



GOVERNMENT OF INDIA



Report of the Committee on Allowances

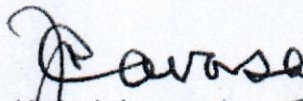
April, 2017

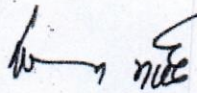
Preface

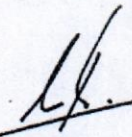
Government of India, vide OM No. 11- 1/2016-IC dated 23rd July 2016 constituted a Committee under the Chairmanship of Finance Secretary & Secretary (Expenditure) and Secretaries of Home Affairs, Defence, Health & Family Welfare, Personnel & Training, Posts and Chairman, Railway Board as Members to examine the recommendations of the 7th CPC on Allowances.

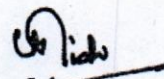
The Committee acknowledges the assistance provided by Shri R.K. Chaturvedi, Joint Secretary (IC) and his team, Shri P.K. Das, Additional Secretary (Expenditure) who headed the Group of Officers and the members of his group, the representatives of Departments / Ministries, Services and Staff Associations in finalizing the Report.


The Committee, after due deliberations, submits its report on 27th April, 2017.

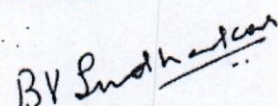

(Ashok Lavasa)
Chairman

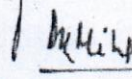

(Rajiv Mehrishi)
Member



(G Mohan Kumar)
Member


(C K Mishra)
Member


(B P Sharma)
Member


(B V Sudhakar)
Member


(A K Mittal)
Member


(R K Chaturvedi)
Member Secretary

New Delhi
Date: 27th April, 2017

TABLE OF CONTENTS

Sl. No.	CHAPTER NUMBER	SUBJECT	PAGE NUMBER
1	CHAPTER - 1	Background	1
2	CHAPTER - 2	Deliberations of the Committee	2 - 6
3	CHAPTER- 3	Allowances Recommended To Be Abolished By 7th CPC	7 - 21
4	CHAPTER - 4	Allowances Recommended to be Subsumed by 7th CPC	22 - 39
5	CHAPTER - 5	Allowances Recommended to be Retained / Rationalized by 7th CPC	40 - 79
6	CHAPTER- 6	Allowances Not Included In the Report	80
7	CHAPTER - 7	Miscellaneous Issues	81 - 83
8	CHAPTER- 8	Executive Summary	84 - 94
9	ANNEXURES	Annexures I TO III	95-113

CHAPTER 1

Background

- 1.1** The proposals relating to the implementation of the Seventh Central Pay Commission (7th CPC) recommendations on pay, pensions, allowances and other related issues were placed before the Cabinet in its meeting held on 29.06.2016 for approval. The Resolution conveying the approval of the Cabinet was published in the Gazette of India on 25.07.2016.
- 1.2** On allowances, it was decided that in view of substantial changes in the existing provisions and the number of representations received in this regard, the recommendations on Allowances (except Dearness Allowance) may be referred to a Committee comprising of Secretary, Expenditure as Chairman and Secretaries of Home Affairs, Defence, Health & Family Welfare, Personnel & Training, Posts and Chairman, Railway Board as Members. Till a final decision is taken based on the recommendations of the Committee, all Allowances may continue to be paid at existing rates in existing pay structure as if the pay had not been revised w.e.f. 01.01.2016, i.e., status quo may be maintained.
- 1.3 Committee on Allowances**
- 1.3.1** In pursuance of the Cabinet decision, the Committee on Allowances was constituted vide Department of Expenditure's OM dated 22nd July 2016 (**Annexure –I**) with the Finance Secretary & Secretary (Expenditure) as Chairman, Secretaries of Home Affairs, Defence, Health & Family Welfare, Personnel & Training, Posts and Chairman, Railway Board as Members and Joint Secretary, Implementation Cell (IC) as Member Secretary.
- 1.3.2** The O.M. mentions that the Committee is being set up to examine the recommendations of the 7th CPC on Allowances in view of the significant departure from existing provisions relating to Allowances as recommended by the 7th CPC and representations received in this regard. The Committee was mandated to go into the recommendations in regard to various allowances applicable to various categories of employees and, having regard to the representations made by the Staff Associations as also the suggestions of the concerned Ministries/Departments, to make recommendations as to whether any changes in the recommendations of the Commission are warranted and if so, in what form.
- 1.3.3** While the recommendations of the 7th CPC on pay have been notified, the allowances continue to be paid as per the 6th CPC regime in terms of the Cabinet decision on Allowances mentioned above.

CHAPTER 2

Deliberations of the Committee

- 2.1** The Committee on Allowances has been tasked with the responsibility to examine the recommendations of the 7th CPC on allowances in view of the significant departure from existing provisions and to recommend changes in the 7th CPC recommendations, wherever warranted, having regard to the representations made by the Staff Associations as also the suggestions of the concerned Ministries/ Departments.
- 2.2** In its first meeting, the Committee familiarized itself with the approach and methodology of the 7th CPC in arriving at the recommendations relating to allowances as also their recommendations relating to common allowances such as House Rent Allowance (HRA), Transport Allowance, Children Education Allowance, Daily Allowance and important allowances pertaining to some of the Ministries/ Departments. After being briefed by Joint Secretary (IC) on the general observations made by the 7th CPC, the broad categorization of Allowances, the analytical approach adopted and four principles used by the 7th CPC to decide the quantum of increase in allowances, the Committee deliberated upon the methodology to be adopted by the Committee in arriving at its recommendations.
- 2.3 Recommendations of the 7th CPC on Allowances**
- 2.3.1** The 7th CPC prepared a list of 196 allowances reported to it and categorized them into 15 functional heads as under:

S. No.	Category	No. of Allowances
1	Allowance payable for Additional / Extra Duty	14
2	Allowances related to Knowledge Updates	3
3	Allowances related to Deputation	3
4	Allowances related to Working on Holidays	3
5	Allowances related to Housing	7
6	Allowances related to Good Service	4
7	Qualification Allowances	15
8	Allowances related to Risk and Hardship	51
9	Allowance for Running Staff of Indian Railways	13
10	Allowance related to Sports	2
11	Sumptuary Allowances	5
12	Allowances related to Training	2
13	Allowances related to Travel	13
14	Allowances related to Uniform	9
15	Other Allowances	52
	Total	196

The Committee observes that this compilation, in itself, is a significant step as a comprehensive list of all allowances paid in Government of India was not available earlier.

2.3.2 The 7th CPC has also recommended that allowances not mentioned in the list shall cease to exist and any allowance not mentioned in the list will have to be re-notified after obtaining due approval of Ministry of Finance. The Committee is of the view that this will ensure that there is no unchecked proliferation of allowances in future. The 7th CPC also proposed a new allowance, Special Train Controllers Allowance. As such, the Committee has considered altogether 197 allowances.

2.3.3 Observing that the trend worldwide is to include most of the additional items of remuneration as part of the Basic Pay and minimize the number of allowances, the 7th CPC has tried to reconcile that with the large number of allowances in India and the demand for even more allowances. All the allowances were examined as per a three-pronged approach: (i) an assessment of the need for continuation of each allowance; (ii) for allowances that are recommended for continuation, the appropriateness of the set of people covered by the allowance; and (iii) rationalization of the allowance, such as appropriateness of rates as also clubbing with similar allowance.

2.3.4 Based on the examination on these lines, the 7th CPC has recommended that 52 allowances be abolished altogether. Another 36 allowances are to be abolished as separate identities, but to be subsumed in an existing or a newly proposed allowance.

2.3.5 Allowances relating to Risk and Hardship (R & H) are to be governed by a Risk and Hardship Matrix proposed by the 7th CPC.

Risk and Hardship Matrix

RH-Max Level >=9: ₹ 31500 pm Level <=8: ₹ 21000 pm		HARDSHIP		
		High	Medium	Low
RISK	High	R1H1 Level >=9: ₹ 25000 pm Level <=8: ₹ 17300 pm	R1H2 Level >=9: ₹ 16900 pm Level <=8: ₹ 9700 pm	R1H3 Level >=9: ₹ 5300 pm Level <=8: ₹ 4100 pm
	Medium	R2H1 Level >=9: ₹ 16900 pm Level <=8: ₹ 9700 pm	R2H2 Level >=9: ₹ 10500 pm Level <=8: ₹ 6000 pm	R2H3 Level >=9: ₹ 3400 pm Level <=8: ₹ 2700 pm
	Low	R3H1 Level >=9: ₹ 5300 pm Level <=8: ₹ 4100 pm	R3H2 Level >=9: ₹ 3400 pm Level <=8: ₹ 2700 pm	R3H3 Level >=9: ₹ 1200 pm Level <=8: ₹ 1000 pm

2.3.6 For the allowances that have been retained and rationalized, the 7th CPC has sought to provide a raise that is commensurate with the rise in Dearness Allowance (DA). Accordingly, allowances that are fixed and not DA indexed have generally been raised

by a factor of 2.25. Allowances that are partially DA indexed have been raised by a factor of 1.5. Allowances fully indexed to DA have not been given any raise. Having regard to the proposed increase in the Basic Pay, the quantum of percentage based allowances has been rationalized by a factor of 0.8. The Report, however, also states that there are exceptions to the above approach that have been clearly brought out while discussing the allowances individually.

2.4 Scope and Methodology

2.4.1 The Committee noted that while examining the 7th CPC recommendations, E-CoS had decided that issues relating to the 7th CPC recommendations may be identified by various Ministries/Departments and they were requested to furnish the details of issues and their comments thereon in a prescribed proforma to the Implementation Cell. The information received from all the Ministries/Departments in response thereto was analysed by the Implementation Cell. Of the over 600 issues raised by the Ministries/Departments in this exercise, about 144 pertained to allowances. Issues relating to allowances were also raised in the consultations undertaken by the E-CoS with various stakeholders. The Charter of Demands submitted by the National Council (Staff Side), Joint Consultative Machinery (JCM) also contained demands for reconsideration of around 20 allowances.

2.4.2 Noting that the Committee has been tasked with the responsibility to examine the recommendations of the 7th CPC on Allowances in the light of the representations made by Staff Associations as well as the suggestions of the Ministries/Departments, the Committee decided that only those demands which have arisen on account of the changes recommended by the 7th CPC may be taken up for consideration by the Committee. Demands that seek changes in the structure, rate or coverage of any allowance where no changes have been recommended by the 7th CPC, thus, are outside the purview of the Committee. The Committee has confined itself to examine representations received against only those recommendations that have proposed altering the existing dispensation.

Consultations with stakeholders

2.4.3 It was also decided that apart from examining the comments received from various Ministries/Departments on demands relating to Allowances, the Committee should also interact with stakeholders in order to familiarize themselves with the demands made by them and to understand their apprehensions pertaining to the recommendations on Allowances. It was, accordingly, decided that the Committee would interact with the National Council (Staff Side), Joint Consultative Machinery (JCM) and the representatives of Staff Associations of the Ministries/Departments which have significant number of allowances. The Committee held detailed interactions with representatives of the Staff Associations and senior officers from Ministry of Railways, Health and Family Welfare, Defence, Railways and Departments of Post and Atomic Energy to understand their demands. The discussion with Staff Associations was followed by discussion with senior officials from these Ministries/Departments so as to get the official view of the Ministry/Department concerned on the demands raised by the Associations. The Staff Associations with whom the Committee interacted were advised to also forward their demands in writing to the Implementation Cell. The Ministries/Departments with whom the Committee interacted were also advised to forward their comments on the various demands raised by the Associations to the Implementation Cell.

- 2.4.4** The Committee held interactions with National Council (Staff Side), JCM and the representatives of All India Railwaymen's Federation (AIRF), National Federation of Indian Railwaymen (NFIR), All India Train Controllers Association (AITCA), All India Guards Council (AIGC), Federation of National Postal Organization, National Federation of Postal Employees, Bhartiya Postal Employees Federation, Bhartiya Postal Employees Association (Group-C), Joint Action Council of Service Doctors Organization (JACSDO), All India GDMO Association (AIGDMOA), Delhi Administration Doctors Welfare Association (DADWA), Faculty Association (Maulana Azad Medical College and associated hospitals), Faculty Welfare Association (Lady Hardinge Medical College), Safdarjung Hospital Medical Officers Association, All India Government Nurses Federation (AIGNF), Railway Nurses of India, All India ESIC Nurses Federation, PGI Nurses Welfare Association, Trained Nurses Association of India (TNAI) and National Federation of Atomic Energy (NFAEE). Several representations have also been received from various employee associations on allowances.
- 2.4.5** As the Defence Forces do not have any Staff Associations, the Committee also interacted with the Tri Services Pay Staff (TRIPAS) as representatives of the Defence Forces in view of the large number of demands pertaining to Defence Forces personnel. Similarly, the Committee met the DGs of CAPFs and senior officers of SPG, IB and R&AW.

Examination of Demands

- 2.4.6** For the purpose of examination, the allowances were clubbed into three categories: (i) recommended to be abolished; (ii) recommended to be subsumed and (iii) retained and rationalized.
- 2.4.7** Once the Committee had interacted with various stakeholders and understood the rationale of their demands, the Committee deliberated upon them in detail. Noting that there are detailed set of instructions governing most of the allowances that have to be factored in while examining the demands, the Committee requested a Group of Officers headed by Additional Secretary (Expenditure) with Joint Secretary (IC), Joint Secretary (Pers.) and Director (IC) as other members to assist the Committee in examining the demands.
- 2.4.8** The Group of Officers examined all the demands in detail. While doing so, the Group of Officers took into consideration the existing provisions governing the allowances, the analysis and recommendations by the 7th CPC and the justification furnished by the Staff Associations and the Ministry/Department for seeking a modification of the recommendations. Based on their examination, the Group of Officers placed before the Committee their assessment of the merits of each demand as well as the possible ways in which the demands could be addressed.
- 2.4.9** The Committee relied upon the findings and suggestions placed before it by the Group of Officers which served as the starting point for the detailed discussions undertaken by the Committee in respect of each allowance for which demands were received. The inputs provided by the Group of Officers were one of the many inputs used by the Committee in their assessment of the merits of each demand and in finalising their recommendations on how the demands could be addressed. Wherever deemed necessary, the concerned Ministry/Department was requested by the Committee to bring out additional facts such as detailed provisions governing the allowance, the number of employees covered, financial implication etc. before finalizing its recommendations.

- 2.5** All the allowances for which demands were received and the recommendations of the Committee thereon are discussed in the following Chapters. The relevant paragraphs of the 7th CPC Report is mentioned alongside the name of the Allowance being discussed for ease of reference. Allowances recommended for abolition are discussed in Chapter 3, Subsumed Allowances are discussed in Chapter 4 and Retained and Rationalised Allowances are discussed in Chapter 5. There is a separate Chapter on Miscellaneous Issues that engaged the attention of the Committee.
- 2.6** In all, the Committee held 15 formal meetings (**Annexure –II**) between August, 2016 to April, 2017 and took note of about 6 meetings held by the Group of Officers during this period. The Committee has tried to address the concerns of the stakeholders dispassionately while keeping in view the rationale behind the recommendations of the 7th CPC but at the same time, appreciating the logic of existing arrangements and administrative exigencies. The Committee tried to complete its formidable tasks as quickly as possible given the pressing preoccupations of its Members and the Member Secretary.

CHAPTER 3

Allowances Recommended To Be Abolished By 7th CPC

3.1 The 7th CPC has recommended abolition of 52 allowances altogether. While analyzing these recommendations, the Committee has noted that Over Time Allowance (OTA), which figures in the list of abolished allowances, has not been recommended to be abolished for all categories of employees by the 7th CPC. An exception has been made for operational staff and industrial employees who are governed by statutory provisions. The Committee has also noted that the 7th CPC has recommended that the grant of Ration Money Allowance (RMA) to officers posted in peace areas be withdrawn. The Committee has examined Overtime Allowance as well as Ration Money Allowance along with the allowances recommended for abolition. As such, a total of 53 allowances (52 recommended by CPC + RMA) are being discussed in this chapter.

Allowances in respect of which no demands were received

3.2 Of the 53 abolished allowances considered by the Committee, demands have been received in respect of 21 allowances. No demands have been received in respect of 32 allowances which have been listed below. As mentioned earlier, the Committee has restricted its examination to the recommendations relating to only such allowances for which demands for changes have been received. No changes are being suggested for allowances in respect of which no demands have been raised. **The Committee, therefore, recommends that the 7th CPC recommendation to abolish the following 32 allowances may be accepted without any change:**

S. No.	Name of the Allowance
1.	Air Dispatch Pay
2.	Air Steward Allowance
3.	Assisting Cashier Allowance
4.	ASV Allowance
5.	Command Allowance
6.	Commando Allowance
7.	Condiment Allowance
8.	Court Allowance
9.	Desk Allowance
10.	Diet Allowance
11.	Electricity Allowance
12.	Entertainment Allowance for Cabinet Secretary
13.	Entertainment Allowance in Indian Railways
14.	Flying Squad Allowance
15.	Handicapped Allowance
16.	Hutting Allowance
17.	Metropolitan Allowance
18.	Official Hospitality Grant in Defence forces
19.	Organization Special Pay

S. No.	Name of the Allowance
20.	Out-turn Allowance
21.	Rajdhani Allowance
22.	Rent Free Accommodation
23.	Secret Allowance
24.	Shorthand Allowance
25.	Special DOT Pay
26.	Special NCRB Pay
27.	Spectacle Allowance
28.	Study Allowance
29.	Sumptuary Allowance in Training Establishments
30.	Sumptuary Allowance to Judicial Officers in Supreme Court Registry
31.	Training Stipend
32.	Vigilance Allowance

Allowances in respect of which demands were received

- 3.3** The Committee has received demands in respect of 21 allowances recommended to be abolished. These demands have been deliberated upon at length by the Committee. Wherever required, additional information relating to the various provisions governing the allowance, the number of personnel covered and additional financial implications involved was sought from the concerned Ministries/ Departments.
- 3.4** While deliberating on the demands, the Committee has taken into consideration the arguments made in support of the demands during the consultations with various stakeholders as well as the written submissions placed before it. The Committee is of the view that of the 21 allowances, there is no compelling justification in respect of 9 allowances to modify the recommendations of the 7th CPC. These are discussed in Para 3.5 below. Modifications are proposed by the Committee in respect of the remaining 12 allowances which are discussed in Para 3.6 below.

