents operate with **minimal or no dedicated subordinate support**, resulting in a disproportionately high compliance and enforcement burden. In contrast, comparable officers in State GST administrations are supported by larger teams, indicating a structural imbalance in workload distribution despite similar functional responsibilities.

In view of the above, the role is **functionally comparable to executive enforcement and adjudicatory posts across Government**, and warrants commensurate recognition in terms of pay structure and career progression.

IV. Existing Issues in Pay Structure with the Superintendent (CBIC):

(i) Pay Compression:

There is a clear transition from **field execution (Inspector)** to **supervisory, adjudicatory, and decision-making functions (Superintendent)**. The transition from the feeder grade of Inspector (Level 7) to the supervisory grade of Superintendent (Level 8) reflects a **disproportionately low financial progression**, despite a substantial increase in responsibilities, authority, and accountability.

While the role evolves from field-level execution to supervisory, enforcement, and quasi-judicial functions, the financial differentiation remains minimal, leading to **compression between the two levels**.

Implications:

i. Erosion of Hierarchical Distinction:

- i. The limited financial gap fails to reflect the functional hierarchy
- ii. Undermines the authority and status of the supervisory role

ii. Reduced Incentive for Higher Responsibility:

- i. Inadequate financial recognition discourages assumption of higher responsibilities
- ii. Impacts motivation and performance

(ii) Severe Stagnation:

The cadre is characterised by prolonged stagnation in career progression, arising from structural and vacancy-related constraints. In practice, the Modified Assured Career Progression (MACP) Scheme, originally conceived as a **safety net**, has effectively become the **primary mode of progression** for a large segment of officers, due to limited promotional avenues.

- i. The first promotion from Inspector to Superintendent often takes **10–15 years**,
- ii. Many officers receive only **two regular promotions** during their entire service,
- iii. Significant **inter-zonal disparities** exist in promotion timelines,

iv. Additional disparity arises vis-à-vis similarly recruited cadres such as Examiners and Preventive Officers, where comparatively faster promotional avenues exist, resulting in unequal career progression among officers selected through the same examination.

Consequences:

- i. **Reduced Morale and Motivation**- Lack of timely progression discourages performance and initiative,
- ii. **Loss of Administrative Efficiency**- Experienced officers remain in the same grade for extended periods,
- iii. **Systemic Imbalance**- unequal progression across zones leads to cadre dissatisfaction.

Stage	Average Time (Years)	Remarks
Inspector → Superintendent	10–15 years	Highly zone-dependent
Superintendent → Assistant Commissioner	8–12+ years	Severe bottleneck
Total Promotions in Career	1–2	In many cases

(iii) Structural Inequity in Career Progression

The existing promotion framework gives rise to **inherent structural inconsistencies**, particularly due to:

- i. Zonal seniority governing initial promotions
- ii. Subsequent integration into All India seniority at higher levels
- iii. Ratio-based promotions across different streams

Resulting Anomalies:

- i. Officers of the **same batch experience unequal career progression**
- ii. Situations arise where **junior officers become reporting officers**
- iii. Perceived inequity undermines fairness and cohesion within the cadre.

Parameter	Fast Zone	Slow Zone
Promotion to Superintendent	6–8 years	12–15 years

Promotion to AC	Earlier	Delayed significantly
Batch Seniority Outcome	Balanced	Distorted

(iv) Lack of Functional Compensation:

Despite the demanding nature of duties, there is **no structured compensation mechanism** reflecting the functional realities of the post.

There is no specific recognition of:

- Enforcement-related risk and operational exposure,
- Legal accountability arising from quasi-judicial functions,
- Extensive field-oriented duties and irregular working conditions.

This results in a **mismatch between functional demands and compensation framework**, particularly when compared with other enforcement-oriented posts.

Parameter	Superintendent
Enforcement Powers	High
Quasi-Judicial Role	Yes
Revenue Impact	High
Legal Accountability	High
Field Risk	High
Pay Level	Level 8 (Not commensurate)

This gap is further accentuated by the absence of any structured recognition for the **technical and legal expertise** required in adjudication, assessment, and interpretation of complex fiscal laws.

