

No. W-02/0028/2017-DPE (WC)-GL-XVI/17
Government of India
Ministry of Heavy Industries and Public Enterprises
Department of Public Enterprises

Public Enterprises Bhawan
Block No. 14, C. G. O. Complex,
Lodhi Road, New Delhi-110003
Dated: 7th September, 2017

OFFICE MEMORANDUM

Subject:-Pay Revision of Board level and below Board level Executives and Non-Unionised Supervisors of Central Public Sector Enterprises (CPSEs) w.e.f. 01.01.2017-decision on Location based compensatory allowances and Non-Practicing Allowance (NPA)

The undersigned is directed to refer to para 10 of this department's O.M. of even No. dated 3rd August, 2017 and sub-para 3(b) of para 1 of OM of even No. dated 4th August, 2017 regarding the issue of separate guidelines in respect of Location based Compensatory Allowance and Non-Practicing Allowance. After due consideration, the Government has decided on Location based Compensatory Allowance and Non-Practicing Allowance as follows:

Location based Compensatory Allowance:

(i) For serving in North-East States and Ladakh Region:

Assam, Meghalaya, Manipur, Nagaland, Tripura, Arunachal Pradesh, Mizoram and Sikkim	10% of Basic Pay
Ladakh Region	10% of Basic Pay

(ii) For serving in Island territories of Andaman and Nicobar (A&N) Islands and Lakshadweep:

Areas around Capital Towns (Port Blair in A&N Islands, Kavaratti and Agatti in Lakshadweep)	10% of Basic Pay
Difficult Areas (North and Middle Andaman, South Andaman excluding Port Blair, entire Lakshadweep except Kavaratti, Agatti and Minicoy)	16% of Basic Pay
More Difficult Areas (Little Andaman, Nicobar group of Islands, Narcondam Islands, East Islands and Minicoy)	20% of Basic Pay

(iii) **Special allowance:** For serving in the difficult and far flung areas:

Areas Covered	Percentage of Basic Pay
Part 'A' (Areas covered under Annexure-I of D/o Expenditure O.M. No. 3/1/2017-EII(B) dated 19.7.2017)	8% of Basic Pay
Part 'B' (Areas covered under Annexure-II of D/o Expenditure O.M. No. 3/1/2017-EII(B) dated 19.7.2017)	6% of Basic Pay
Part 'C' (Areas covered under Annexure-III of D/o Expenditure O.M. No. 3/1/2017-EII(B) dated 19.7.2017)	4% of Basic Pay
Part 'D' (Areas covered under Annexure-IV of D/o Expenditure O.M. No. 3/1/2017-EII(B) dated 19.7.2017)	3% of Basic Pay

(iv) In the event of a place falling in more than one category, i.e. (i)/(ii) and (iii) mentioned above, in that case only the higher rate of allowance will be admissible.

Non-practicing Allowance (NPA):

NPA upto 20% of Basic Pay would be paid to Medical Officers. NPA will not be considered as pay for the purpose of calculating other benefits.

2. The allowances specified in this O.M. will be outside the purview of Ceiling of 35% of Basic Pay under 'Cafeteria Approach' and would be effective from the date of issue of presidential directive.


(Rajesh Kumar Chaudhry)
Joint Secretary to the Government of India

Administrative Ministry/Department (Secretary by Name) of the Government of India

Copy to Chief Executives of CPSEs.

Copy also to:


- i) Financial Advisors in the Administrative Ministry/Department
- ii) Comptroller & Auditor General of India, 9, Deen Dayal Upadhyay Marg, New Delhi
- iii) Department of Expenditure, E-V /E-II Branch, North Block, New Delhi
- iv) Department of Personnel & Training(CPC Pay 1), North Block, New Delhi.
- v) Chairman, PESB/Secretary, PESB, CGO Complex New Delhi

Copy also to

- i) Prime Minister's Office (Shri Tarun Bajaj, Addl. Secretary)
- ii) Cabinet Secretariat (Shri S.A.M. Rizvi, Joint Secretary)

Copy for information to

- i) PS to Minister (HI&PE)
- ii) PS to MoS (HI&PE)
- iii) PS to Secretary, PE
- iv) AS & FA (PE)
- v) All Officers of DPE
- vi) NIC Cell, DPE with the request to upload the OM on the DPE website.



(Samsul Haque)

Under Secretary to the Government of India