Nine (9) Allowances where no modification is proposed

- 3.5** A detailed analysis along with the recommendations of the Committee in respect of 9 allowances where no modification is proposed is given below.

3.5.1 Commercial Allowance (Para 8.17.21)

Existing Provisions: This allowance is granted to Announcers, ECRCs, Commercial clerks, TCs of Indian Railways for performing certain commercial duties at the rate of ₹180 per month.

Reasons mentioned by 7th CPC for recommending abolition: The amount of the allowance is meagre and no valid justification has been provided for its continuation.

Demand:

National Council (Staff Side), JCM: This allowance should be retained as it is granted to commercial staff posted in 'D' class stations where no ASM is posted.

Analysis and Recommendations of the Committee:

The Committee is of the view that the duties performed by those receiving this allowance may be of a commercial nature but are part of their normal duties. As such, the demand for its continuation is not justified. The Committee further notes that the Ministry of Railways has also not supported the demand for continuation of this allowance. Administering an allowance, even if the rates are meagre, entails administrative costs. Therefore, the recommendation to abolish this allowance has to be seen as part of the simplification and rationalization of the entire structure of allowances undertaken by the 7th CPC. **The Committee, therefore, recommends that the 7th CPC recommendation to abolish Commercial Allowance may be accepted.**

3.5.2 Family Planning Allowance (Para 8.17.50)

Existing Provisions: Family Planning Allowance (FPA) is granted to Central Government employees as an encouragement to adhere to small family norms. The existing rates are as under:

(₹ per month)

Grade Pay	Family Planning Allowance
1300-2400	210
2800	250
4200	400
4600	450
4800	500
5400	550
6600	650
7600	750
8700	800
8900	900
>10,000	1000

Reasons mentioned by 7th CPC for recommending abolition: The level of awareness regarding appropriate family size has gone up among government servants. Hence, a separate allowance aimed at population control is not required now.

Demands:

- I. **National Council (Staff Side), JCM:** This allowance should continue for existing beneficiaries as it may result in a drop in emoluments for them.
- II. **M/o Defence:** This allowance may continue to be granted to past beneficiaries.

Analysis and Recommendations of the Committee:

The Committee notes that the demand is restricted to continuing this allowance for existing beneficiaries. However, accepting this will create an arbitrary distinction between two set of employees. This may not be legally tenable. This may also lead to similar demands for continuing the other allowances recommended for abolition to existing beneficiaries. **Therefore, the Committee recommends that the 7th CPC recommendation to abolish Family Planning Allowance may be accepted.**

3.5.3 Headquarters Allowance (Para 8.10.25, 8.10.80)

Existing Provisions: It is granted to Organized Group 'A' Services in DoT and certain other Ministries upon posting at headquarters. The existing rate as per the 7th CPC Report is ₹225 per month. The rate may actually be higher in some other Departments.

Reasons mentioned by 7th CPC for recommending abolition: The justification provided by the concerned Ministry for its continuance is not sufficient.

Demand:

D/o Posts: This allowance should be restored and be paid at 10% of Basic Pay subject to a ceiling of ₹ 9,000 per month.

Analysis and Recommendations of the Committee:

The Committee notes that the allowance has been categorized by the 7th CPC under the group of Allowances related to Risk and Hardship. There is no reason to believe that hardships or challenges faced in a posting at headquarters are more in comparison to posting in a field formation. No additional justification has been furnished to the Committee for continuance of this allowance. **Therefore, the Committee recommends that the 7th CPC recommendation to abolish Headquarters Allowance may be accepted.**

3.5.4 Investigation Allowance (Para 8.17.63)

Existing Provisions: It is granted in Serious Fraud Investigation Office, Ministry of Corporate Affairs, to attract talent pool from other Ministries. The existing rates are as under:
(₹ per month)

Grade Pay	Rate
8700	2000
6600	1400
5400	1400
4800	1400

Reasons mentioned by 7th CPC for recommending abolition: There is no justification for continuation of this allowance.

Demand:

Ministry of Corporate Affairs: The personnel of Serious Fraud Investigation Office (SFIO) are largely on deputation and SFIO may be unable to attract people from outside after abolition of this allowance. Moreover, currently employed officers may also leave the SFIO which will weaken the office. Therefore, it has been requested to continue this allowance.

Analysis and Recommendations of the Committee:

This allowance exists only in SFIO. As the personnel of SFIO are largely on deputation they will be eligible for Deputation Allowance. **Therefore, the Committee recommends that the 7th CPC recommendation to abolish Investigation Allowance may be accepted.**

3.5.5 Language Reward and Allowance (Para 8.9.39, 8.9.40)

Existing Provisions: This allowance is payable to MEA officers who have learnt optional foreign language when posted in the region where the language is main language or widely used. The present rate varies from ₹ 100 pm for "proficient" to ₹ 200 pm for "above proficient".

Reasons mentioned by 7th CPC for recommending abolition: The amount of the allowance is meagre.

Demands:

- I. **National Council (Staff Side), JCM:** This allowance should continue as it is granted for promoting Hindi Language, which is official language of the country.
- II. **Ministry of External Affairs:** This allowance should be retained and the quantum of allowance be decided by MEA.

Analysis and Recommendations of the Committee:

The Committee is of the view that the rates of this allowance are meagre, more so when compared to other allowances such as Foreign Allowance paid to MEA officials when posted in Missions/ Posts abroad. The assertion of the JCM that this allowance is paid to promote Hindi language is not correct as this allowance is paid to learn optional foreign language. **Therefore, the Committee recommends that the 7th CPC recommendation to abolish Language Reward and Allowance may be accepted.**

3.5.6 Night Patrolling Allowance (Para 8.10.34, 8.10.80)

Existing Provisions: It is granted to Trackmen of Indian Railways to compensate for hardship faced in night patrolling. The present rate is ₹ 10 per night of patrolling.

Reasons mentioned by 7th CPC for recommending abolition: The allowance has meagre rates. With the proposed rise in pay, this allowance is no longer required.

Demand:

National Council (Staff Side), JCM: This allowance should continue as Trackmen in Railways, engaged for night patrolling of tracks through torrential rain, jungles, bridges etc., are granted this allowance and many deaths have been reported.

Analysis and Recommendations of the Committee:

The Committee is of the view that the 7th CPC has already recommended that Track Maintainers – I, II, III & IV of Indian Railways be granted Risk & Hardship based allowance as per cell R3H2 of R&H Matrix @ ₹ 3400 for level 9 & above and @ ₹ 2700 for level 8 & below. **Therefore, the Committee recommends that the 7th CPC recommendation to abolish Night Patrolling Allowance may be accepted.**

3.5.7 Savings Bank Allowance (Para 8.10.43, 8.10.80)

Existing Provisions: It is granted to Postal Assistants working in Post Office Savings Bank (POSB) for shouldering strenuous and complicated nature of Savings Bank work. Postal Assistants need to qualify an Aptitude Test to get this allowance. The current rates are ₹ 300 per month for fully engaged staff and ₹ 150 pm for partially engaged staff.

Reasons mentioned by 7th CPC for recommending abolition: The justification provided by the Ministry is not sufficient for their continuance. Therefore, this allowance has been abolished.

Demand:

National Council (Staff Side), JCM: This Allowance should be retained and enhanced as it is granted to Postal Assistants working in POSB for shouldering strenuous and complicated nature of Savings Bank work.

Analysis and Recommendations of the Committee:

No additional justification has been furnished for continuance of the allowance. Representatives of the Postal Unions also did not press for this demand in their meeting with the Committee. Department of Posts also has not supported the demand for continuance of

this allowance. **Therefore, the Committee recommends that the 7th CPC recommendation to abolish Savings Bank Allowance may be accepted.**

3.5.8 Special Compensatory (Hill Area) Allowance (Para 8.10.48, 8.10.80)

Existing Provisions: This allowance is paid to Central Government employees posted at Hill stations (above 1000 meters) ranging from ₹ 720 – 900 per month.

Reasons mentioned by 7th CPC for recommending abolition: The 7th CPC has mentioned that there is hardly any hardship at this altitude. Therefore, it has been recommended that High altitude allowance may be extended to civilian employees at locations where Tough Location Allowance or any other Risk & Hardship Allowance is not admissible. Accordingly, this allowance has been abolished.

Demands:

- I. **National Council (Staff Side), JCM:** This allowance should be retained as the hill areas are normally inaccessible and facilities are not available to the employees for day to day needs.
- II. **J&K IAS Officers Association:** This allowance, granted for the areas eligible according to the criteria set forth by the 6th CPC, be extended to employees posted in majority of the Jammu region and entire Kashmir region.

Analysis and Recommendations of the Committee:

The 7th CPC has recommended that High Altitude Allowance be extended to civilian employees at locations where Tough Location Allowance or any other Risk & Hardship Allowance is not admissible. **Therefore, the Committee recommends that the 7th CPC recommendation to abolish Special Compensatory (Hill Area) Allowance may be accepted.**

3.5.9 Special Scientists' Pay (Para 8.17.126)

Existing Provisions: Special Scientists' Pay, at the rate of ₹ 4,000 per month, is granted to Scientists/Engineers (Category – H) with GP of ₹ 10,000.

Reasons mentioned by 7th CPC for recommending abolition: The 7th CPC has mentioned that Special Pay of ₹ 4000 pm was granted by V CPC to Scientists / Engineers (Category – H) with GP ₹ 10000 as it was felt at that time that the pay scale accorded to them were not commensurate with their status. As Pay scales have been revised upwards for all categories since 5th CPC, the 7th CPC has recommended for abolition of this allowance.

Demands:

- I. **Chairman, Space Commission:** This allowance should continue and may be reckoned for pension and pensionary benefits for all those who retire on or after 04.08.2010.
- II. **Department of Atomic Energy:** Based on the recommendations of Ministry of Finance, Joint Working Group (JWG) consisting of representatives of Department of Space, Department of Atomic Energy and DRDO has been constituted and a new scheme is being worked out. It was also informed that the issue is also pending before the Hon'ble Supreme Court for counting this Special Pay for pension and pensionary benefits. Therefore, it has been requested to retain this allowance.

Analysis and Recommendations of the Committee:

The Committee is of the view that pay scales have indeed gone up significantly in the 7th CPC regime in comparison to the 5th CPC levels. **Therefore, the Committee recommends that the 7th CPC recommendation to abolish Special Scientists' Pay may be accepted.**

Twelve (12) Allowances where modifications are proposed

3.6 A detailed analysis along with the recommendations of the Committee in respect of the 12 allowances where modifications are proposed is given below.

3.6.1 Breakdown Allowance (Para 8.10.8, 8.10.80)

Existing Provisions: This allowance is granted to non-gazetted Railway servants who are earmarked for attending to breakdown duties. The existing rates are as under:

Grade Pay	Rate (₹ per month)
Up to ₹1800	120
₹ 1900	180
₹ 2400-₹ 2800	240
₹ 4200 and above (limited to non-gazetted staff)	300

Reasons mentioned by 7th CPC for recommending abolition: Responding to emergencies is part of the duties of any government servant. Hence, granting a separate allowance for this purpose does not appear justified.

Demands:

- I. **M/o Railways:** Breakdown Allowance needs to be continued as it is given only to earmarked employees who are called out for emergency breakdown work even beyond office hours, foregoing their leisure time.
- II. **National Council (Staff Side), JCM:** Railway personnel have to attend to accidents at any time and have to perform duties outside their headquarters for days. Therefore, this allowance should continue.

Analysis and Recommendations of the Committee:

In the deliberations, Ministry of Railways strongly emphasized the need to continue this allowance on functional grounds. It was stated that officials of Ministry of Railways willingly volunteer for breakdown duties and breakdown staff can be called upon to attend to breakdown duties at any time of the day or night, at a few minutes' notice as per a scheduled protocol which is in addition to their normal allotted duty.

Noting that this work is in addition to their normal allotted duty and also that availability of motivated and dedicated staff to attend to breakdowns and for accident relief and speedy restoration work is a necessary functional requirement of the Railways, **the Committee recommends that Breakdown Allowance be retained. As the allowance is not DA indexed, it may be enhanced by a factor of 2.25. This will benefit about 11000 employees and help keep up their motivational levels. The additional annual financial implication is estimated to be approximately ₹ 15 crore.**

3.6.2 Cash Handling Allowance and Treasury Allowance (Para 8.10.9, 8.10.57, 8.10.80)

Existing Provisions: **Cash Handling Allowance** is granted to Cashiers in the Ministries/ Departments for handling cash, as under:

Amount of Average Monthly Cash handled	Rate in ₹
<₹ 50,000	230
Over ₹ 50,000 and up to ₹ 2,00,000	450
Over ₹ 2,00,000 and up to ₹ 5,00,000	600
Over ₹ 5,00,000 and up to ₹ 10,00,000	750
>₹ 10,00,000	900

Treasury Allowance is granted to Treasurers and Assistant Treasurers in Department of Posts working in Head Post Offices and large sub offices for handling cash. The present rate is ₹360 per month for handling cash up to ₹2 lakh and ₹480 per month for handling cash more than ₹2 lakh.

Reasons mentioned by 7th CPC for recommending abolition: With technological advances and growing emphasis on banking, these allowances have lost their relevance. Ministries/ Departments should work out plans to first minimize and then eliminate all cash transactions.

Demands:

- I. **National Council (Staff Side), JCM:** These allowances should be retained and increased by a factor of 2.25.
- II. **D/o Posts:** All cash transactions cannot be eliminated instantaneously. These allowances may be retained and also linked to DA. Existing rates may be doubled.

Analysis and Recommendations of the Committee:

The Committee noted that while efforts to eliminate cash transactions are being made and need to be expedited, all cash transactions cannot be eliminated immediately. The Committee was informed that except for Ministry of Railways there is no separate cadre of cashiers and that the number of employees volunteering for undertaking this assignment has been going down on account of cash handling risk. On functional grounds, these allowances may have to be retained at this stage. However, rates of both the allowances are linked to the quantum of cash handled and can be merged. **The Committee, therefore, recommends that the Cash Handling Allowance and Treasury Allowance be merged in a single allowance namely Cash Handling & Treasury Allowance with the following two slabs which may replace existing five slabs in Cash Handling Allowance and two slabs in Treasury Allowance. As these allowances are partially indexed to DA, rates may be increased as under:**

Amount of average monthly cash handled	Rate (Per month) In ₹
<= ₹5,00,000	700
Over ₹5,00,000	1000

Since the Government has initiated many steps towards digitization and has been promoting cashless transactions, the Government may consider abolishing this allowance at a later stage when significant success is achieved in phasing out cash transactions.

The proposed modifications will benefit approximately 14000 employees. Additional annual financial implications on account of the changes proposed by the Committee is estimated to be ₹14.27 crore.

3.6.3 Coal Pilot Allowance (Para 8.10.12, 8.10.80)

Existing Provisions: This allowance is paid to Shuntmen and Group D staff of transportation Department of Indian Railways who accompany pilots in the collieries for shunting and similar other duties. The existing rates are as under:

For First Trip	₹ 45 per trip
For every subsequent Trip	₹ 15 per trip

Reasons mentioned by 7th CPC for recommending abolition: This allowance has become outdated.

Demands:

- I. **Ministry of Railways:** Coal Pilot Allowance is paid to Shuntmen and other transportation staff who accompany Loco Pilots in Collieries and considering the significance of colliery movements in Railway Operations, this allowance may be retained and enhanced by a factor of 2.25
- II. **National Council (Staff Side), JCM:** Coal Pilot Allowance should continue as the staff working as Coal Pilot have to work inside the collieries where there is dust, fume etc. causing potential danger to their health.

Analysis and Recommendations of the Committee:

This allowance is paid to less than 1000 employees in the Ministry of Railways and is required to be retained as working in collieries which includes shunting, is also hazardous for health. Ministry of Railways has strongly recommended that this allowance should not be abolished on functional grounds.

The Committee, therefore, recommends that Coal Pilot Allowance may be retained. The rate of this allowance be multiplied by a factor of 2.25 and rounded off to nearest rupee, as under:

For first trip : ₹ 101.25/- (rounded off to 102)

For every subsequent trip: ₹ 33.75/- (rounded off to 34)

This will benefit approximately 1000 employees. Additional annual financial implication is estimated to be ₹ 1.00 crore per annum.

3.6.4 Cycle Allowance (Para 8.15.11)

Existing Provisions: It is paid where the duties attached to the post require extensive use of bicycle and the official concerned has to use and maintain his own cycle for official journeys. The existing rate is ₹ 90 per month.

Reasons mentioned by 7th CPC for recommending abolition: The amount of this allowance is meagre and the allowance itself is outdated.

Demands:

- I. **D/o Posts:** This allowance is mainly paid to Postmen who cover long distances. Therefore, it should be retained and the existing rates may be doubled.
- II. **National Council (Staff Side), JCM:** This allowance should continue.

Analysis and Recommendations of the Committee:

The Committee was apprised that in rural areas, postmen have to cover long distances. In the absence of public transport, cycle remains the preferred mode of communication in rural areas for postmen while delivering dak in a time bound manner. Even in urban areas having narrow lanes with congested access, cycles are preferred. In Ministry of Railways also, Trackmen are required to walk daily for long distances upto 8 km in their beat. The Committee is of the view that reliance on cycles remains a functional necessity for delivery of dak in many areas and for duties e.g. Trackmen and, therefore, recommends **that this allowance may be retained for Department of Posts and Railways as also other Ministries/ Departments where there is functional justification for any particular category of staff for its continuation with the approval of Department of Expenditure.**

The rate of Cycle Allowance may be doubled from ₹ 90 per month to ₹ 180 per month. This will benefit approximately 22,200 employees. The additional annual financial implication is estimated to be ₹ 1.88 crore.