V. Comparative Analysis with Similar Posts:

A comparative assessment of analogous posts across Central and State tax administrations reveals **clear disparities in pay structure and career progression**, despite similarity in statutory functions, responsibilities, and field-level roles.

Comparative Table

Parameter	Superintendent (CBIC)	State GST Officer (West Bengal)	Assistant Commissioner (Tamil Nadu Commercial Taxes)	Assistant Audit Officer (CAG)	Income Tax Officer
Entry Level	Level 8	Equivalent State	Group 'A' entry level	Level 8	Level 8

		Executive Level	(State Service)		
Feeder Cadre	Inspector	State Tax Inspector / Officer	Direct recruitment / promotion	AAO	Inspector
Functional Scope	Enforcement + Adjudication + Audit	Assessment + Enforcement + Adjudication	Assessment + Enforcement + Adjudication	Audit & Compliance	Assessment + Enforcement
Statutory Powers	Search, Seizure, Adjudication	Similar GST powers	Similar GST powers	Limited	Assessment, Search
Field Responsibility	Range-level supervision	Range-level administration	Range-level administration	Limited field role	Moderate
Career Progression	Highly stagnated	Structured State service progression	Faster progression (Group 'A' track)	Faster progression	Relatively better

➤ **Empirical Position in State GST Administration:**

i. In **West Bengal Commercial Taxes Department**, the **Range-level functions are handled at higher officer levels**, indicating that responsibilities equivalent to Range supervision are assigned to **higher-ranked officers compared to CBIC**.

(https://comtax.wb.gov.in/admin_setup.htm)

ii. In **Tamil Nadu Commercial Taxes Department**, **Assistant Commissioners** are entrusted with **core GST functions such as assessment, enforcement, audit, and adjudication**, which are functionally comparable to the duties discharged by Superintendents in CBIC.

➤ **Pay Parity – Superintendent of Central Tax vis-à-vis Superintendent of Posts:**

A well-established principle in pay determination has been the maintenance of parity among posts with comparable functional responsibilities, hierarchical position, and service conditions across departments.

In this context, it is respectfully submitted that the post of **Superintendent of Central Tax (CBIC)** is functionally and hierarchically comparable to the post of **Superintendent of Posts** in the Department of Posts, which is presently placed at **Pay Level 9**.

(i) Basis of Comparison:

i. **Group ‘B’ Gazetted Status:** Both posts are classified as Group ‘B’ Gazetted, forming the supervisory and operational backbone of their respective departments.

ii. **Supervisory Role:** Both positions involve supervision of field formations, monitoring of performance, and ensuring implementation of departmental policies at the ground level.

iii. **Administrative Responsibility:** The roles require independent handling of administrative functions, coordination across units, and accountability for outcomes within assigned jurisdictions.

iv. **Public Interface and Service Delivery:** Both cadres function as key points of interface between the Government and stakeholders, ensuring compliance, service delivery, and grievance redressal.

(ii) Distinguishing Functional Aspects (CBIC):

While the above establishes parity, it is further submitted that the role of Superintendent of Central Tax involves **additional dimensions**, including:

i. **Exercise of statutory enforcement powers** such as search, seizure, and arrest,

ii. **Quasi-judicial functions**, including adjudication of cases with direct legal and financial implications,

iii. **Revenue accountability**, involving safeguarding of substantial Government revenue,

iv. **Technology-driven compliance monitoring** under GST through advanced data analytics.

These aspects indicate that the functional scope of the CBIC Superintendent is **not lower, and in several respects broader**, than comparable supervisory roles.

(iii) Present Position and Need for Alignment:

At present, Superintendent of Posts is at **Pay Level 9**, whereas Superintendent of Central Tax is at **Pay Level 8**.

This creates a disparity in pay structure despite comparable (and in certain aspects more complex) functional responsibilities.

➤ **Broader Relativity Across Government:**

It is further submitted that, across various Ministries and Departments of the Government of India, **supervisory and executive posts at the middle-management level**, involving independent handling of work, decision-making responsibility, and coordination functions, are generally placed at **Pay Level 9**.