3.6.5 Funeral Allowance (Para 8.17.54)

Existing Provision: When death of an employee occurs in peace areas, a funeral allowance of ₹ 6,000 is granted and mortuary charges are reimbursed in the case of Defence personnel.

Reasons mentioned by 7th CPC for recommending abolition: With the pay raises provided by successive Pay Commissions, this kind of an allowance has lost its meaning.

Demand:

Ministry of Defence: This allowance may not be discontinued considering the circumstances in which this allowance is granted. The rates may be enhanced by suitable multiplication factor.

Analysis and Recommendations of the Committee:

The Committee is of the view that this cannot be categorized as an allowance as it is not paid to the employee but to the Next of Kin. Para 8.2.3 of the 7th CPC Report also states that 'Allowance' should be used when it is paid to an individual and if it is paid as an administrative expenditure, it should be referred to as expense or expenditure. Considering the circumstances, continuation of this expenditure by the Government might be necessary. However, instead of calling it Funeral Allowance, it may be renamed as Funeral Expense, and **the expenditure on this account, at the existing rate of ₹ 6,000/- and mortuary expenses, may be directly borne by the concerned Unit and reflected in budget and accounts accordingly with further proviso that, whenever necessary, the concerned unit can pay this amount to Next of Kin of the deceased at the applicable rates.**

3.6.6 Launch Campaign Allowance (Para 8.17.68) and Space Technology Allowance (Para 8.17.67)

Existing Provisions: Considering that all missions/ projects of ISRO are implemented in campaign mode and all categories of employees have to work with extra vigour, it was decided to give a lump sum **Launch Campaign Allowance** to all administrative staff working in DOS/ISRO to appreciate and recognize their contribution to ISRO. **Space Technology Allowance** is granted to supporting scientific and technical staff in DOS/ISRO in recognition of the need for their retention and keeping in view the fact that they play a crucial role in the success of every mission. Both the allowances are paid at the identical rate of ₹ 7,500 per annum.

Reasons mentioned by 7th CPC for recommending abolition: The allowances are in the nature of an appreciation allowance. Since PRIS is already being implemented in the ISRO, there is no justification for the continuation of these allowances.

Demand:

Chairman, Space Commission: Department of Space works in mission mode approach, and it requires large number of employees from different disciplines at different centres. Therefore, it was requested that this allowance should continue and quantum of the allowance may be enhanced suitably.

Analysis and Recommendations of the Committee:

Department of Space has brought to the notice of the Committee that these allowances are paid to the non gazetted administrative and technical support staff at half the rate of

Professional Allowance for scientists which is not paid to them. Department of Space has clarified that these allowances are not linked to PRIS which is paid to all categories including those in receipt of Professional Update Allowance which has not been discontinued. **The Committee recommends that these allowances be retained at the existing rates. This will benefit 7,177 (3575+3502) employees. Additional annual financial implication is estimated to be ₹ 4.68 crore.**

3.6.7 Operation Theatre Allowance (Para 8.10.35, 8.10.80)

Existing Provision: This allowance is granted to 35 percent of the Staff Nurses in Central Government Hospitals, who work in ICU/Operation Theatres. The current rate is ₹240 per month.

Reasons mentioned by 7th CPC for recommending abolition: The allowance has meagre rates. With the proposed rise in pay, this allowance is no longer required.

Demands:

- I. **M/o Health & FW:** The Nurses had demanded a separate Risk & Hardship (R&H) Allowance in addition to this allowance. Ministry was of the view that If both R&H Allowance and Operation Theatre Allowance cannot be considered together for Nurses, R&H Allowance alone may be considered.
- II. **National Council (Staff Side), JCM:** Dressers are specially trained to perform this job in Operation theatre so it should be retained.

Analysis and Recommendations of the Committee:

Nurses with special training (such as oncology, neonatal intensive care) are deployed in the ICU, CCU etc. This allowance is granted to 35% of the total nursing staff. Ministry of Health and Family Welfare has strongly recommended that this allowance be retained on functional grounds. **The Committee, therefore, recommends that this allowance be retained and the existing rate of ₹ 360 per month may be multiplied by a factor of 1.5. This will benefit approximately 17000 employees. Additional financial implication is estimated to be ₹ 3.86 crore per annum.**

3.6.8 Overtime Allowance (Para 8.17.97)

Existing Provisions: Overtime Allowance (OTA) is granted to government employees for performing duties beyond the designated working hours. Presently, OTA is paid in several Ministries / Departments up to a certain level at varying rates.

Recommendations of 7th CPC: OTA should be abolished (except for operational staff and industrial employees who are governed by statutory provisions). In case the Government decides to continue with OTA for those categories of staff for which it is not a statutory requirement, then the rates of OTA for such staff should be increased by 50 percent from their current levels.

Demands:

- I. **D/o Posts:** This allowance should continue and the rates may be increased to ₹100 per hour maximum of three hours in a day and it may be linked to DA.
- II. **National Council (Staff Side), JCM:** The rates of this allowance were revised in the year 1987 and after 7th CPC, one hour wage of an MTS is ₹75, but the rate of one hour OTA is ₹15.85. Therefore, it was requested that the rates of OTA, wherever sanctioned must be based upon the actual basic pay of the entitled employee. It was also demanded by the JCM that OTA has to be twice the hourly duty of the concerned employee.

Analysis and Recommendations of the Committee:

The Committee notes that the 7th CPC in its report at Para 8.17.96 has mentioned that 3rd, 4th, 5th and 6th CPC have recommended that OTA should be abolished except where it is statutory requirement. However, OTA has not been discontinued as per the recommendations of earlier CPCs.

The Committee is of the view that given the rise in pay over the years, the recommendations of the 7th CPC to discontinue OTA for categories other than operational staff and industrial employees who are governed by statutory provisions may be accepted. All Ministries / Departments will need to prepare a list of those coming under the category of 'operational staff' on its rolls and pay OTA at applicable rates. The rates of the allowance may not be revised and the payment be strictly linked to biometric attendance.

3.6.9 Ration Money Allowance (Para 8.17.103, 8.17.108)

Existing Provisions: Ration Money Allowance (RMA) is paid to all personnel of Defence forces and non-gazetted personnel of CAPFs, Delhi Police, IB, A&N police and such personnel of Indian Reserve Battalions (IRBn) as are posted in Andaman and Nicobar Islands and don't dine in the mess. The existing rate of this allowance is ₹95.52 per day for Non-Gazetted personnel and ₹79.93 per day for Gazetted personnel.

Recommendations of 7th CPC: Summary of the recommendations of 7th CPC is as under:

- a. Status quo be maintained regarding the rates of this allowance as the rate is revised periodically by MoD / MHA for their personnel.
- b. Regarding the admissibility of RMA, PBORs of CAPFs and Indian Coast Guard should be eligible to draw RMA irrespective of the place of posting (except when in receipt of the Detachment Allowance). Presently, officers of SSB who are posted in field areas at altitudes of less than 7000 feet are not eligible for RMA. This restriction of 7000 feet should be removed.
- c. Looking into the unique service conditions of CAPFs, RMA should be exempt from income tax.
- d. The provision of free rations and the grant of Ration Money Allowance to officers of Defence forces posted in peace areas should be withdrawn.

Demands:

- I. **Ministry of Defence:** This allowance may be continued in peace areas and may be paid in cash.
- II. **Special Protection Group (SPG):** Ration Money Allowance may be granted to SPG at par with BSF.

Analysis and Recommendations of the Committee:

The Committee is of the view that the recommendations of the 7th CPC may be accepted with modifications. **This may be as per suggestions made by MoD that Ration Money Allowance may continue to be paid to officers. The cash may be credited directly into the bank account of officers.** This will benefit approximately 43473 officers. The additional financial implication is estimated to be ₹150.40 crore per annum. The demand of SPG is outside the purview of this Committee.

The issue of income tax exemption for RMA may be separately taken up with Department of Revenue.

3.6.10 Risk Allowance (Para 8.10.42, 8.10.80)

Existing Provisions: Risk Allowance is presently given to employees engaged in hazardous duties or whose work will have deleterious effect on health over a period of time. Risk

Allowance is also paid to Sweepers and Safaiwalas engaged in cleaning of underground drains, sewer lines as well as to the employees working in trenching grounds and infectious diseases hospitals. The extant rate is ₹ 60 per month.

Reasons mentioned by 7th CPC for recommending abolition: The allowance has meagre rates. With the rise in pay, this allowance is no longer required.

Demands:

- I. **National Council (Staff Side), JCM:** Defence Civilian employees are involved in manufacturing and repairing of Arms, ammunition and they have to deal with various chemicals. Therefore, it was requested to consider continuance of the Risk Allowance. It was also demanded that coverage of the allowance may be extended to additional categories and left out organizations.
- II. **Department of Atomic Energy:** Risk Allowance in the appropriate Risk and Hardship Matrix for employees working in various units of the Department should be granted to them as they are exposed to high level of nuclear radiation, highly hazardous gases etc.
- III. **Ministry of Railways:** This allowance is granted to those employees in the Indian Railways who are engaged in hazardous duties or where there is risk of adverse effect on health. This allowance is also granted to employees engaged in spray painting, chrome plating, fumes, safaiwalas engaged in underground drains / sewers, malaria khalasis. Therefore, this allowance should not be abolished and categories of employees drawing Risk Allowance be given Risk Allowance as per R3H3 of Risk and Hardship Matrix.
- IV. **Ministry of Defence:** This allowance as per appropriate Risk & Hardship Matrix to 45 identified risky operations in Defence Establishments should continue as it was approved by Cabinet after 8 – 10 years of deliberations.

Analysis and Recommendations of the Committee:

The Committee notes that the allowance has been recommended for abolition only on the ground that the rates are meagre. However, the element of risk has not been denied by the 7th CPC.

While the Committee observes that there is an urgent need to enhance the safety features and working environment through appropriate interventions in respect of these hazardous activities to minimize the risks, the risks cannot be eliminated. Discontinuation of Risk Allowance will appear to be harsh in view of the existing risks. **The Committee, therefore, recommends that this allowance should be retained and multiplied by a factor of 2.25. The enhanced rate will be ₹135 per month. This will benefit approximately 7000 employees. The additional annual financial implication is estimated to be ₹ 1 crore.**

Conclusion:

3.7 Out of 53 abolished allowances, the Committee is recommending changes in 12 allowances (including RMA and Overtime Allowance). A list of all these 53 abolished allowances is appended below (**APPENDIX – I**). Additional annual financial implication in respect of changes recommended by the Committee is estimated at ₹196.66 crore (approximately).

APPENDIX – I (Refer para 3.7 of Chapter – 3)

RECOMMENDATIONS ON ABOLISHED ALLOWANCES

Allowances to be abolished

S. No.	Name of the Allowance
1.	Air Dispatch Pay
2.	Air Steward Allowance
3.	Assisting Cashier Allowance
4.	ASV Allowance
5.	Command Allowance
6.	Commando Allowance
7.	Commercial Allowance
8.	Condiment Allowance
9.	Court Allowance
10.	Desk Allowance
11.	Diet Allowance
12.	Electricity Allowance
13.	Entertainment Allowance for Cabinet Secretary
14.	Entertainment Allowance in Indian Railways
15.	Family Planning Allowance
16.	Flying Squad Allowance
17.	Handicapped Allowance
18.	Headquarters Allowance
19.	Hutting Allowance
20.	Investigation Allowance
21.	Language Reward and Allowance
22.	Metropolitan Allowance
23.	Night Patrolling Allowance
24.	Official Hospitality Grant in Defence forces
25.	Organization Special Pay
26.	Out-turn Allowance
27.	Rajdhani Allowance
28.	Rent Free Accommodation
29.	Savings Bank Allowance
30.	Secret Allowance
31.	Shorthand Allowance
32.	Special Compensatory (Hill Area) Allowance
33.	Special DOT Pay
34.	Special NCRB Pay
35.	Special Scientists' Pay
36.	Spectacle Allowance
37.	Study Allowance
38.	Sumptuary Allowance in Training Establishments
39.	Sumptuary Allowance to Judicial Officers in Supreme Court Registry
40.	Training Stipend
41.	Vigilance Allowance

Allowances where modifications are recommended

S No.	Name of the Allowance	Recommendations of the Committee
1.	Breakdown Allowance	Breakdown Allowance to be retained and be enhanced by a factor of 2.25
2.	Cash Handling Allowance	To be retained. Cash Handling Allowance and Treasury Allowance may be merged in a single allowance namely Cash Handling & Treasury Allowance and be retained with two slabs. Rates to be revised to ₹700 and ₹1000.
3.	Coal Pilot Allowance	To be retained and the rate to be multiplied by 2.25
4.	Cycle Allowance	To be retained and existing rates to be doubled.
5.	Funeral Allowance	Funeral Allowance is in the nature of a grant to the next of kin. Considering the circumstances, continuation of this expenditure is necessary. However, instead of calling it Funeral Allowances, it may be renamed as Funeral expense. Expenditure at the existing rate of ₹6000/- and mortuary expenses may be borne by the Unit directly.
6.	Launch Campaign Allowance	Retained at the existing rate of ₹7500/- in Department of Space
7.	Operation Theatre Allowance	May be retained. Existing rate to be multiplied by 1.5
8.	Overtime Allowance (Abolished for certain categories)	OTA rates may not be revised upwards
9.	Ration Money Allowance (Abolished for certain categories)	Facility of free ration to be discontinued and to be paid in cash in peace areas to all Defence Forces officers
10.	Risk Allowance	May be retained. Existing rate of ₹60 pm to be multiplied by 2.25 and to be increased to ₹135 pm
11.	Space Technology Allowance	Retained at the existing rate of ₹7500/- in Department of Space
12.	Treasury Allowance	May be retained. Cash Handling Allowance and Treasury allowance to be merged in a single Allowance. Rates to be revised to ₹700 and ₹1000 per month

CHAPTER 4

Allowances Recommended to be Subsumed by 7th CPC

- 4.1 In addition to the 53 allowances recommended to be abolished, para 8.2.6 of the 7th CPC Report mentions that another 36 allowances have been abolished as separate identities. These 36 allowances are to be subsumed either in an existing allowance or in a newly proposed allowance. However, there are 37 allowances listed under the category of allowances to be subsumed in the comprehensive list of Allowances contained in Chapter 8.1 of the 7th CPC Report. All 37 allowances mentioned as having been subsumed in the comprehensive list of Allowances of 7th CPC are discussed in this Chapter.

Allowances in respect of which no demands were received

- 4.2 Of the 37 allowances recommended for being subsumed in other allowances, demands have been received in respect of 13 allowances. No demands have been received in respect of 24 allowances which have been listed below. No changes are being suggested for allowances in respect of which no demands have been raised. **The Committee recommends that the 7th CPC recommendation to abolish the following 24 allowances as separate identities by subsuming them in another allowance be accepted:**

S.No.	Name of the Allowance	Recommendation of 7 th CPC
1.	Acting Allowance	Abolished as a separate allowance. Eligible employees to be governed by the newly proposed Additional Post Allowance .
2.	Bad Climate Allowance	Abolished as a separate allowance. Subsumed in Tough Location Allowance-III . To be paid as per Cell R3H3 of the newly proposed Risk and Hardship Matrix.
3.	Camp Allowance	Abolished as a separate allowance. Subsumed in the newly proposed Territorial Army Allowance .
4.	Dual Charge Allowance	Abolished as a separate allowance. Eligible employees to be governed by the newly proposed Additional Post Allowance .
5.	Extra Duty Allowance	Abolished as a separate allowance. Eligible employees to be governed by the newly proposed Extra Work Allowance .
6.	Family Accommodation Allowance (FAA)	Abolished as a separate allowance. Eligible employees to be governed by the newly proposed provisions for Housing for PBORs.
7.	Flag Station Allowance	Abolished as a separate allowance. Eligible employees to be governed by the newly proposed Extra Work Allowance .
8.	Flight Charge Certificate Allowance	Abolished as a separate allowance. Eligible employees to be governed by the newly proposed Extra Work Allowance .
9.	Haircutting Allowance	Abolished as a separate allowance. Subsumed in Composite Personal Maintenance Allowance .

S.No.	Name of the Allowance	Recommendation of 7 th CPC
10.	Higher Proficiency Allowance	Abolished as a separate allowance. Eligible employees to be governed by Language Award or Higher Qualification Incentive for Civilians .
11.	Initial Equipment Allowance	Abolished as a separate allowance. Subsumed in the newly proposed Dress Allowance .
12.	Instructional Allowance	Abolished as a separate allowance. Eligible employees to be governed by Training Allowance .
13.	Judge Advocate General Department Examination Award	Abolished as a separate allowance. Eligible employees to be governed by the newly proposed Higher Qualification Incentive for Defence Personnel .
14.	Library Allowance	Abolished as a separate allowance. Eligible employees to be governed by the newly proposed Extra Work Allowance .
15.	Out of Pocket Allowance	Abolished as a separate allowance. Eligible employees to be governed by Daily Allowance on Foreign Travel .
16.	Rajbhasha Allowance	Abolished as a separate allowance. Eligible employees to be governed by the newly proposed Extra Work Allowance .
17.	Robe Allowance	Abolished as a separate allowance. Subsumed in the newly proposed Dress Allowance .
18.	Robe Maintenance Allowance	Abolished as a separate allowance. Subsumed in the newly proposed Dress Allowance .
19.	Shoe Allowance	Abolished as a separate allowance. Subsumed in the newly proposed Dress Allowance .
20.	Single in Lieu of Quarters (SNLQ)	Abolished as a separate allowance. Eligible employees to be governed by the newly proposed provisions for Housing for PBORs.
21.	Soap Toilet Allowance	Abolished as a separate allowance. Subsumed in Composite Personal Maintenance Allowance .
22.	Sunderban Allowance	Abolished as a separate allowance. Subsumed in Tough Location Allowance-III . To be paid as per Cell R3H3 of the newly proposed Risk and Hardship Matrix.
23.	TA Bounty	Abolished as a separate allowance. Subsumed in the newly proposed Territorial Army Allowance .
24.	Tribal Area Allowance	Abolished as a separate allowance. Subsumed in Tough Location Allowance-III . To be paid as per Cell R3H3 of the newly proposed Risk and Hardship Matrix.

4.3 With the acceptance of the recommendations of the 7th CPC in respect of the 24 allowances listed above, 6 new allowances will come into existence. These are Additional Post Allowance, Tough Location Allowance, Territorial Army Allowance, Extra Work Allowance, Dress Allowance and Higher Qualification Incentive for Defence Personnel.

Allowances in respect of which demands were received

4.4 The Committee has received demands in respect of 13 allowances recommended to be subsumed. These demands have been deliberated upon at length by the Committee. While deliberating on the demands, the Committee has taken into consideration the arguments made in support of the demands by various stakeholders. Based on the deliberations, the Committee is of the view that of the 13 allowances, there is no compelling justification in respect of 4 allowances to modify the recommendations of the 7th CPC. These are discussed in para 4.5 below. Modifications are proposed by the Committee in respect of the remaining 9 allowances which are discussed in para 4.6 below.

Four (4) Allowances where no modifications are proposed

4.5 A detailed analysis along with the recommendations of the Committee on the 4 allowances where no modifications are proposed is given below.

4.5.1 Caretaking Allowance (Para 8.3.22)

Existing Provisions: It is granted @10% of Basic Pay to Group-C staff who are deployed for caretaking duties in various Ministries.

Recommendations of 7th CPC: Abolished as a separate allowance. Eligible employees are to be governed by the newly proposed “Extra Work Allowance” and it will be paid at a uniform rate of 2 percent of Basic Pay per month. An employee may receive this allowance for a maximum period of one year and there should be minimum gap of one year before the same employee can be deployed for similar duty again.

If an employee is performing two or more duties and is eligible for 2% allowance for each add-on the total Extra work Allowance will remain capped at 2 percent.

Demand:

Department of Commerce: This allowance should continue.

Analysis and Recommendations of the Committee:

The Committee is of the view that this recommendation of the 7th CPC is aimed at rationalizing the structure of allowances. **The Committee, therefore, recommends that the 7th CPC recommendation relating to Caretaking Allowance may be accepted without any change.**

4.5.2 Clothing Allowance (Para 8.16.3, 8.16.14)

Existing Provisions: IB personnel posted at high altitudes are granted a Clothing Allowance at the following rates:

Height>3000m above MSL	Initial Grant	₹ 12000
	Renewal Grant	₹ 2000 pa
1500m>Height>3000m above MSL	Initial Grant	₹ 8000
	Renewal Grant	₹ 1200 pa

Recommendations of 7th CPC: Any special clothing, like that provided at Siachen Glacier, or inside Submarines, or fluorescent clothing provided to trackmen of Indian Railways, or to IB

personnel posted at high altitudes, will continue to be provided by the concerned ministry as per existing norms.

Demand:

MHA: Non –combatised personnel of SSB posted at location between 1500 – 3000 m may be granted Clothing Allowance at par with IB personnel.

Analysis and Recommendations of the Committee:

The Committee has examined this Allowance along with Uniform Allowance. This allowance will be governed as per the recommendations made for Uniform Allowance.

4.5.3 Compensation in Lieu of Quarters (CILQ) - (Para 8.7.18 -27)

Existing Provisions: CILQ is a composite allowance, meant to compensate for hiring of house, furniture, electricity and water etc. It is payable to PBORs who are married and are >=25 years of age. PBORs have the option to choose CILQ or HRA, whichever is more beneficial. CILQ is also paid to similarly placed personnel of CAPFs and Indian Coast Guard at following rates:

Posts	City Classification (in ₹)		
	X	Y	Z
Sepoy /Naik	5400	3600	2400
Havaldar	6300	4500	3000
JCOs	8100	5400	3600
NC (E)	2700	1800	1200

For the balance, compensation is through the FAA, which was introduced by the VI CPC. It is payable at the lowest rate of HRA to all PBORs of Defence services, CAPFs and Indian Coast Guard who do not qualify for benefit of HRA or CILQ. In Ministry of Defence, it is granted at the rate of 10 percent of Basic Pay, while in Ministry of Home, it is granted at a flat rate of ₹ 1,050 per month.

Recommendations of 7th CPC: It is felt that the service rendered by PBORs of uniformed services needs to be recognized and their housing provisions simplified. The Commission, in the interactions it has had with the men on the ground at all field locations it has visited, has seen first hand that the lack of proper housing compensation is a source of discontentment among these employees. Hence, the following structure is recommended:

Whether the PBOR has any Dependents	Field Posting	Non-Field Posting	
		Staying in Barracks	Not Staying in Barracks
Yes	Full HRA applicable at the Selected Place of Residence of the Dependents*	Reduced HRA applicable at the Selected Place of Residence of the Dependents**	Full HRA applicable at that place if government accommodation not available#
No	Full HRA applicable at Class Z city, i.e., 10 percent of Basic Pay	Reduced HRA applicable at the place of posting@	Full HRA applicable at that place if government accommodation not available #

Note: The factors for reduction, contemplated by 7th CPC are given below:

An employee with dependents, during field posting or staying in Barracks as functional requirement will be eligible for accommodation for his dependents anywhere in the country.

** Provided government accommodation is not available for the dependents at Selected Place of Residence. If government accommodation is available, no HRA is payable.*

*** Reduced HRA means rate of HRA applicable reduced by 5 percent. However, the reduced amount cannot be less than the lowest rate of HRA applicable to Class Z cities/towns. Allowance is available provided employee is required to stay in barracks as a functional requirement and government accommodation is not available for the dependents at Selected Place of Residence. If employee is staying in barracks by choice or government accommodation is available at Selected Place of Residence, no HRA is payable.*

@ Reduced HRA means rate of HRA applicable reduced by 5%. However, the reduced amount cannot be less than the lowest rate of HRA applicable to Class Z cities/towns. Allowance is available provided employee is required to stay in Barracks as a functional requirement. If employee is staying in Barracks by choice, no HRA is payable.

Provided government accommodation is not available, else no HRA is payable.

Demands:

- I. **Ministry of Home Affairs:** This allowance may be extended to Company Commanders who are in the rank of Assistant Commandant / Deputy Commandant posted in the Ops duty or Field/ Border Out Posts (BOP).
- II. **Defence Forces:** Personnel may be given the choice to choose between CILQ and HRA whichever is beneficial. However, Ministry of Defence has not made any recommendation in this regard.

Analysis and Recommendations of the Committee:

The Committee is of the view that a lot of analysis based on an understanding of the ground situation has gone into this recommendation of the 7th CPC which will simplify the allowance structure relating to accommodation for uniformed services to a significant extent. Therefore, it may not be desirable to tinker with the recommendations at this stage. **The Committee, therefore, recommends that the 7th CPC recommendations on CILQ may be accepted without any change.**

4.5.4 Outfit Allowance (Para 8.16.4, 8.16.14)

Existing Provisions: Officers of Indian Foreign Service and certain employees in Ministry of External Affairs are granted an Outfit Allowance to meet the expenditure involved in clothing required for living abroad. The allowance is granted every time the officer is posted abroad plus once in HQ, but not more than 8 times in the whole career. The existing rates are as under:

IFS Officers, Gr.I of IFS(B), PPS and Gol officers of equivalent rank	₹ 10625 per posting abroad
Officers of Gr.II and III of IFS(B), PS	₹ 7500 per posting abroad
Other grades of IFS(B)	₹ 5625 per posting abroad

Recommendations of 7th CPC: Outfit Allowance, paid to Indian Foreign Service officers and employees will continue to be provided as before, enhanced by 50 percent.

Demand:

Cabinet Secretariat: Outfit Allowance may be considered to be extended to Special Frontier Force at par with Indian Army.

Analysis and Recommendations of the Committee:

The Committee has examined this Allowance along with Uniform Allowance. This allowance will be governed as per the recommendations made for Uniform Allowance.

Nine (9) Allowances where modifications are proposed

4.6 A detailed analysis along with the recommendations of the Committee in respect of the 9 allowances where modifications are proposed is given below.

4.6.1 Fixed Monetary Compensation (Para 8.3.5-12)

Existing Provisions: It is granted to Postmen for performing the duties of an absentee postman. The present rates are ₹24 (when two postmen perform duty of an absentee postman) and ₹50 (when one postman performs duty of an absentee postman) per day.

Recommendations of 7th CPC: This allowance should be covered under the newly proposed "Additional Post Allowance". Specific clause to govern the provisions under Additional Post Allowance has been proposed for postmen. While one postman performing the duties of an absentee postman shall be paid 10% of his Basic Pay per month, two postmen sharing beats to perform duties of an absentee Postman shall both be paid 5% of Basic Pay per month as Additional Post Allowance.

Demand:

D/o Posts: The allowance may be granted separately @ ₹300 per day for additional full beat and @ ₹150 per day for sharing of beat. It was also requested by the D/o Posts that this allowance be linked to DA.

Analysis and Recommendations of the Committee:

Postmen are required to handle time bound duties. Department of Posts has made a strong plea that the Allowance is structured in a way that best suits the functional requirements of the Department. Alternative arrangements are made if period of absence of postmen is more than 15 days. In view of the specific requirements of D/o Posts, **the Committee recommends that Fixed Monetary Compensation may be retained as a separate Allowance and not be subsumed in Extra Work Allowance. The existing rate may be increased by a factor of 2.25. The revised rates, thus, shall be ₹54 per day for sharing of beat and ₹115 for full beat.**

This will benefit approximately 15098 employees. The additional financial implication is estimated to be ₹2 crore per annum.

4.6.2 Holiday Compensatory Allowance (Para 8.6.5)

Existing Provisions: It is a compensation for non-gazetted staff of IB who are required to perform duties on holidays and weekends; granted at the rate of one day's (Basic Pay + DA) for up to thirty days in a financial year.

Recommendations of 7th CPC: Employees in almost all Ministries/ Departments are sometimes required to work on weekends for which they are provided "compensatory off". Thus, grant of an allowance for weekend working is not justified.

At the same time, the sensitive, and time bound nature of work done by IB should also be kept in mind. Therefore, the non-gazetted staff of IB, at present covered under Holiday Compensatory Allowance, should, henceforth, be covered by National Holiday Allowance. They will be granted this allowance for up to twelve holidays in a year (including the three National Holidays) at the rates prescribed.

Demands:

- I. **MHA / Intelligence Bureau:** The officials are required to perform duties on holidays for more than 30 days but the cash compensation is restricted to 30 days. Therefore, the IB has requested that status quo may be maintained in this regard and cash compensation for IB staff should continue.
- II. **R&AW:** R&AW personnel are frequently required to perform duties beyond office hours and on holidays/ weekends etc. Therefore, the existing provisions for Holiday Compensatory Allowance for 30 days in a year may continue.

Analysis and Recommendations of the Committee:

In Para 8.6.2 of the Report, the 7th CPC has mentioned that employees of other CAPFs are granted extra thirty days' leave. Some, like the employees of Delhi Police and the CISF, are granted an extra month's pay per year. There is no mention of Research & Analysis Wing (R&AW) in the Report.

It has been brought to the notice of the Committee that contrary to what has been stated in the 7th CPC Report, the dispensation existing in Delhi Police, IB and R&AW are similar. This discrepancy may have happened on account of the way the concerned Departments would have reported the details to the 7th CPC. In view of the existing similarities and functional considerations, **the Committee recommends that this allowance may not be subsumed in National Holiday Allowance and the existing system in IB and R&AW may be continued.**

The additional financial implication on account of the changes proposed by the Committee is estimated to be ₹ 73.93 crore per annum (₹ 13.93 crore for R&AW and ₹ 60.00 crore for IB). It will benefit approximately 23659 employees (5775 in R&AW and 17884 in IB).

4.6.3 Qualification Grant (Para 8.9.27, 8.9.33)

Existing Provisions: Lump-sum Qualification Grant is paid to officers who qualify in various specified courses. The present rates are as under:

Category	Existing Grant
Category I Courses	₹ 30000
Category II Courses	₹ 22500
Category III Courses	₹ 13500
Category IV Courses	₹ 9000
MNS Officers	₹ 9000

Recommendations of 7th CPC: The list of courses under each category of Qualification Grant needs to be reviewed by an expert committee and only Defence specific courses need to be retained. The areas in which incentive is given should be such that they are directly relevant to one's chosen field of occupation. Courses like M.Phil in any subject (presently a Cat-I course) or Bar-at-Law (presently a Cat-II course) are generic in nature and may be reviewed. Similarly, the desirability of including a course like Long Cookery Course (presently at Cat-II) should also be re-examined. The Commission has also recommended as under:

1. Once the reviews are completed, the list of courses which are to qualify for continuation of the incentive should be graded into five categories. They should then be combined into a single Higher Qualification Incentive for Defence Personnel with the following rates:

Higher Qualification Incentive for Defence Personnel

Qualification	Amount (₹)
Grade I courses	30000
Grade II courses	25000
Grade III courses	20000
Grade IV courses	15000
Grade V courses	10000

2. Tier-II of the Technical Allowance as well as the Qualification Grant will be merged into Higher Qualification Incentive for Defence Personnel and will be paid as a lumpsum amount, on similar terms and conditions as Higher Qualification Incentive for Civilians.
3. Like civilians, this incentive will be applicable to all Defence forces personnel. Similarly, the incentive shall be limited to maximum two times in an employee's career, with a minimum gap of two years between successive grants.
4. For Defence employees who have already availed of the full incentive now proposed, future payments should be stopped. For employees who have availed of the incentive only partly, the remaining amount should be paid as a lump sum immediately. No recoveries should be made for those employees who have already received more than the full amount.

Demand:

Ministry of Defence: Qualification Grant may also be extended to Civilian Defence employees.

Analysis and Recommendations of the Committee:

The Committee has examined this Grant along with Technical Allowance. This allowance will be governed as per the recommendations made for Technical Allowance in Para 4.6.6 below.

4.6.4 Special Appointment Allowance (Para 8.3.19 and 8.3.22)

Existing Provisions: Granted to CAPF personnel holding special appointments as under:

Appointment Held	Rate of Allowance (₹)
Inspector (Comn)	320
SI (Radio Operator)	320
SI (Cipher Operator)	320
SI (MT)	240
SI (Adjutant)	240
SI (Quarter Master)	240
HC (Radio Operator)	320
HC (Cipher Operator)	320
HC (BQMH)	120
HC (CQMH)	80
HC (CHM)	120
HC (Instructor)	160
HC (Armourer)	160
HC (BHM)	80
Constable (Bugular)	40
Constable (Storeman/Tech)	80

Recommendations of 7th CPC: Abolished as a separate allowance. Eligible employees to be governed by the newly proposed “**Extra Work Allowance**” and it will be paid at a uniform rate of 2 percent of Basic Pay per month. An employee may receive this allowance for a minimum period of one year and there should be minimum gap of one year before the same employee can be deployed for similar duty again.

Demand:

Ministry of Home Affairs: The posts of ASI (RM), ASI (RO) and SI (RM) have not been included in the list mentioned by the Commission in Special Appointment Allowance. Therefore, this allowance may be paid to these categories also.

Analysis and Recommendations of the Committee:

It has been brought to the notice of the Committee by MHA that the posts of ASI (RM), ASI (RO) and SI (RM) are inadvertent exclusions from the list of Special Appointment Allowance. **It is, therefore, recommended that these categories may also be considered for grant of Extra Work Allowance.**

The additional financial implication on account of the changes proposed by the Committee is estimated to be ₹1.74 crore per annum and will benefit approximately 6605 employees.

4.6.5 Special Compensatory (Remote Locality) Allowance (Para 8.10.49, 8.10.62)

Existing Provisions: Payable to Central Government employees serving in specified remote localities, as under:

Class of Remote Locality	GP >₹ 5400	Others (₹)
Part A	3900	3000
Part B	3150	2400
Part C	2250	1800
Part D	600	480

Recommendations of 7th CPC: Abolished as a separate allowance. Eligible employees to be governed by the newly proposed **Tough Location Allowance-I, II or III** as under:

For TLA-I it is to be paid as per Cell R3H1 @ ₹5300 pm to level 9 and above and ₹4100 pm upto level 8.

For TLA-II it is to be paid as per Cell R3H2 @ ₹3400 pm to level 9 and above and ₹2700 pm to level 8 and below.

For TLA-III, it is to be paid as per R3H3 @ ₹1200pm and ₹1000 pm to level 8 and below.

It has also been recommended that in the unlikely event of a place falling in more than one category, the higher rate of Tough Location Allowance will be applicable. Tough Location Allowance will, however, not be admissible along with Special Duty Allowance.

Demands:

- I. **Secretary, All Ladakh Central Government Employees Association through Minister, Social Justice & Empowerment, Governor’s Secretariat, J&K, Shri Ghulam Nabi Azad, MP and Shri Thupstan Chhewang, MP:** Tough Location Allowance to be made admissible as per rates mentioned against R2H2 of the Risk and Hardship Matrix for the employees posted in Ladakh Region in addition to SDA as this allowance was earlier granted to employees posted in Ladakh region.
- II. **Regional Co-ordination Committee of Postal Employees Unions, Assam & NE Circle, Guwahati through Shri Ramen Deka, MP:** Special Compensatory (Remote

Locality) Allowance, which has been subsumed in the Tough Location Allowance may be made admissible along with Special Duty Allowance and these may be extended to Gramin Dak Sewaks also.

Analysis and Recommendations of the Committee:

As per Department of Expenditure’s OM No. 3(1)/2008-E.II (B) dated 29th August 2008, Special Compensatory (Remote Locality) Allowance is paid in specified areas in different States and Union Territories listed as Part A, B, C, & D. Leh District has been included in Part ‘A’ of the list of the above said OM and 7th CPC has specifically recommended Tough Location Allowance – I for Leh District as per Cell R3H1 @ ₹ 5300 pm to level 9 and above and ₹ 4100 pm upto level 8. Therefore, it is clear that the personnel working in Ladakh region will get this allowance as per TLA-I recommended by the 7th CPC.