Illustratively, posts such as:

- Section Officer Asst. Personnel Officer/Accounts Officer (Administrative) in the Department of Atomic Energy,

are placed at or progress to **Pay Level 9**, reflecting the level of responsibility associated with such positions.

In view of the above, it is respectfully submitted that:

The post of **Superintendent of Central Tax may be upgraded from Pay Level 8 to Pay Level 9**, so as to restore parity with comparable supervisory posts and ensure alignment between functional responsibility and pay structure.

VI. Constitutional & Legal Grounds:

(i) Article 14 – Equality Before Law:

Article 14 of the Constitution of India guarantees **equality before law and equal protection of laws**, which has been consistently interpreted to prohibit **arbitrary and discriminatory treatment** in matters of public employment.

It is a well-settled principle that:

Employees performing similar duties with comparable levels of responsibility cannot be subjected to unequal pay structures or inferior service conditions without a reasonable and intelligible basis.

In the context of pay determination, this translates into the doctrine that **functional equivalence must be accompanied by reasonable parity in compensation and career progression.**

(ii) Judicial Principles:

The Hon'ble Supreme Court has, through a catena of judgments, reinforced the principle of parity in pay and service conditions:

1. *Randhir Singh vs Union of India* (1982):

Recognised the doctrine of “**Equal Pay for Equal Work**” as a constitutional goal flowing from Articles 14 and 16. It held that unjustified pay disparity among similarly placed employees is arbitrary and discriminatory.

2. *D.S. Nakara vs Union of India* (1983):

Emphasised that service conditions, including pension and pay structures, must be **fair, reasonable, and non-arbitrary**. It strengthened the principles of social justice and socialist, welfare state ideals (Directive Principles of State Policy).

3. *State of Punjab vs Jagjit Singh* (2016):

The court established that denying equal pay for identical work constitutes "exploitative enslavement" and violates constitutional goals under Articles 14, 15, 16, and 39(d).

In the present context:

- i. The post of Superintendent of Central Tax involves **functional responsibilities comparable to executive posts across tax administrations**, including assessment, enforcement, audit, and adjudication
- ii. Despite such functional equivalence, the cadre is subjected to:
 - a) **Inferior career progression**, characterised by prolonged stagnation
 - b) **Absence of structured progression mechanisms**, available in comparable cadres
 - c) **Pay compression**, resulting in inadequate differentiation from the feeder grade
- iii. Further, as demonstrated in the comparative analysis, **officers discharging similar GST functions in State tax administrations are placed at higher hierarchical levels**, thereby accentuating the disparity.

VII. Alignment with Pay Commission Principles:

The existing pay structure may be examined in the context of the **guiding principles evolved by successive Central Pay Commissions**, particularly those relating to uniformity, career progression, and alignment of pay with responsibility.

(i) Uniformity Across Comparable Posts:

It has been a consistent approach of Pay Commissions to ensure that **posts with similar functional responsibilities across departments are placed in broadly comparable pay structures.**

However, the present framework indicates that:

- i. While comparable posts exist across Central and State tax administrations,
- ii. There are **variations in career progression mechanisms and financial advancement pathways.**

This suggests a need for **greater alignment in the structuring of similarly placed posts.** It is respectfully submitted that the present proposal is consciously **balanced and does not seek alteration of Group 'A' entry structures,** but is limited to rationalisation within the existing framework to address functional and structural concerns.

(ii) Avoidance of Stagnation:

Successive Pay Commissions have emphasised the importance of **ensuring reasonable career progression to maintain morale, efficiency, and administrative effectiveness.**

In the case of the Superintendent cadre:

- i. Career progression is relatively **prolonged and limited**
- ii. Opportunities for advancement remain **constrained over extended periods**

This indicates scope for **strengthening progression mechanisms** in line with established principles

(iii) Alignment of Pay with Responsibility:

A fundamental consideration in pay determination has been the **correlation between the level of responsibility and the corresponding pay structure.**

The role of Superintendent involves:

- i. Legal accountability in quasi-judicial functions,
- ii. Direct implications for government revenue,
- iii. Operational and enforcement-related responsibilities.