It has been brought to the notice of the Committee that officials in some Pay Levels may end up getting a lesser amount as per the 7th CPC recommendation that Tough Location Allowance will not be admissible along with Special Duty Allowance. **The Committee recommends that while the recommendations of the 7th CPC may be accepted, the amount drawn by the employees in the revised dispensation may not be less than what they were drawing in the 6th CPC regime.**

The demand relating to Gramin Dak Sewaks does not emanate from the recommendations of the 7th CPC and is, therefore, outside the purview of the Committee.

4.6.6 Technical Allowance (Para 8.9.29, 8.9.33)

Existing Provisions: Technical Allowance is granted to Defence Forces officers belonging to the technical branches for qualifying certain Tier-I and Tier-II courses. The present rates are as under:

For Tier-I courses	₹ 3000 pm
For Tier-II courses	₹ 4500 pm
For both courses	₹ 7500 pm

Recommendations of 7th CPC: Abolished as a separate allowance. Allowance for Tier I Courses for Defence to continue. Eligible employees to be governed by the newly proposed Higher Qualification Incentive. The list of courses under each category of Qualification Grant needs to be reviewed by an expert committee and only Defence specific courses need to be retained.

It may be clarified here that the Commission is all for acquiring higher qualifications for the growth of an individual. However, the areas in which incentive is given should be such that they are directly relevant to one’s chosen field of occupation. Courses like M.Phil in any subject (presently a Cat-I course) or Bar-at-Law (presently a Cat-II course) are generic in nature and may be reviewed. Similarly, the desirability of including a course like Long Cookery Course (presently at Cat-II) should also be re-examined. Once the reviews are completed, the list of courses which are to qualify for continuation of the incentive should be graded into five categories. They should then be combined into a single Higher Qualification Incentive for Defence Personnel with the following rates:

Higher Qualification Incentive	
Qualification	Amount (₹)
Grade I courses	30000
Grade II courses	25000
Grade III courses	20000
Grade IV courses	15000

Grade V courses	10000
-----------------	-------

Only Tier-I of the Technical Allowance will continue to be paid on a monthly basis. Tier-II of the Technical Allowance as well as the Qualification Grant will be merged into Higher Qualification Incentive for Defence Personnel and will be paid as a lump-sum amount, on similar terms and conditions as Higher Qualification Incentive for Civilians.

Like civilians, this incentive will be applicable to all Defence forces personnel.

Similarly, the incentive shall be limited to maximum two times in an employee's career, with a minimum gap of two years between successive grants.

Analysis and Recommendations of the Committee:

The Committee has examined the Qualification Grant and Technical Allowance (Tier – I & II) being granted to Defence Forces. The Committee is in agreement with the recommendations of 7th CPC that the areas in which incentive is given should be such that they are directly relevant to one's chosen field of occupation. The Committee is also in agreement with the recommendations of 7th CPC that the courses included in various categories of Qualification Grant and Technical Allowance need to be re-examined.

However, the Committee also takes note of the fact that the service conditions of the Defence Forces are different from the civilian employees. Therefore, **the Committee is of the view that the present system of Qualification Grant and Technical Allowance (Tier – I & II) may continue with the condition that the maximum ceiling of Technical Allowance (both I & II) will be capped at ₹ 4500 per month. Further, the courses included in Tier – II of Technical Allowance will not be covered for grant of Qualification Grant.**

4.6.7 Uniform Allowance (Para 8.16.2- 8.16.14): Demands have been received regarding the following 5 allowances:

- (i) Clothing Allowance
- (ii) Kit Maintenance Allowance (KMA)
- (iii) Outfit Allowance
- (iv) Uniform Allowance, and
- (v) Washing Allowance

Existing Provisions: Officers of uniformed forces are in receipt of a *Uniform Allowance* that is in the nature of an Initial Grant followed by a Renewal Grant every three years. Personnel of the Customs Department and deputationists in the Bureau of Immigration get an initial grant and a renewal grant every year. SPG personnel are also granted Initial Uniform Grant and Renewal Uniform Grant. The existing structure is as under:

For officers of Indian Army / IAF, CAPFs/ RPF /IPS	Initial grant	₹ 21000
	Renewal grant	₹ 4500 (payable after every three years)
For DANIPS / ACP of Delhi Police	Initial grant	₹ 7200
	Renewal grant	₹ 3000 (payable after every three years)
For officers of Indian Navy, Indian Cost Guard	Initial grant	₹ 24000
	Renewal grant	₹ 7500 (payable after every three years)
For MNS Officers	Initial grant	₹ 10500

	Renewal grant	₹ 2250 (payable after every three years)
Distinctive Uniform for MNS Officers	Initial grant	₹ 600
For JCOs granted Honorary Commission (Army and IAF)	Initial grant	₹ 9600
For JCOs granted Honorary Commission (Navy)	Initial grant	₹ 12000
For NCOs promoted as JCOs (all three)	Initial grant	₹ 1500
Mufti Allowance for recruits in three services	Initial grant	₹ 600
Personnel in Customs and all deputationists in Bureau of Immigration posted at Mumbai/Chennai	Initial Grant	₹ 1500
	Replacement Grant	₹ 1000 pa
Personnel in Customs and all deputationists in Bureau of Immigration posted at Delhi / Amritsar / Kolkata	Initial Grant	₹ 2000
	Replacement Grant	₹ 1250 pa

Nurses:

Uniform Allowance @₹ 750 pm and Washing Allowance @₹ 450 pm.

SPG Personnel:

Currently, various Allowances related to Dress / KMA are paid at the following rates to SPG personnel:

Initial Uniform Grant – ₹ 33750/- (Ops duty) & ₹ 22500/- for (non-ops duties)

Renewal Uniform Grant ₹ 9000/- per annum for Ops duties and ₹ 6000/- per annum for non-ops duties.

Kit Maintenance Allowance is granted @₹ 450 pm to gazetted officers and @₹ 250 per month to non – gazetted officials.

Some other allowances related to provisioning and maintenance of Uniform include Outfit Allowance (8.16.4) in Ministry of External Affairs, Robe Allowance for ICLS officers, Shoe Allowance for track maintainers in Indian Railways, Initial Equipment Allowance in CBEC, Clothing Allowance to IB Personnel and Robe Maintenance Allowance.

Recommendations of 7th CPC: All uniform related allowances subsumed in a single Dress Allowance (including shoes), as under:

Dress Allowance

Category of Employee	Amount per year
Officers of Army /IAF / Navy / CAPFs/ CPOs RPF/ RPSF/ IPS and Coast Guard	₹ 20000
MNS Officers, Civilian Nurses, Officers of DANIPS/ACP of Delhi Police/Other Union Territories	₹ 15000

Executive Staff of Customs, Central Excise and Narcotics Department (both in summer and summer-cum-winter areas), ICLS Officers, Legal Officers in NIA, Bureau of Immigration Personnel (in Mumbai/ Chennai/ Delhi/ Amritsar/ Kolkata), PBORs of Defence services, CAPFs, RPF, Police forces of Union Territories and Indian Coast Guard, Station Masters of Indian Railways, SPG personnel	₹ 10000
Other Categories of Staff who are supplied uniform and are required to wear them regularly, like Trackmen, Running Staff of Indian Railways, Staff Car Drivers, etc.	₹ 5000

a) A
||
o

wances related to maintenance/washing of uniform are subsumed in Dress Allowance.

- b) The amount of Dress Allowance should be credited to the salary of employee directly once a year in July.
- c) This allowance covers only the basic uniform of the employee. Any special clothing, like that provided at Siachen Glacier, or inside Submarines, or fluorescent clothing provided to trackmen of Indian Railways, or to IB personnel posted at high altitudes, will continue to be provided by the concerned ministry as per existing norms.
- d) Outfit Allowance, paid to Indian Foreign Service officers and employees will continue to be provided as before, enhanced by 50 percent.
- e) The Commission has recommended that other categories of staff who are supplied uniform and are required to wear them regularly should be provided Dress Allowance @ ₹ 5,000 per year, the ministries/departments may take a decision on whether the rate should be ₹ 5,000 per year or ₹ 10,000 per year.
- f) These rates of Dress Allowance will go up by 25 percent each time Dearness Allowance rises by 50 percent.

Demands:

- I. **Ministry of Home Affairs:** All Bureau of Immigration officers deployed at more than 57 immigration points in the Country, required to wear uniforms, should be given this allowance. At present, the allowance is payable only to officers posted at Mumbai, Chennai, Delhi, Amritsar and Kolkata. Non –combatised personnel of SSB posted at locations between 1500 – 3000 m may be granted Clothing Allowance at par with IB personnel
- II. **M/o Health & FW:** The existing rates of the allowance be raised by 1.5 multiplying factor for Nursing Personnel. This amount may continue to be paid on a monthly basis.
- III. **National Council (Staff Side), JCM:** Postmen / MTS may be granted ₹ 10,000/- as Dress Allowance. The ceiling of Dress Allowance may be raised to ₹ 32,400/- per annum.
- IV. **DoP&T:** For Common categories of employees working in the Central Ministries/ Departments, the Dress Allowance be paid @ ₹ 10,000 per annum.
- V. **All India Guards Council:** Dress Allowance @ ₹ 15,000 per annum be paid to Guards.
- VI. **Cabinet Secretariat:** Outfit Allowance may be considered to be extended to Special Frontier Force at par with Indian Army.
- VII. **Defence Forces:** Dress Allowance be paid @ ₹ 26,600/- per annum to Officers of Indian Navy and the JCOs / OR of Defence Forces, free clothing be provided in addition to ₹ 5,000 per annum due to logistic constraints. However, the MoD has not made any recommendation in this regard.

VIII. **Special Protection Group (SPG):** While the 7th CPC has recommended the Dress Allowance @ ₹10,000 per annum to SPG personnel, the existing rates for SPG personnel are as under:

- (i) Initial Uniform Grant – ₹33,750/- (Ops duty) & ₹22,500/- for (non-ops duties)
- (ii) Renewal Uniform Grant ₹9,000/- per annum for Ops duties and ₹6,000/- per annum for non-ops duties.
- (iii) Kit Maintenance Allowance is granted @ ₹450 pm to gazetted officers and @ ₹250 per month to non – gazetted officials.
- (iv) Each Officer requires at least 4 Business Suits for Winter and 6 Safari Suits for Summer as SPG officers are deployed for protection of the highest Executive levels of the Nation. These suits cost around ₹66,500/- including good comfortable shoes and thermal wear etc.
- (v) Therefore, Initial Uniform Grant of ₹70,000/- and Renewal Uniform Grant of ₹35,000/- in subsequent years may be granted and Kit Maintenance Allowance, which is being paid to the SPG personnel separately prior to 1.1.2006 and subsumed in Dress Allowance, be continued @ ₹1,500 per month for all ranks.

Analysis and Recommendations of the Committee:

The Committee notes that the following allowances have been subsumed in the Dress Allowance:

- a) Clothing Allowance
- b) Composite Personal Maintenance Allowance (only Washing and Clothing Maintenance Allowance)
- c) Initial Equipment Allowance
- d) Kit Maintenance Allowance
- e) Robe Allowance
- f) Robe Maintenance Allowance
- g) Shoe Allowance
- h) Uniform Allowance
- i) Washing Allowance

The Committee further notes that the 7th CPC has sought to rationalize diverse arrangements of payment of allowances relating to provisioning and upkeep of uniforms as it exists in different organisations at present. Towards this all Uniform related allowances have been subsumed into the newly proposed Dress Allowance which will have 4 distinct slabs ranging from ₹5,000 to ₹20,000.

The Committee notes that the proposed rates payable annually are significantly higher than the existing rates for most categories. However, the increase for nurses will be 4% and there will be a decrease in rates for SPG Personnel.

Demands for Special Clothing Allowance for civilian employees of SSB and for Outfit Allowance to SFF do not come under the purview of the Committee as the 7th CPC has not made any recommendations in respect of these personnel.

The Committee also notes that the 7th CPC recommendations in respect of Bureau of Immigration personnel are applicable only in five cities whereas the personnel are deployed at more than 57 Immigration points.

In view of the above, the recommendations of the 7th CPC on Dress Allowance be accepted with the following modifications:

- (i) Uniform Allowance recommended for Bureau of Immigration officers at 5 points namely Mumbai, Chennai, Delhi, Amritsar and Kolkata may be made applicable to all immigration points.
- (ii) Rates of Dress Allowance for Nurses and SPG personnel may be determined separately. For calculating the rate of Dress Allowance for them, all existing uniform related allowances shall be subsumed in the Dress Allowance and be raised by a multiplication factor of 1.5 (as per the principle adopted by the 7th CPC, being partially DA linked). The amount of Dress Allowance so arrived at may be paid to Nurses on a monthly basis in view of high maintenance and hygiene requirements for Nurses and to the SPG personnel on an annual basis.

Accordingly, the revised rates for Nurses and SPG may be as under:

Nurses: ₹ 1800 per month

SPG personnel: ₹ 27,800 & ₹ 21,225 per annum for Operational and Non-Operational duties

The additional financial implication on account of the changes proposed by the Committee is estimated to be ₹ 25.15 crore per annum and will benefit approximately 25919 employees (5520 Bureau of Immigration employees, 17007 nurses and 3392 SPG personnel).

Conclusion:

4.7 Out of 37 allowances, the Committee is recommending changes in respect of 9 allowances. A list of all these 37 allowances is appended below (**APPENDIX – II**). Additional annual financial implication in respect of changes recommended by the Committee is estimated at ₹ 137.82 crore (approximately).

APPENDIX – II (Refer para 4.7 of Chapter – 4)

RECOMMENDATIONS ON SUBSUMED ALLOWANCES

Allowances to be subsumed (without modifications)

S.No.	Name of the Allowance	Recommendations of the Committee
1.	Acting Allowance	To be subsumed in Additional Post Allowance.
2.	Bad Climate Allowance	To be subsumed in Tough Location Allowance-III. To be paid as per Cell R3H3 of the newly proposed Risk and Hardship Matrix.
3.	Camp Allowance	To be subsumed in Territorial Army Allowance
4.	Caretaking Allowance	To be subsumed in Extra Work Allowance
5.	Clothing Allowance	To be subsumed in Dress Allowance
6.	Compensation in lieu of Quarters (CILQ)	To be subsumed in Provisions for Housing for PBORs
7.	Dual Charge Allowance	To be subsumed in Additional Post Allowance.
8.	Extra Duty Allowance	To be subsumed in Extra Work Allowance
9.	Family Accommodation Allowance (FAA)	To be subsumed in Provisions for Housing for PBORs
10.	Flag Station Allowance	To be subsumed in Extra Work Allowance
11.	Flight Charge Certificate Allowance	To be subsumed in Extra Work Allowance
12.	Haircutting Allowance	To be subsumed in Composite Personal Maintenance Allowance
13.	Higher Proficiency Allowance	To be subsumed in Language Award or Higher Qualification Incentive for Civilians
14.	Initial Equipment Allowance	To be subsumed in Dress Allowance
15.	Instructional Allowance	To be subsumed in Training Allowance
16.	Judge Advocate General Department Examination Award	To be subsumed in Higher Qualification Incentive for Defence Personnel
17.	Library Allowance	To be subsumed in Extra Work Allowance
18.	Out of Pocket Allowance	To be subsumed in Daily Allowance on Foreign Travel

S.No.	Name of the Allowance	Recommendations of the Committee
19.	Outfit Allowance	Rates to be enhanced by 50%
20.	Rajbhasha Allowance	To be subsumed in Extra Work Allowance
21.	Robe Allowance	To be subsumed in Dress Allowance
22.	Robe Maintenance Allowance	To be subsumed in Dress Allowance
23.	Shoe Allowance	To be subsumed in Dress Allowance
24.	Single in Lieu of Quarters (SNLQ)	To be subsumed in Provisions for Housing for PBORs
25.	Soap Toilet Allowance	To be subsumed in Composite Personal Maintenance Allowance
26.	Sunderban Allowance	To be subsumed in Tough Location Allowance – III. To be paid as per Cell R3H3 of Risk & Hardship Matrix
27.	TA Bounty	To be subsumed in Territorial Army Allowance
28.	Tribal Area Allowance	To be subsumed in Tough Location Allowance – III. To be paid as per Cell R3H3 of Risk & Hardship Matrix

Allowances where modifications are recommended

S. No.	Name of the Allowance	Recommendations of the Committee
1.	Fixed Monetary Compensation	Not to be subsumed but retained as a separate allowance. Existing rates to be multiplied by 2.25 and revised to 115 and 54 for full beat and sharing a beat respectively.
2.	Holiday Compensatory Allowance	Not to be subsumed but retained as a separate allowance. Existing system to continue in IB & RAW on the same lines as Delhi Police.
3.	Kit Maintenance Allowance	Factored in for determining the revised rates of Dress Allowance for SPG
4.	Qualification Grant	To be subsumed in Higher Qualification Incentive for Defence Personnel. It will not include Tier II courses.
5.	Special Appointment Allowance	To be subsumed in Extra Work Allowance. To include ASI (RM), ASI (RO) and SI (RM) in the list

S. No.	Name of the Allowance	Recommendations of the Committee
6.	Special Compensatory (Remote Locality) Allowance	To be subsumed in Tough Location Allowance – I, II & III. The amount being drawn under 6 th CPC regime may be protected.
7.	Technical Allowance	To be subsumed in Higher Qualification Incentive for Defence Personnel. To be retained at the existing rates with maximum amount for both courses to be capped @₹4500 pm. Tier II courses will not be included for Qualification Grant.
8.	Uniform Allowance	To be subsumed in Dress Allowance. Rates different from 7 th CPC recommendations for the following: (i) Nurses: ₹1800 per month (ii) SPG personnel: ₹27,800 & ₹21,225 per annum for Ops and Non-ops duties respectively. To be given to all Check Points of Bureau of Immigration.
9.	Washing Allowance	Factored in for determining the revised rates of Dress Allowance for Nurses.

Chapter 5

Allowances Recommended to be Retained/Rationalized by 7th CPC

5.1. The 7th CPC has recommended that 94 of the existing allowances be retained and rationalized. In addition, the 7th CPC has recommended introduction of a new allowance, Special Train Controllers Allowance. As such, a total of 95 allowances are being discussed in this chapter.

Allowances in respect of which no demands were received

5.2. Of the 95 allowances recommended for being retained and rationalised, no demands have been received in respect of 50 allowances which have been listed below. No changes are being suggested for allowances in respect of which no demands have been raised. **The Committee, therefore, recommends that the 7th CPC recommendations on the following 50 allowances may be accepted without any change:**

S.No.	Name of the Allowance	Recommendation of 7 th CPC
1.	Air Worthiness Certificate Allowance	Retained. Enhanced by 50%.
2.	Annual Allowance	Retained. Enhanced by 50%. Extended to some more categories.
3.	Bhutan Compensatory Allowance	Retained. Status Quo to be maintained
4.	Boiler Watch Keeping Allowance	Retained. Rationalised. To be paid as per Cell R3H1 of the newly proposed Risk and Hardship Matrix.
5.	Briefcase Allowance	Retained. Status Quo to be maintained
6.	Canteen Allowance	Retained. Enhanced by 50%.
7.	CI Ops Allowance	Retained. Rationalized.
8.	COBRA Allowance	Retained. Rationalised. To be paid as per Cell R1H1 of the newly proposed Risk and Hardship Matrix.
9.	Compensatory (Construction or Survey) Allowance	Retained. Rationalised. To be paid as per Cell R3H2 of the newly proposed Risk and Hardship Matrix.
10.	Composite Personal Maintenance Allowance (CPMA)	Retained. Rationalised. Enhanced by 50%. Extended to some more categories.
11.	Constant Attendance Allowance	Retained. Enhanced by 50%.
12.	Cooking Allowance	Retained. Rationalised. To be paid as per Cell R3H3 of the newly proposed Risk and Hardship Matrix.
13.	Cost of Living Allowance	Retained. Status Quo to be maintained
14.	Daily Allowance on Foreign Travel	Retained. Status Quo to be maintained
15.	Dearness Allowance (DA)	Retained. Status Quo to be maintained
16.	Deputation (Duty) Allowance for Defence Personnel	Retained. Ceilings enhanced by 50%.

S.No.	Name of the Allowance	Recommendation of 7th CPC
17.	Diving Allowance, Dip Money and Attendant Allowance	Retained. Enhanced by 50%.
18.	Educational Concession	Retained. Rationalized. Extended to some more categories.
19.	Free Fall Jump Instructor Allowance	Retained. Rationalised. To be paid as per Cell R2H2 of the newly proposed Risk and Hardship Matrix.
20.	Hard Area Allowance	Retained. Rationalized by a factor of 0.8.
21.	Health and Malaria Allowance	Retained. Rationalised. To be paid as per Cell R3H3 of the newly proposed Risk and Hardship Matrix.
22.	High Altitude Allowance	Retained. Rationalized.
23.	Higher Qualification Incentive for Civilians	Retained. Rationalized.
24.	Holiday Monetary Compensation	Retained. Rationalized.
25.	Island Special Duty Allowance	Retained. Rationalized by a factor of 0.8.
26.	Language Allowance	Retained. Enhanced by 50%.
27.	Language Award	Retained. Enhanced by 50%.
28.	Medal Allowance	Retained.
29.	Messing Allowance	Retained for "floating staff" under Fishery Survey of India, and enhanced by 50%. Abolished for Nursing Staff.
30.	Mileage Allowance for journeys by road	Retained.
31.	Monetary Allowance attached to Gallantry Awards	Retained. Status Quo to be maintained
32.	Orderly Allowance	Retained. Status Quo to be maintained
33.	Para Allowances	Retained. Rationalised. To be paid as per Cell R2H2 of the newly proposed Risk and Hardship Matrix.
34.	Para Jump Instructor Allowance	Retained. Rationalised. To be paid as per Cell R2H2 of the newly proposed Risk and Hardship Matrix.
35.	PCO Allowance	Retained. Rationalized.
36.	Post Graduate Allowance	Retained. Enhanced by 50%.
37.	Qualification Pay	Retained. Enhanced by a factor of 2.25.
38.	Refreshment Allowance	Retained. Enhanced by a factor of 2.25.
39.	Reward for Meritorious Service	Retained. Enhanced by a factor of 2.25.
40.	Siachen Allowance	Retained. Rationalised. To be paid as per Cell RH-Max of the newly proposed Risk and Hardship Matrix.
41.	Special Allowance for Child Care for Women with Disabilities	Retained. Enhanced by 100%.
42.	Special Allowance to Chief Safety Officers/Safety Officers	Retained. Rationalized by a factor of 0.8.
43.	Specialist Allowance	Retained. Enhanced by 50%.
44.	Submarine Duty Allowance	Retained. Rationalised. To be paid as

S.No.	Name of the Allowance	Recommendation of 7 th CPC
		per Cell R3H1 of the newly proposed Risk and Hardship Matrix, on a pro-rata basis.
45.	Submarine Technical Allowance	Retained. Rationalised. To be paid as per Cell R3H3 of the newly proposed Risk and Hardship Matrix. Extended to some more categories.
46.	Subsistence Allowance	Retained. Status Quo to be maintained
47.	TA for Retiring Employees	Retained. Rationalized.
48.	Tenure Allowance	Retained. Ceilings enhanced by 50%.
49.	Test Pilot and Flight Test Engineer Allowance	Retained. Rationalised. To be paid as per Cell R1H3 of the newly proposed Risk and Hardship Matrix.
50.	Unit Certificate and Charge Certificate Allowance	Retained. Enhanced by 50%.

Allowances in respect of which demands were received

5.3. The Committee has received demands in respect of 45 allowances recommended to be retained and rationalised. These demands have been deliberated upon at length by the Committee. Based on these deliberations, the Committee is of the view that of the 45 allowances, there is no compelling reason to modify the recommendations of the 7th CPC in respect of 32 allowances. These are discussed in Para 5.4 below. Modifications are proposed in respect of the remaining 13 allowances which are discussed in Para 5.5 below.

Thirty Two (32) Allowances where no modifications are proposed

5.4 A detailed analysis along with the recommendations of the Committee in respect of the 32 allowances where no modifications are proposed is given below.

5.4.1 Aeronautical Allowance (Para 8.9.3, 8.9.4)

Existing Provisions: Aeronautical Allowance is granted to those Defence technicians who have qualified Technical Type Training (TETTRA), Technical Type Conservation Unit (TTCU), Maintenance Conversion Flight (MCF) or similar courses

Recommendations of 7th CPC: Raised by a factor of 1.5 to ₹450 pm. The amount will further rise by 25 percent each time DA increases by 50 percent. The allowance should also be extended to personnel of Indian Coast Guard mutatis mutandis.

Demand:

Defence Forces: Aeronautical Allowance be paid at par with Submarine Technical Allowance as per R3H3 of R&H Matrix.

Analysis and Recommendations of the Committee:

Aeronautical Allowance is granted for qualifying some courses. While Submarine Technical Allowance is granted for risk and hardship faced by the Naval Personnel, the defence technicians receiving Aeronautical Allowance do not face comparable risk or hardship while providing technical support. MoD has also not made any recommendation in this regard. **The**

recommendations of the 7th CPC on Aeronautical Allowance may, therefore, be accepted without any change.

5.4.2 Book Allowance (Para 8.4.6)

Existing Provisions: The allowance is granted to trainee officers of the Indian Foreign Service for purchase of books and study material and is paid as one-time grant of ₹ 15,000.

Recommendations of 7th CPC: The 7th CPC has recommended that this allowance be permitted only for buying instructional material for learning foreign language. It also specifically mentions that no other recommendations are required.

Demand:

Ministry of External Affairs (MEA): This allowance is specific to IFS, the quantum of the allowance may be determined by the MEA.

Analysis and Recommendations of the Committee:

The quantum of allowances is determined as per the recommendations of Pay Commissions. Accepting the demand of MEA will lead to other Departments also raising similar demands in respect of other Department-specific allowances. Given the expenditure implications, rates of allowances can be revised only with the concurrence of Department of Expenditure. Committee notes that no change in the rates of the allowance has been recommended by the 7th CPC. **The recommendations of the 7th CPC on Book Allowance may be accepted without any change.**

5.4.3 Children Education Allowance (CEA) (Para 8.17.17)

Existing Provisions: CEA is paid to government employees to take care of schooling and hostel requirements of their children upto class XII. The rates of CEA are double for a differently-abled child. Existing rates are:

CEA – ₹ 1500/- p.m.

Hostel Subsidy– ₹ 4500/- p.m;

(Whenever DA increases by 50%, CEA shall increase by 25%)

Recommendations of 7th CPC: The following rates have been recommended:

i. CEA – ₹ 2250/- p.m.

ii. Hostel Subsidy– ₹ 6750/- p.m.

Reimbursement should be made once a year, after completion of the financial year. A certificate from the Head of the Institution is sufficient for reimbursement. For Hostel Subsidy, similar certificate from the Head of the Institution mentioning the amount of expenditure incurred is sufficient.

Demands:

- I. **National Council (Staff Side), JCM:** This allowance may be extended to the Graduate and Post Graduate levels at least to the extent of the fees and hostel fees charged by the Government Institutions as the maximum admissible amount. The rates of CEA and Hostel Subsidy may be revised to ₹ 3,000/- and ₹ 10,000/- respectively. It has also been requested that CEA should be exempted from Income Tax.
- II. **Ministry of Home Affairs:** The rates of CEA may be increased by 2.57 and this allowance may be extended upto Graduate level. Advance payments may also be allowed w fees are to be paid in advance.
- III. **J&K IAS Officers Association:** CEA along with Hostel Subsidy be allowed for affording good and reputed boarding schools.

Analysis and Recommendations of the Committee:

The Committee notes that the 7th CPC has recommended that the rates of CEA and Hostel Subsidy be increased by a factor of 1.5 in keeping with the principles for increase in rates enunciated by the 7th CPC at para 8.2.5 of its Report. **The recommendations of the 7th CPC on CEA may be accepted without any change.**

The demand for extending the benefit of CEA up to graduate and post graduate level does not emanate from any recommendations of the 7th CPC and has, therefore, not been considered by the Committee. For similar reasons, the Committee is not making any specific recommendation on the CEA being exempted from Income Tax though it recognizes that CEA is a reimbursement of expenditure. However, any proposal in this regard may be taken up separately with Department of Revenue.

5.4.4 Classification Allowance (Para 8.9.10)

Existing Provisions: Classification Allowance is given to PBORs of all three services on attaining certain trade related qualifications in each group. When a sepoy enters service, he is categorized as C14. As he acquires skills, for e.g. weapons handling training, he moves up to C13, then further to C12 and ultimately to C11. For each stage, he receives this allowance at the following rates:

Group	C14 to C13	C13 to C12	C12 to C11
X	-	₹ 120 pm	₹ 120 pm
Y	₹ 100 pm	₹ 100 pm	₹ 100 pm

Recommendations of 7th CPC: 7th CPC has recommended to raise the rates of this allowance by a factor of 2.25 to ₹270 per month for each stage for X group and to ₹225 per month for each stage for Y group.

Demand:

Defence Forces: Classification Allowance be allowed to all JCOs on their promotion or these may be allowed to be subsumed in the Pay at the time of promotion to JCO.

Analysis and Recommendations of the Committee:

The demand of the Defence Forces does not emanate from any recommendations made by the 7th CPC and does not, therefore, fall within the remit of this Committee. MoD has also not made any recommendation in this regard. **The recommendations of the 7th CPC on Classification Allowance may, therefore, be accepted without any change.**

5.4.5 Conveyance Allowance (Para 8.15.9)

Existing Provisions: It is paid to Doctors for visits to hospitals and dispensaries outside normal duty hours as well as for making domiciliary visits. It is also paid to those employees who maintain their own Motor Car/Scooters/Motor Cycle/Moped and have to undertake frequent journeys on official business in their conveyance, as under:

Average Monthly Travel on Official Duty	For Journeys by Own Motor Car (In ₹)	For Journeys by other Modes (In ₹)
201-300 km	1680	556
301-450 km	2520	720
451-600 km	2980	960
601-800 km	3646	1126
> 800 km	4500	1276

Recommendations of 7th CPC: The present rates of this allowance are adequate. Accordingly, status quo may be maintained. The allowance will increase by 25% each time DA rises by 50%.

Demands:

- I. **National Council (Staff Side), JCM:** The rates of this allowance be multiplied by 2.25.
- II. **M/o Health & FW:** This allowance may be given to all Public Health Nurses at par with other employees.

Analysis and Recommendations of the Committee:

The 7th CPC has specifically stated that the present rates of the allowance are adequate and that status quo may be maintained. **The recommendations of the 7th CPC on Conveyance Allowance may be accepted without any change.**

5.4.6 Deputation (Duty) Allowance for civilians (Para 8.5.7)

Existing Provisions: It is granted at the rate of 5 percent of Basic Pay, subject to a ceiling of ₹2000 per month for deputation within the same station or 10 percent of Basic Pay, subject to a ceiling of ₹4,000 per month for deputation not within the same station

Recommendations of 7th CPC: The ceilings should be raised by a factor of 2.25 to ₹4,500 per month for deputation within the same station, and to ₹9,000 per month for deputation involving change of station. The ceilings will further rise by 25 percent each time DA increases by 50 percent

Demand:

Department of Commerce: Deputation Allowance of 10% and 5% may be allowed without any ceiling.

Analysis and Recommendations of the Committee:

The demand does not relate to any specific recommendation of the 7th CPC. **The recommendations of the 7th CPC on Deputation (Duty) Allowance may, therefore, be accepted without any change.**

5.4.7 Detachment Allowance (Para 8.15.19-27)

Existing Provisions: Detachment Allowance is granted to CAPF troops deployed continuously for operational considerations in situations away from permanent HQ. The present rates are as under:

(₹ per day)

Pay in the Pay Band	A-1 Class Cities	A-class Cities and Specially Expensive Localities	B-class Cities and Specially Expensive Localities	Other Localities
>30500	780	630	510	405
15000<=Pay<30500	690	555	450	360
12500<=Pay<15000	600	480	390	315
8000<=Pay< 12500	510	405	330	270
<8000	315	255	210	165

Presently the rates of Detachment Allowance are enhanced by 75 percent in J&K.

Recommendations of 7th CPC: Detachment Allowance already includes provisions for food. Hence, presenting a choice between Detachment Allowance and Ration Money Allowance, as is presently the practice, is not logical. No Ration Money Allowance should be granted with Detachment Allowance. Where free rations are provided, only 50 percent of the Detachment Allowance should be granted. Since the allowance is already partially indexed to DA, the rates should be enhanced by a factor of 1.5 to the following:

(₹ per day)

Level	A-1 Class Cities	A-class Cities and Specially Expensive Localities	B-class Cities and Specially Expensive Localities	Other Localities
>12	1170	945	765	608
9 to 12	1035	833	675	540
6 to 8	900	720	585	473
3 to 5	765	608	495	405

The rate of this allowance will increase by 25 percent each time the DA increases by 50 percent. The CAPF personnel will now have the following options to choose from:

- a. Detachment Allowance + [Special Duty Allowance (as and where applicable) OR Tough Location Allowance (as and where applicable)]

OR

- b. Risk and Hardship Allowance (as and where applicable) + Ration Money Allowance

The Detachment Allowance should be enhanced by 50 percent in both J&K as well as LWE theatres.

Detachment Allowance will be granted at full rate for first 10 days, at 75 percent of the full rate for next 10 days and at 50 percent of the full rate for the remaining period. The existing conditionality of return to HQ for continuation of the allowance beyond 180 days should be removed in case of CAPF personnel.

The amount of allowance will increase by 25% each time DA rises by 50%.

Demands:

- I. **Ministry of Home Affairs:** Due to various law and order requirements emerging in different parts of the country, the CAPF personnel need to be deployed from one place to another frequently on short notice which leads to higher expenditure. Therefore, the Detachment Allowance for first 180 days may be given at 100%.
- II. **Defence Forces:** This allowance may be extended to them as per rates of CAPFs on the principle of reciprocity.

Analysis and Recommendations of the Committee:

The Committee notes that the 7th CPC has already recommended that the existing conditionality of return to HQ for continuation of the allowance beyond 180 days be removed. The other recommendation governing the rates of this allowance are as per the existing provisions in this regard. On the demand of the Defence Forces, MoD has stated that this issue can be addressed internally by them. **The recommendations of the 7th CPC on Detachment Allowance may, therefore, be accepted without any change.**

5.4.8 Family HR Allowance (Para 8.7.31)

Existing Provisions: This allowance is granted to Central Government servants posted in NE region to compensate for the cost of stay of their families at the last place of posting. In lieu of this allowance employees are allowed to retain their houses at last place of posting and allowed to draw HRA in NE region as well.

Recommendations of 7th CPC: This allowance should be extended to postings in the Island territories of Andaman, Nicobar and Lakshadweep also.

Demand:

Ministry of Defence: 'In principle' extension of Family HRA to the Armed Forces may be given and the further specifics will be worked out by the MoD.

Analysis and Recommendations of the Committee:

The Committee notes that the facility of retaining accommodation for family of the officer at a station of choice when going on a field posting anywhere in India is already there for Defence forces. Moreover, the demand is not linked to any change recommended by the 7th CPC in this regard. **The recommendations of the 7th CPC on Family HR Allowance may, therefore, be accepted without any change.**

5.4.9 Field Area Allowance (Para 8.10.18)

Existing Provisions: It is granted to Defence, CAPF and personnel of Indian Coast Guard while they are deployed in "Field Areas" which are further classified as Highly Active Field Areas, Field Areas and Modified Field Areas.

Recommendations of 7th CPC: The 7th CPC has recommended that Highly Active Field Area Allowance be paid as per Cell R1H2 of the Matrix @ ₹ 16,900 pm for level 9 and above and ₹ 9,700 pm for level 8 and below. For Field area allowance, it is to be paid as per R2H2 of the newly proposed Risk and Hardship Matrix @ ₹ 10,500/- pm for level 9 and above and @ ₹ 6,000/- pm upto level 8. Modified Field Area Allowance, which is currently at the level of 40 percent of Field Area Allowance, be paid at 60 percent of Field Area Allowance, or 60 percent of the rate of this cell. The amount of allowance will increase by 25% each time DA rises by 50%.