In this context, the current placement at **Level 8 may be reviewed to ensure closer alignment with the functional demands of the post**

(iv) Maintenance of Relativity:

Pay Commissions have also underscored the importance of maintaining **internal and external relativities:**

- i. Within the departmental hierarchy (feeder vs supervisory levels),
- ii. Across comparable cadres in other organisations.

The present structure indicates:

- i. A **narrow differential between Level 7 and Level 8,**
- ii. Variations in progression compared to similar posts.

This suggests a need for **recalibration to maintain balanced relativities.**

VIII. Proposed Measures:

In light of the foregoing analysis and keeping in view the guiding principles of pay determination, it is respectfully submitted that the following measures may be considered for rationalisation of the pay structure and career progression of the Superintendent cadre:

(i) Upgradation of Pay Level:

It is proposed that the post of Superintendent of Central Tax may be **upgraded from Pay Level 8 to Pay Level 9** in the Pay Matrix.

This is justified on account of:

- i. The supervisory and executive nature of the post,
- ii. The exercise of statutory powers, including enforcement and quasi-judicial functions,
- iii. Alignment with comparable roles in other tax administrations.

(ii) Non-Functional Upgradation (NFU):

To address stagnation and ensure time-bound financial progression, it is proposed that:

Non-Functional Upgradation to Pay Level 10 may be granted after **4 years of service in Pay Level 9.**

Such Non-Functional Upgradation (NFU) shall operate as an **independent scheme** and shall **not be counted** as a financial upgradation under the Modified Assured Career Progression (**MACP**) Scheme.

This would:

- i. Provide a structured progression pathway,
- ii. Mitigate the impact of limited promotional avenues,
- iii. Align the cadre with progression frameworks available in comparable services.

The post of Superintendent of Central Tax is a **critical executive position** in the Government's revenue and enforcement machinery. However, the present pay structure does not reflect functional realities, results in stagnation and disparity, violates principles of equity and administrative efficiency.

2. Rationalisation of Allowance Structure:

It is respectfully submitted that the primary requirement of the cadre is rationalisation of pay structure. The following allowance-related measures are supplementary in nature, intended only to address specific functional and operational aspects which are not fully captured in the pay framework.

The existing allowance structure is largely uniform in nature and does not sufficiently distinguish between routine administrative roles and **field-intensive, enforcement-oriented executive functions**, resulting in a gap between duties and compensation.

Summary of Allowance-Related Proposals

Sl. No.	Allowance / Measure	Nature	Key Objective	Scope / Applicability
i	Enforcement / Risk Allowance	Core (High Priority)	Recognition of operational risk, legal exposure, and enforcement duties	Officers engaged in anti-evasion, investigation, search & seizure, intelligence work
ii	Field Duty / Mobility Support	Core (High Priority)	Support for field-intensive duties and reduce out-of-pocket expenditure	All field formations involving audit, verification, enforcement; includes TA/DA rationalisation and timely reimbursement
iii	Additional Charge Allowance	Core (High Priority)	Compensation for handling multiple jurisdictions / additional workload	Officers holding additional charge beyond prescribed duration

iv	Digital / Technology Allowance	Supportive	Facilitate technology-driven work environment and digital compliance functions	All officers engaged in GST systems, audit, investigation, and reporting
v	Compensation for Extended Working Hours	Supportive	Recognition of time-bound and beyond-office-hour duties	Enforcement, investigation, intelligence and urgent statutory work (preferably non-monetary/compensatory)
vi	Difficult / Sensitive Posting Allowance	Supportive	Address hardship in remote / sensitive / border postings	Officers posted in difficult, remote, or sensitive enforcement areas
vii	Interest-Free House Building Advance (HBA)	Welfare / Policy Measure	Enhance housing security and long-term financial stability	All eligible employees, with safeguards and reasonable ceiling

In this context, the following measures are proposed:

(i) Enforcement / Risk Allowance:

It is proposed that a **Special Enforcement / Risk Allowance** may be considered for officers engaged in Anti-evasion operations, Search, seizure, and investigation, Intelligence-based enforcement activities

Justification:

- i. These functions involve **operational risk, legal exposure, and interaction with organised economic offences**, particularly in GST-related frauds such as fake input tax credit networks.
- ii. Officers are required to take **time-sensitive decisions with legal consequences**, often under challenging field conditions.
- iii. Similar risk-based allowances exist in other enforcement organisations.