The 7th CPC has also recommended that a joint committee of Ministry of Home Affairs and Ministry of Defence should revisit the present classification of places, and future categorizations should also be done as a joint exercise for places where CAPFs are posted.

Demand:

Ministry of Home Affairs: Since the challenges related to risk and hardship faced by CAPFs vary significantly compared to those faced by Defence Forces, Risk and Hardship Matrix Committee of MHA should be separate, which can take holistic view of the nature of deployment of CAPFs.

Analysis and Recommendations of the Committee:

The Committee notes that the 7th CPC, at para 8.10.72 of its report has mentioned that the CAPFs demanded that the classification of Field Areas which is presently done by Ministry of Defence should be done jointly by MoD and MHA for places where CAPFs are deployed. Taking note of the demand, the 7th CPC has already recommended a joint committee of MHA and MoD. **The recommendations of the 7th CPC on Field Area Allowance may, therefore, be accepted without any change.**

5.4.10 Flying Allowance (Para 8.10.20, 8.10.68)

Existing Provisions: It is admissible to officers of the flying branch and Technical Officers and Airmen performing air crew duties in the Indian Air Force and to corresponding aviation personnel of the Indian Army and the Indian Navy. The present rates are:

Post	Rate in ₹
Air Commodore & Eq. & above (Capt IN with > 3yrs seniority)	15750
Squadron Leader to Group Captain & Eq. (Capt IN with < 3yrs seniority)	21000
Flight Lt. and Eq.	16500
Flying Officer and Eq.	13500
Warrant Ranks	12600
Senior NCO	10500

Recommendations of 7th CPC: The 7th CPC has recommended that this allowance may be paid as per Cell R1H1 of the newly proposed Risk and Hardship Matrix @ ₹25,000/- per month for level 9 and above and ₹17,300/- per month upto level 8. It has also been recommended that this allowance should be extended mutatis mutandis to personnel of BSF Air wing also and the present system of paying flying allowance on hourly basis should be done away with.

Demands:

- I. **Ministry of Home Affairs:** Flying / Technical Allowance to be given at par with Indian Air Force (for other than crew / personnel) to BSF Air Wing.
- II. **Defence Forces:** Flying Allowance for officers in the ranks of Major to Colonel be raised to ₹31,500 per month (same as Siachen Allowance) as the rates of these allowances were at par with Siachen Allowance.

Analysis and Recommendations of the Committee:

The Committee notes that the 7th CPC has already recommended that Flying Allowance should be extended mutatis mutandis to personnel of BSF Air Wing. A separate RH - Max Cell has been created for Siachen Allowance as the 7th CPC is of the view that no government employee faces as much risk/ hardship as the defence forces posted in Siachen. MoD has not made any recommendations in this regard. **The recommendations of the 7th CPC on Flying Allowance may, therefore, be accepted without any change.**

5.4.11 Good Service / Good Conduct / Badge Pay (Para 8.8.3-5)

Existing Provisions: PBORs of the three Services are granted Good Service Pay after completion of certain specified length of service during which they have maintained high degree of discipline, good conduct and professional update. For PBORs of army, the specified length is 3, 6 and 9 years of service. For PBORs of IAF and Navy, it is 4, 8 and 12 years of service. For the PBORs of the Indian Army. The existing rate is ₹64 pm for each of the three stages, while for the PBORs of Indian Navy and the Indian Air Force, the amount is ₹80 pm.

Recommendations of 7th CPC: The 7th CPC has recommended to enhance the rate of this allowance by 2.25. The nomenclature has also been changed to Good Service/Good Conduct/ Badge Allowance.

Demands:

- I. **Defence Forces:** Good Service Pay / Good Service Badge be allowed to all JCOs on their promotion or these may be allowed to be subsumed in the Pay at the time of promotion to JCO.

- II. **Cabinet Secretariat:** This allowance may be granted to PBORs in Special Frontier Force (SFF) as well.

Analysis and Recommendations of the Committee:

The demands of the Defence Forces as well as SFF do not emanate from any changes suggested by the 7th CPC in this regard. Therefore, they do not fall under the remit of this Committee. MoD has not made any recommendations in this regard. **The recommendations of the 7th CPC on Good Service / Good Conduct / Badge Pay may, therefore, be accepted without any change.**

5.4.12 Hardlying Money (Para 8.10.24, 8.10.76)

Existing Provisions: It is paid to Naval personnel as compensation for extra discomforts on board smaller ships and submarines. In the smaller ships like minesweepers, ocean going tugs and submarines, it is paid at full rates and in relatively more comfortable vessels at half rates. The current rates are as under:

Category	Existing Rates	
	Full	Half
Officers including Mid shipment & Cadets	₹ 600 pm	₹ 300 pm
Sailors	₹ 420 pm	₹ 210 pm

Recommendations of 7th CPC: The 7th CPC has recommended that this allowance shall be paid as per Cell R3H3 of the newly proposed Risk and Hardship Matrix @ ₹ 1200 per month for level 9 and above and ₹ 1000/- per month upto level 8. Hardlying Money Allowance (Half Rate) will be half the rate of the cell.

Demands:

Ministry of Defence: Hardlying Money may be placed under the cell R3H2 of the R&H Matrix.

Analysis and Recommendations of the Committee: The Committee notes that the existing rates of this allowance are in the range between ₹ 210 – ₹ 600 per month and the 7th CPC has recommended that it should be paid @ ₹ 1,200 for level 9 & above and @ ₹ 1,000 to level 8 & below. The increase in rates are reasonable and do not warrant any change. **The recommendations of the 7th CPC on Hardlying Money may, therefore, be accepted without any change.**

5.4.13 Internet Allowance, Newspaper Allowance, Mobile Phone Allowance (Para 8.17.59-61)

Existing Provisions: These allowances are administered differently in Ministries as per their requirements. These are also subject to instructions issued in this regard by D/o Expenditure from time to time.

Recommendations of 7th CPC: The 7th CPC has recommended that the Ministries should continue dealing with these allowances on their own, subject to the ceilings notified by the Ministry of Finance. The present ceilings should, however, be raised by 25 percent and the entire amount should be paid, lump sum, to the eligible employees without the need for production of vouchers.

Demand:

M/o Health & FW: This allowance may be granted to Nurses at par with other Central Government employees. It was argued that for Nurses working in Central Government

Hospital and for Public Health Nurses, mobile phone is the only means to remain connected with patients / higher authorities.

Analysis and Recommendations of the Committee:

The Committee notes that the demand of the Ministry of Health & FW is to add a new category of beneficiary. It does not, therefore, come under the purview of the Committee. **The recommendations of the 7th CPC in regard to these allowances are aimed at simplifying the procedures governing these allowances and should be implemented to the extent possible at the earliest.**

5.4.14 Leave Travel Concession (LTC) (Para 8.15.28-34)

Existing Provisions: It is granted to facilitate home travel as well as travel to different parts of the country. Presently two hometown visits are allowed in a block of four years with one hometown visit substitutable with "All India" visit. However, for the first two 4-year blocks, three hometown visits and one "All India" visit are permissible. It is not granted to personnel whose spouse is working in Indian Railways.

Recommendations of 7th CPC: Splitting of hometown LTC to be allowed in case of employees posted in North East, Ladakh and Island territories of Andaman, Nicobar and Lakshadweep.

Presently, personnel of Defence forces serving in field/high altitude/CI Ops areas are granted one additional free railway warrant. This should be extended to all personnel of CAPFs and the Indian Coast Guard mutatis mutandis.

Demands:

- I. **Ministry of Home Affairs:** Additional LTC (to and fro journey by Railways) may be extended to all CAPF personnel working anywhere on Ops duty and not in respect of personnel serving in Field/ high altitude/ CI Ops areas only as they discharge their responsibilities in extremely difficult areas which lead to increase in stress level and hence require to visit their families.
- II. **Defence Forces:** Additional Free Passage granted to Indian Army be extended to similarly placed Naval Officers. However, this demand has not been supported by the MoD as Navy Officers are not posted in the Field / High Altitude Areas.

Analysis and Recommendations of the Committee:

The Committee notes that the benefit presently available to personnel of Defence Forces is being extended mutatis mutandis to CAPFs and Indian Coast Guard. Also, personnel of Indian Navy are not deployed on Field / High Altitude / CI Ops duties. **Therefore, the recommendations of the 7th CPC on LTC may be accepted without any change. However, the Committee is also of the view that as the Indian Navy personnel are not deployed for Field Duties, additional free Railway Warrant to Indian Coast Guard may also not be granted.**

5.4.15 MARCOS and Chariot Allowance (Para 8.10.31, 8.10.68)

Existing Provisions: This allowance is granted to marine commandos of Indian Navy. The current rates are as under:

Category	Per month rates in ₹
Capt (with >3yrs service in the rank) and above	15750
Lt Cdr/Cdr/Capt (with < 3 years' service in the rank)	21000
Lt.	16500
Sub Lt.	13500
MCPO III	12600
CPO and Below	10500

Recommendations of 7th CPC: The 7th CPC has recommended that this allowance should be paid as per Cell R1H1 of the Risk and Hardship Matrix @₹25,000/- per month for level 9 and above and ₹17,300/- pm upto level 8.

Demands:

Defence Forces: This allowance may be granted to officers in the ranks of Major to Colonel @₹31500 pm (same as Siachen Allowance) as the rate of the allowance earlier was at par with Siachen Allowance.

Analysis and Recommendations of the Committee:

According to the 7th CPC, no government employee faces as much risk/ hardship as the defence forces posted in Siachen. It is for this reason that RH – Max cell has been proposed. MoD has not made any recommendations in this regard. Moreover, creating a separate category of officers between the level of Major and Colonel goes against the stated objective of the 7th CPC to simplify and rationalise the structure of allowances. **The recommendations of the 7th CPC on MARCOS and Chariot Allowance may, therefore, be accepted without any change.**

5.4.16 National Holiday Allowance (Para 8.6.11-12)

Existing Provisions: This allowance is paid to non-gazetted Railway employees who are rostered to work on a 'National Holiday'. The existing rates are:

1. Pay up to ₹7260 @ ₹256 per day
2. Pay ₹7261-₹9700 @ ₹318 per day
3. ₹9701 and above (limited to non-gazetted staff) @ ₹420 per day

Recommendations of 7th CPC: The 7th CPC has recommended to increase the rates by a factor of 1.5 as under:

1. L. 1 and 2 @ ₹384 per day
2. L. 3 to 5 @ ₹477 per day
3. L.6 to 8 (limited to non-gazetted staff) @ ₹630 per day

The rate of allowance will further increase by 25 percent each time DA rises by 50 percent.

Demand:

National Council (Staff Side), JCM: There are also employees working in similar conditions in other Ministries and Departments. Therefore, this allowance must be granted to all non-gazetted employees who are required to work on National Holidays.

Analysis and Recommendations of the Committee:

The demand for granting this allowance to those employees who were not in receipt of this allowance does not fall within the purview of this Committee. **The recommendations of the 7th CPC on National Holiday Allowance may be accepted without any change.**

5.4.17 Night Duty Allowance (NDA) (Para 8.17.71-77)

Existing Provisions: It is granted to certain specified categories of employees for performance of duty between 22:00 hrs and 06:00 hrs. At present, the allowance is administered as per DoPT's OM No.12012/4/86-Estt. (Allowances) of 04.10.1989, wherein every 6 hours of night work earns 1 weighted hour of day work, or each hour of night work

earns extra 10 minutes of day work. The ceiling of pay for entitlement of Night Duty Allowance is ₹ 2200 per month.

Recommendations of 7th CPC: The 7th CPC has recommended as under:

- (i) The present formulation of weightage of 10 minutes for every hour of duty performed between the hours of 22:00 and 06:00 may be continued;
- (ii) The present prescribed hourly rate of NDA equal to (BP+DA)/200 may be continued;
- (iii) This amount of NDA should, however, be worked out separately for each employee. With the computerization of pay rolls, working out the amount of NDA automatically for each employee every month will not entail any difficulty. The existing formulation for giving same rate of NDA for all employees with a particular GP should be abolished.
- (iv) This formulation will extend to all employees across all Ministries/ Departments who were already in receipt of Night Duty Allowance.

A certificate should be given by the supervisor concerned that Night Duty is essential.

Demands:

- I. **M/o Health & FW:** It should be given to nursing cadre at par with other Central Government employees.
- II. **National Council (Staff Side), JCM:** The recommendation of the 7th CPC “this formulation will extend to all employees across all the Ministries / Departments who are already in receipt of Night Duty Allowance” needs to be altered to mean that the revised Night Duty Allowance recommended by the Commission must be paid to all personnel who are deployed for night duty supported by the certificate provided by his immediate superior officer.
- III. **Department of Atomic Energy:** This allowance may be extended to all employees who are performing night duty and be increased by a factor of 2.25

Analysis and Recommendations of the Committee:

DoPT is the nodal Department for this allowance. In its comments, DoPT has informed that the Board of Arbitration in C.A. Ref No. 6 of 1995 had awarded that the ceiling of ₹ 2200/- per month may be removed. However, the Government has decided not to accept the Award and to move a Resolution in the Parliament to reject the Award. Also, the demand to include more categories in the ambit of this allowance is not within the remit of this Committee. **The recommendations of the 7th CPC on Night Duty Allowance may be accepted without any change.**

5.4.18 Non-Practicing Allowance (NPA) (Para 8.17.79)

Existing Provisions: NPA is granted @25 percent of Basic Pay to Doctors occupying posts for which minimum qualification of a medical degree is prescribed. It counts for HRA, DA and calculation of pension.

Recommendations of 7th CPC: NPA should be paid at the rate of 20 percent of Basic Pay, subject to the condition that Basic Pay + NPA should not exceed the average of Apex Level and the level of Cabinet Secretary. It should not be counted for other purposes like HRA etc.

Demand:

M/o Health & FW: This allowance may be granted @25% to Doctors and also be granted to those Nurses who have completed courses approved by Indian Nursing Council.

Analysis and Recommendations of the Committee:

As regards the demand relating to Nurses, it may be mentioned that Nurses are also granted Nursing Allowance. The Committee is already recommending an increase in the rates of Nursing Allowance. Moreover, addition of new beneficiary categories is not within the purview of this Committee.

The 7th CPC has rationalized all the percentage based allowance by a factor of 0.8. Accordingly, NPA has been proposed at the rate of 20 percent. At the time of revision of pay scales in the 7th CPC regime, the Government had decided that Doctors should not be adversely impacted on account of loss in DA on NPA. Accordingly, the Revised Pay Rules, 2016 already provide that Doctors will be ensured a minimum increase of 14.29% on pay revision.

Change in the rates of any allowance will lead to demands for change in all other percentage-based allowances. **The Committee, therefore, is of the view that recommendations of the 7th CPC on NPA may be accepted without any change.**

5.4.19 Nuclear Research Plant Support Allowance (NRPSA) (Para 8.17.82)

Existing Provisions: This allowance is granted exclusively to staff at Research Units in the Bhabha Atomic Research Centre, to compensate for a variety of factors like round-the-clock shifts, overtime, risk of radiation, etc. The present rates are as under:

Pay in the Pay Band	Rate
Up to ₹ 5580	₹ 480 pm
₹ 5581-₹ 16740	₹ 660 pm

Recommendations of 7th CPC: The rates of the allowance should be increased by a factor of 1.5 to the following:

Level of the employee	Recommended Rate
1-2	₹ 720 pm
3 to 5	₹ 990 pm

The rate shall further increase by 25 percent each time DA increases by 50 percent.

Demands:

I. National Council (Staff Side), JCM:

- (i) NRPSA should be renamed as Extra Duty Allowance
- (ii) NRPSA should be given on actual wages for the extra work being done.
- (iii) Ceiling on NRPSA should be removed and all eligible employees should be given NRPSA. At present, employee with Grade Pay of ₹ 4800/- are eligible for NRPSA.

The amount of NRPSA should be enhanced by a factor of 2.25 as it is not indexed to DA.

II. Department of Atomic Energy:

- (i) Ceiling on NRPSA should be removed and all employees to get the NRPSA
- (ii) It should be increased by a factor of 2.25

(iii) At present, an employee with GP – 4800 is eligible for NRPSA. It may be extended to all employees upto the level 8 i.e. those who are already in receipt of NRPSA.

Analysis and Recommendations of the Committee:

The 7th CPC has not made any recommendation relating to the coverage of NRPSA. Demand for including additional categories is outside the purview of this Committee. **The recommendations of the 7th CPC on NRPSA may be accepted without any change.**

5.4.20 Parliament Assistant Allowance (Para 8.17.100)

Existing Provisions: This allowance is granted in Ministries to Assistant Section Officers (ASOs) and Senior Secretariat Assistants (SSAs) who are wholly engaged in Parliament work during Parliament Sessions. The present rate of the allowance is ₹1,500 per month for Assistants and ₹1,200 per month for UDCs. The allowance is admissible at full rates for every calendar month in which the Parliament is in session for at least 15 days in that month.

Recommendations of 7th CPC: The 7th CPC has recommended that the rate of the allowance should be increased by a factor of 1.5. The rate shall further increase by 25 percent each time DA increases by 50 percent.

Demand:

M/o Electronics & Information Technology: It should be increased by a factor of 2.25.

Analysis and Recommendations of the Committee:

The Committee notes that the amount of this allowance, being partially DA linked, has been recommended to be increased by a factor of 1.5 which is consistent with the principle for increase in rates enunciated by the 7th CPC. **The recommendations of the 7th CPC on Parliament Assistant Allowance may, therefore, be accepted without any change.**

5.4.21 Project Allowance (Para 8.10.40, 8.10.75)

Existing Provisions: This allowance is granted to Central Government employees to compensate for lack of amenities like schools, markets, proper housing and medical facilities at the place of construction of major projects. This is mainly paid to Railway employees whose offices are in project area and who have to reside within a nearby locality. The present rates are:

GP >₹ 5400	Others
₹ 2250 pm	₹ 1500 pm

Recommendations of 7th CPC: The 7th CPC has recommended that this allowance may be paid as per Cell R3H2 of the newly proposed Risk and Hardship Matrix @₹3400/- per month for level 9 and above and ₹2700/- per month upto level 8.