This allowance reflects the inherent risk and enforcement nature of duties, and is not in the nature of a general allowance. The allowance may be structured in a **targeted and duty-linked manner**, applicable only to officers engaged in such assignments.

(ii) Digital / Technology Allowance:

It is proposed that a **Digital / Technology Allowance** may be introduced to support Internet connectivity, Maintenance of digital devices, Access to technology platforms required for official work.

Justification:

- i. GST administration is **fully technology-driven**, requiring continuous use of digital systems for audit, investigation, adjudication, and reporting,
- ii. Officers often incur **personal expenditure on devices, connectivity, and maintenance**, which are essential for discharge of statutory duties,
- iii. The role increasingly involves **data analysis, system-based verification, and real-time reporting**,

This allowance may be modest and **uniformly structured**, recognising the essential role of digital infrastructure.

(iii) Field Duty / Mobility Support:

It is proposed that the existing framework relating to field duties may be reviewed and strengthened, including **rationalisation of TA/DA provisions** and provision for mobility support for field assignments.

Justification:

- i. The role involves frequent field visits for audit, verification, investigation, and enforcement, often across wide and remote jurisdictions,
- ii. In many cases, official transport is not readily available, requiring officers to arrange their own means,
- iii. Delays in reimbursement and inadequacy of current provisions create practical and financial difficulties,
- iv. In several formations, lack of dedicated official transport compels officers to rely on personal resources for statutory field duties, creating practical and financial constraints,
- v. It is also observed that **reimbursement of TA/TTA claims is, at times, significantly delayed due to procedural and fund-related constraints**, resulting in accumulation of pending claims over extended periods.

A simplified, time-bound and adequately funded reimbursement framework may be considered to ensure that officers are not required to incur personal expenditure for discharge of statutory field duties.

(iv) Additional Charge Allowance:

It is proposed that a **suitable allowance for holding additional charge** may be considered in cases where officers are assigned charge of multiple ranges / units, additional responsibilities due to vacancies.

Justification:

- i. Due to manpower constraints, officers are frequently required to **handle multiple jurisdictions simultaneously**
- ii. This results in **increased workload and accountability without corresponding compensation**

While provisions relating to additional charge exist under existing rules, their applicability in cases involving identical cadres and multiple jurisdictional responsibilities remains limited. A suitable framework may therefore be considered to address such situations. The allowance may be **time-bound and conditional**, applicable where additional charge exceeds a specified duration.

(v) Compensation for Extended Working Hours (Consideration):

It is submitted that a suitable mechanism may be explored for **recognising extended working hours**, particularly in:

- i. Time-bound enforcement operations
- ii. Investigation and intelligence work
- iii. Urgent statutory assignments

Justification:

- i. Such duties often require work **beyond normal office hours, including weekends and holidays**
- ii. These assignments are integral to revenue protection and enforcement

A **non-monetary or structured compensatory mechanism** (such as time-off or limited allowance) may be considered, with limited financial implication where necessary.

(vi) Allowance for Difficult / Sensitive Postings:

It is proposed that postings in Border areas, Remote locations, Sensitive enforcement zones may be considered for **appropriate hardship-based allowance or enhanced support**.

Justification:

i. Officers posted in such areas face **logistical challenges, limited infrastructure, and difficult working conditions**

ii. These postings are critical for enforcement and trade regulation

This may be aligned with existing Government frameworks for hardship postings. Further, consideration may be given to recognising the **technical and quasi-judicial nature of duties**, particularly in adjudication and legal interpretation, within the allowance framework.

(vii) **Interest-Free House Building Advance (HBA):**

The existing House Building Advance (HBA) framework, though conceptually beneficial, has limited practical utility due to prevailing interest rates and rising housing costs, particularly in urban and semi-urban areas.

In view of the significant increase in real estate prices and the necessity of stable housing for effective discharge of duties, it is proposed that:

i. **Interest-free HBA** may be extended to Central Government employees, at least up to a reasonable ceiling, to facilitate acquisition or construction of residential property.

ii. Alternatively, **interest subsidy / partial interest waiver mechanism** may be introduced, especially for first-time homebuyers within Government service.

iii. Such support would not only enhance financial security but also contribute to improved stability, morale, and long-term commitment to public service.

iv. The measure may be structured with appropriate safeguards and eligibility conditions to ensure fiscal prudence while addressing genuine housing needs.

The above proposals are **moderate, need-based, and function-linked**, and seek to align allowances with actual working conditions, recognise risk, technology dependence, and field exposure, improve efficiency and operational effectiveness

A **function-sensitive allowance framework**, rather than a uniform structure, would better support the evolving role of the Superintendent cadre in modern tax administration.

3. Career Progression:

(i) Existing Position:

Career progression frameworks are intended to ensure that **stagnation does not adversely impact efficiency, motivation, and administrative effectiveness**, as recognised in earlier Pay Commission deliberations.

However, in the cadre of Superintendents of Central Tax, progression remains **significantly constrained due to structural and vacancy-related factors**, resulting in prolonged stagnation.

- i. Officers are recruited through **All India competitive examination**, forming a common entry pool,
- ii. The first promotion to Superintendent often takes **10–15 years or more**, varying across Zones,
- iii. Subsequent promotion to Assistant Commissioner is further delayed due to **limited posts and structural constraints**,
- iv. In many cases, officers receive only **two regular promotions during their entire service**, resulting in stagnation at the middle level for a substantial duration,
- v. The present framework results in situations where financial upgradations are absorbed within the same functional level, limiting the intended benefit of progression schemes.

Impact of Stagnation:

The above factors cumulatively affect:

- i. **Motivation and morale** of officers,
- ii. **Efficiency and productivity** in discharge of duties,
- iii. Willingness to assume **higher responsibility and decision-making roles**.

(ii) Suggested Measures:

It is proposed that career progression may be strengthened through a **balanced combination of structural and financial measures**, without disturbing the overall cadre hierarchy.

(a) Strengthening of Financial Progression:

- i. The MACP framework may be reviewed to ensure **meaningful financial upgradation**, including:
 - i. Adequate difference between successive pay levels
 - ii. Improved timing of upgradations

ii. Consideration may be given to **enhancing the number or frequency of financial upgradations** (for instance, provision for **up to five financial upgradations** over the service period), particularly in cadres with limited promotional avenues.

(b) Introduction of Non-Functional Upgradation (NFU):

Further, provision may be made for Non-Functional Upgradation (NFU) to higher pay levels after a specified period of service, such as grant of Pay Level 10 after 4 years of service as Superintendent, as an independent mechanism.

Efforts may also be made to ensure greater predictability and uniformity in career progression, **so that officers are not subjected to prolonged and uncertain delays between successive promotions.**

(c) Ensuring Predictability and Uniformity:

Efforts may be made to:

- i. Reduce **inter-zonal disparities in promotion timelines,**
- ii. Ensure **greater predictability in career progression,**
- iii. Avoid situations where officers of the same batch face **significant divergence in progression.**

(d) Alignment with Responsibility:

The progression framework should aim to ensure:

- i. **Reasonable career advancement throughout service,**
- ii. Alignment between **responsibility and pay level,**
- iii. Reduction of stagnation at the **middle executive level.**

4. Retirement Benefits:

(i) Existing Position:

Retirement benefits constitute a critical component of service conditions, ensuring **financial security and dignity post-retirement.**

Under the present framework:

- i. Pension under the National Pension System (NPS) is **market-linked,** dependent on investment returns and annuity rates
- ii. This introduces a degree of **variability and uncertainty** in post-retirement income

iii. With increasing life expectancy and rising healthcare costs, the need for **predictable and adequate retirement support** has become more significant

(ii) Areas for Consideration:

The current framework may be reviewed in light of:

- i. The need for **reasonable assurance in retirement income**,
- ii. Protection against **market volatility**,
- iii. Alignment of pension with **last drawn pay and service tenure**.

(iii) Suggested Measures:

It is respectfully submitted that the retirement framework may be **strengthened in a balanced and sustainable manner**, by considering:

(a) Strengthening Pension Assurance:

- i. Provision of a **reasonable assured minimum pension component**
- ii. Safeguards to ensure that employees are not exposed to **excessive financial uncertainty**
- iii. Maintenance of a **linkage between pension and last drawn pay**, to the extent feasible.

(b) Balanced Pension Model:

The Commission may consider:

- i. Strengthening the existing system with **defined-benefit safeguards**, or
- ii. Introducing a **balanced mechanism combining assurance and growth**, so as to provide both stability and long-term adequacy.

(c) Inflation Protection:

- i. Pension may be **effectively indexed to inflation**, ensuring preservation of real value over time.

(d) Leave Encashment Flexibility:

Provision may be considered for:

- i. **Encashment of a limited portion of Earned Leave during service** (e.g., periodic encashment).
- ii. Subject to an overall cap, so as to maintain balance between leave availability and financial support.

This would provide **periodic financial flexibility without affecting long-term benefits.**

The present proposals are moderate, evidence-based, and limited to rational correction of identifiable structural imbalances. They do not seek structural alteration, but aim to ensure alignment between responsibility, pay, and career progression within the existing framework. Their consideration would contribute to improved administrative efficiency, enhanced morale, and more effective utilisation of experienced officers in critical revenue and enforcement functions.

***** End of the Document *****

Comments of the Member of the Central Committee

1. Shri Abhilash C., Joint Secretary, South Zone

Why there is no mention of Customs work in the various functions of the Inspector/Superintendent??

Have I missed anything??

Further, there were no quasi judicial powers for Superintendent of Central Tax when the last pay commission had given its report.. we have also not demanded any upgradation based on this additional duty. This should be highlighted, since this is an additional work assigned to us in between the payment commissions. We may also specify that 90% of notices are being adjudicated by our cadre. Either we may ask for a higher grade or ask for special pay when officers are given quasi judicial powers.

Similarly, while including duties related to Customs, we have to include the aspect of 'national security' which distinguishes our line of duty from that of the posts which are similarly placed in the pay grade. Such postings which involve anti-smuggling activities/investigation into smuggling rackets/NDPS related cases/drugs etc also pose risk to the life and health of officers, which is not properly considered when they are similarly placed with other posts which fall under low risk categories.

2. Karthik Aitha, Vice President, South Zone

The committee is requested to examine the probability of making a request for:

Providing higher pay to NPS employees when compared to OPS employees for discharging same duties. The rationale is - Part of compensation for the work done is paid as pension to OPS employees where as the same is not available to NPS employees.

If you remember, this suggestion was made by Manimohan Sir during his speech at the time of convention.

3. Atul Nandurkar, Treasurer, AIB

Very apt proposal has been made by the committee. Nature of duties of Superintendent are explained elaborately.

But in some cases our demand is lower than NC-JCM. For some points I am sharing my Note, along-with NC-JCM proposal (shared separately).

- Proposal should be given that Level 9 & Level 10 should be merged in to one pay scale at level 10. As it is already demanded by NC -JCM (page 4-5) under standardized Pay Scale demand. Already this 17 Pay scale bureaucratic structure is so much differentiating and imperial one.*

- *Hence, newly promoted Superintendent should be placed at Level-10. Already in proposed draft justification with nature of duties is there.*
- *considering the escalating cost of housing in the Country, we may propose, the HBA may be sanctioned as actual cost of the house / flat subject to the maximum of Rupees Two Crores. The entire loan may be interest free. As it is proposed by NC -JCM (page 14)*
- *As proposed in NC-JCM (page 16) we also can demand Leave encashment of 20 days every time one avails LTC. And accumulation limit may be extended to 600 days from 300 days.*