Demand:

Department of Atomic Energy: Prior to 1974, Project Allowance was paid to DAE employees working at project sites located in remote areas. After 1974, amenities were provided at the project sites, so Project Allowance was withdrawn. However, Project Concession in the form of Free Electricity (with limits), transportation of school children at minimal charges, and concessional charges for school excursions is granted. Therefore, Project Allowance / Project Concession as per cell R3H2 of Risk & Hardship Matrix to the projects at various places may

be granted as there are ongoing projects of the DAE at Vizag, Chitradurg etc. and all projects are at isolated places and facilities are not available.

Analysis and Recommendations of the Committee:

As informed by the DAE, Project Allowance has been withdrawn after 1974. Project Concession is being provided to the officials of the DAE to alleviate the hardships caused and a decision on its continuation may be taken as recommended by the 7th CPC. **The recommendations of the 7th CPC on Project Allowance may be accepted without any change.**

5.4.22 Qualification Allowance (Para 8.9.25)

Existing Provisions: Granted to personnel of Indian Air Force for obtaining flying qualifications as under:

Category	Rate (in ₹)
Master Aviation Instructor	750
Senior Aviation Instructor CI-I	600
Senior Aviation Instructor CI-II	420
Aviators holding Master Green Card	600
Aviators holding Green Card	420
Cat 'A' ATC/FC/HELO Controllers/Direction officers	2400
Cat 'B' ATC/FC/HELO Controllers/Direction officers	1800

Recommendations of 7th CPC: The 7th CPC has recommended that this allowance to be revised by a factor of 1.5. The amount will further rise by 25 percent each time DA rises by 50 percent. The allowance should be extended to personnel of Indian Coast Guard also.

Demand:

Defence Forces: Qualification Allowance (wrongly mentioned as Qualification Pay) be granted to all categories through conduct of skill based and knowledge based special examinations conducted annually.

Analysis and Recommendations of the Committee:

The Committee notes that the 7th CPC has already enhanced the rates of Qualification Allowance by a factor of 1.5. It is further observed that Technical Allowance is also granted for acquiring certain qualifications in Defence Forces. The demand for adding additional categories is outside the purview of this Committee. MoD has also not made any recommendations in this regard. **Therefore, the recommendations of the 7th CPC on Qualification Allowance may be accepted without any change.**

5.4.23 Sea Going Allowance (Para 8.10.44, 8.10.72)

Existing Provisions: This allowance is granted to officers and PBORs of the Indian Navy to compensate them for the hardships of sea travel. This allowance is granted on pro rata basis, with the condition that the sea vessels should be deployed for a minimum of 12 hours a day. The extant rates are:

Category	Per month rate (in ₹)
Cdr & above	7800
Lt. Cdr	7200
Lt.	6600
Sub-Lt.	6300
CPO & abv. PBORS	5400
PO	3600
Ldg Seaman & below	3000

Recommendations of 7th CPC: The 7th CPC has recommended that this allowance may be paid as per Cell R2H2 of the newly proposed Risk and Hardship Matrix @ ₹10,500/- pm for level 9 and above and @ ₹6,000/- pm upto level 8. The 7th CPC has also recommended that taking into account the fact that there is a length of time taken in preparation of sea – vessel sailing out, therefore, the 12 hour conditionality should be reduced to 4 hours for this allowance.

Demand:

Defence Forces: Sea Going Allowance is paid for 4 hours in a day in spite of the personnel on board for 24 hours, therefore, it has been demanded that it should be granted to all personnel on board without any conditionality.

Analysis and Recommendations of the Committee:

The Committee notes that the 7th CPC, in its report in Para 8.10.72 has recommended that 12 hours conditionality should be reduced to 4 hours for Sea Going Allowance. MoD has also not made any recommendations in this regard. In view of the relaxation already extended by the 7th CPC, **the recommendations of the 7th CPC on Sea Going Allowance may be accepted without any change.**

5.4.24 Special Forces Allowance (Para 8.10.50, 8.10.68)

Existing Provisions: Granted to Special Forces of Indian Army and Indian Air Force, at par with Indian Navy's marine commandos, as under:

Category	Per month rate (in ₹)
Brigadier and above and equivalent	15750
Major to Colonel and equivalent	21000
Captain and equivalent	16500
Lieutenant and equivalent	13500
JCOs and equivalent	12600
Havaldars and below and equivalent	10500

Recommendations of 7th CPC: The 7th CPC has recommended that this allowance may be paid as per Cell R1H1 of the newly proposed Risk and Hardship Matrix @ ₹25,000/- pm for level 9 and above and ₹17,300/- pm upto level 8.

Demand:

Defence Forces: Special Forces Allowance for officers in the ranks of Major to Colonel be raised to ₹31,500 pm (same as Siachen Allowance) as the rates of the allowance was at par with Siachen Allowance.

Analysis and Recommendations of the Committee:

According to the 7th CPC, no government employee faces as much risk/ hardship as the defence forces posted in Siachen. It is for this reason that RH –Max cell has been proposed. The demand has also not been supported by the MoD. Moreover, creating a separate category of officers between the level of Major and Colonel goes against the stated objective of the 7th CPC to simplify and rationalise the structure of allowances. MoD has not made any recommendations in this regard. **The recommendations of the 7th CPC on Special Forces Allowance may, therefore, be accepted without any change.**

5.4.25 Special LC Gate Allowance (Para 8.10.51, 8.10.76)

Existing Provisions: It is granted to Trackmen of Railways posted as Gatekeeper to man those gates which are classified as 'difficult gates' @ ₹ 450 pm.

Recommendations of 7th CPC: The 7th CPC has recommended that this allowance shall be paid as per Cell R3H3 of the Risk and Hardship Matrix @ ₹ 1200 pm for level 9 and above and ₹ 1000/- pm for level upto 8.

Demand:

Ministry of Railways: Special LC Gate Allowance is being paid to only those gatemen working under Civil Engineering Department of Railways. The Gatemen belonging to Traffic Department should also be granted this allowance as the nature of duties of both (Civil Engineer and Traffic) is same.

Analysis and Recommendations of the Committee:

The demand of the Ministry of Railways is to extend this allowance to Traffic Department of Indian Railways. However, the Committee is of the view that adding new category of beneficiary to any allowance is not under the purview of the Committee. **Therefore, the recommendations of the 7th CPC on Special LC Gate Allowance may be accepted without any change.**

5.4.26 Special Train Controllers' Allowance (Para 11.40.50)

Existing Provisions: New Allowance.

Recommendations of 7th CPC: Having regard to the strenuous nature of the job, and to incentivise qualified persons to work as Controllers, we recommend a Special Train Controllers' Allowance of ₹ 5,000 per month to Section Controllers and Dy. Chief Controllers. The allowance will increase by 25 percent each time DA rises by 50 percent.

Demand:

All India Train Controllers' Association: In view of the challenging nature of assignment, Stress Allowance @30% be allowed to Train Controllers instead of ₹ 5000 pm recommended by the 7th CPC for Section Controllers and Dy. Chief Controllers.

Analysis and Recommendations of the Committee:

The Committee notes that the 7th CPC has introduced this allowance for Controllers of the Indian Railways due to strenuous nature of job. The Committee is of the view that no change is warranted at this stage. **The recommendations of the 7th CPC on Special Train Controllers' Allowance may be accepted without any change.**

5.4.27 Split Duty Allowance (Para 8.17.134)

Existing Provisions: Payable to Sweepers and Farashes in the Central Secretariat/allied offices performing split duties where the break in between the shift is at least two hours and who have not been provided residential accommodation within 1 km of the office premises. The existing rate is ₹ 300 pm.

Recommendations of 7th CPC: The 7th CPC has recommended that this allowance should be increased by a factor of 1.5 to ₹ 450 pm. The rate will further rise by 25 percent each time DA rises by 50 percent.

Demand:

Ministry of Electronics and Information Technology: Split Duty Allowance may be granted at the rate of Transport Allowance.

Analysis and Recommendations of the Committee:

The Committee observes that the rate of this allowance has already been revised upwards by the 7th CPC. Therefore, **the recommendations of the 7th CPC on Split Duty Allowance may be accepted without any change.**

5.4.28 Submarine Allowance (Para 8.10.52, 8.10.68)

Existing Provisions: This is granted to Naval Officers and Sailors appointed as crew for service on submarines, keeping in view the additional risks and arduous conditions of service on-board submarines, as under:

Category	Per month rate (in ₹)
Capt (with >3 years' service in the rank) and above	15750
Lt Cdr/Cdr/Capt (with < 3 years' service in the rank)	21000
Lt.	16500
Sub Lt.	13500
MCPO II/I	12600
CPO and Below	10500

Recommendations of 7th CPC: The 7th CPC has recommended that this allowance should be paid as per Cell R1H1 of the Risk and Hardship Matrix @₹25,000/- pm for level 9 and above and ₹ 17,300/- pm upto level 8.

Demand:

Defence Forces: Submarine Allowance for officers in the ranks of Major to Colonel be raised to ₹31,500 pm (same as Siachen Allowance) as the rate of the allowance was at par with Siachen Allowance.

Analysis and Recommendations of the Committee:

According to the 7th CPC, no government employee faces as much risk/ hardship as the defence forces posted in Siachen. It is for this reason that RH – Max cell has been proposed. Moreover, creating a separate category of officers between the level of Major and Colonel goes against the stated objective of the 7th CPC to simplify and rationalise the structure of allowances. MoD has not made any recommendations in this regard. **The recommendations of the 7th CPC on Submarine Allowance may, therefore, be accepted without any change.**

5.4.29 TA on Transfer (Para 8.15.41)

Existing Provisions: It has four components:

- (a) Travel entitlement similar to Travelling Allowance,
- (b) Composite Transfer and Packing grant (CTG),
- (c) Reimbursement of charges on transportation of personal effects, and
- (d) Reimbursement of charges on transportation of conveyance.

Recommendations of 7th CPC: The 7th CPC has recommended that CTG should be paid at the rate of 80 percent of last month's Basic Pay. However, for transfer to and from the island territories of Andaman, Nicobar and Lakshadweep, CTG may continue to be paid at the rate of 100 percent of last month's Basic Pay.

Rate for re-imburement of charges on transportation of personal effects will be as per the following four slabs:

Level	By Train/Steamer	Rate for Transportation by Road
12 and above	6000 kg by goods train/4 wheeler wagon/1 double container	₹ 50 per km
6 to 11	6000 kg by goods train/4 wheeler wagon/1 single container	₹ 50 per km
5	3000 kg	₹ 25 per km
4 and below	1500 kg	₹ 15 per km

These rates are partially DA indexed.

Demand:

Ministry of Defence: The rate of transportation by road for all categories be equal as the Transporter will not charge different rates for different categories.

Analysis and Recommendations of the Committee: The Committee is of the view that separate categories for determination of rates existed earlier also. As such, the demand does not emanate from any specific change recommended by the 7th CPC. **The recommendations of the 7th CPC on TA on Transfer may, therefore, be accepted without any change.**

5.4.30 Transport Allowance (TPTA) (Para 8.15.53)

Existing Provisions: Granted to cover the expenditure involved in commuting between place of residence and place of duty. The existing rates are as under:

Employees Drawing	A1/A Class City (₹ pm)	Other Places (₹ pm)
GP 5400 and above	3200 + DA	1600 + DA
GP 4200 to GP 4800 and other employees drawing GP<4200 but pay in the pay band equivalent to ₹ 7440 and above	1600 + DA	800 + DA
GP<4200 and pay in the pay band below ₹ 7440	600 + DA	300 + DA

Officers drawing GP 10000 and higher, who are entitled to the use of official car, have the option to avail of the existing facility or to draw TPTA @ ₹ 7000 + DA.

Differently abled employees are granted TPTA at double rates subject to a minimum of ₹ 1000+DA.

Recommendations of 7th CPC: Transport Allowance is already fully DA indexed. Therefore, following rates of Transport Allowance are recommended:

Pay Level	Higher TPTA Cities (₹ pm)	Other Places (₹ pm)
9 and above	7200+DA	3600+DA
3 to 8	3600+DA	1800+DA
1 and 2	1350+DA	900+DA

Officers in Pay Level 14 and higher, who are entitled to the use of official car, will have the option to avail themselves of the existing facility or to draw the TPTA at the rate of ₹ 15,750+DA pm.

Differently abled employees will continue to be paid at double rate, subject to a minimum of ₹ 2,250 plus DA.

Demands:

I. National Council (Staff Side), JCM:

- i. There should be only two levels for Transport Allowance, as under:

Level 9 and above

₹ 7500+DA (Higher TPTA Cities)

₹ 3750 + DA (Other Places)

Below Level 9

₹ 3750+DA (Higher TPTA Cities)

₹ 1875 + DA (Other Places)

- ii. Income Tax exemption, which was available for Transport Allowance, may be re-introduced.

II. Ministry of Health and Family Welfare: SAG Doctors should be paid Transport Allowance at the rates admissible to Joint Secretary in lieu of Staff Car.

Analysis and Recommendations of the Committee:

The Committee notes that the Transport Allowance is fully indexed to Dearness Allowance and the rates have accordingly been revised by the 7th CPC.

As the demands do not relate to any changes recommended by the 7th CPC, **the recommendations of the 7th CPC on Transport Allowance may be accepted without any change.**

When this allowance was introduced by 5th CPC, the entire amount was exempted from Income Tax. However, the Committee is not making any recommendations relating to raising of Income Tax ceiling on Transport Allowance as it is not within the purview of the Committee. The matter may be taken up separately with Department of Revenue.

Thirteen (13) Allowances where modifications are proposed

5.5 A detailed analysis along with the recommendation of the Committee in respect of the 13 allowances where modifications are proposed is given below:

5.5.1 Antarctica Allowance (Para 8.10.3)

Existing Provisions: The Indian Antarctic Program is a multi-disciplinary, multi-institutional program under the control of Ministry of Earth Sciences, wherein studies are conducted in atmospheric, biological, earth, chemical, medical and other sciences by sending teams to Antarctica. To compensate for the hardship that those undertaking this expedition face during their sojourn in Antarctica, this special allowance is granted. The present rates are:

Team Leader	Winters	₹ 1856.80 per day
	Summers	₹ 1237.50 per day
Other Members	Winters	₹ 1688.00 per day
	Summers	₹ 1125.00 per day

Recommendations of 7th CPC: the 7th CPC has recommended that the Antarctica Allowances may be paid as per Cell RH-Max of the Risk and Hardship Matrix @₹31,500 pm for Level 9 and above and ₹21,000 pm upto level 8. It has also been recommended by the 7th CPC that the amount will further rise by 25 percent each time DA increases by 50 percent

Demand:

M/o Earth Sciences: The existing rates of Antarctica Allowance are more than the recommended rates. Therefore, it has been requested to revise the rates for Members from ₹1125 to ₹1500 (during summers) and from ₹1688 to ₹2000 (during winters) per day. It has also been requested that 20% extra may be paid for Leaders on the above rates and the rates may be increased further by 25% each time DA rises by 50%.

Analysis and Recommendations of the Committee:

The Committee notes that the rates recommended by the 7th CPC for this allowance are lower than the present rates. The duration of the stay in Antarctica varies from about 3 months to over a year. Given the specific nature of the task involved in the expeditions to Antarctica, the Committee is of the view that Antarctica Allowance may not be clubbed with other Risk and Hardship Allowances. **The Committee, therefore, recommends that Antarctica Allowance be taken out of the R&H Matrix and continue to be paid on a per day basis as at present.**

Ministry of Earth Sciences have requested that the summer rates be revised from ₹1125 to ₹1500 and the winter rates be revised from ₹1688 to ₹2000. The existing rates of this allowance are partially DA indexed. As the increase sought by the Ministry is less than the increase recommended by the 7th CPC for partially indexed allowances, **the Committee recommends that the rates of the Antarctica Allowance be revised from ₹1125 to ₹1500 (during summers) and from ₹1688 to ₹2000 (during winters) per day. The Team Leaders will continue to get 10% extra on the above rates.**

The additional financial implication on account of the changes proposed by the Committee is estimated to be ₹ 3.01 crore per annum and will benefit approximately 120 employees.

5.5.2 Daily Allowance (Para 8.15.15)

Existing Provisions: Daily Allowance is meant to cover living expenses when employees travel out of their headquarters and is in the form of reimbursement as under (only travelling Taxi Charges):

Taxi Charges

Grade Pay	Taxi Charges
GP >= 10,000	50 kms (AC)
7600 <= GP <= 8900	50 kms (Non-AC)
5400 <= GP <= 6600	225 per day (Non-AC)
4200 <= GP <= 4800	150 per day (Non-AC)
GP < 4200	75 per day (Non-AC)

Recommendations of 7th CPC: Recommendations provide for changes in the reimbursement procedure. The Commission considered the present model followed in Railways and in other ministries and proposed to adopt the best from both of them so that the administration of the allowance can be simplified. Accordingly, following has been recommended (only Taxi Charges):

a. Reimbursement of travelling charges

Level	Ceiling for Reimbursement
14 and above	AC Taxi charges up to 50 km
12 and 13	Non-AC Taxi charges up to 50 km
9 to 11	₹ 338 per day
6 to 8	₹ 225 per day
5 and below	₹ 113 per day

All the above provisions will apply to Railway personnel also.

Demand:

M/o Railways: With the approval of the Cabinet, the Ministry of Railways has not adopted the different components of Daily Allowance post 6th CPC. It has also been mentioned by the 7th CPC that the present expenditure on TA / DA by Railways is around ₹ 1450 crore per year. If 7th CPC formulation is adopted, the additional financial implication would be enormous (two to two and half times the present expenditure). Hence, DA / TA Rules for Railways may continue to be distinct from those for others, as at present.

Analysis and Recommendations of the Committee:

Ministry of Railways has an extensive network of Rest Houses and related infrastructure. The request of the Railways to have a distinct set of TA/ DA rules for them will ensure an effective utilisation of their infrastructure and resources. **The Committee is of the view that the different system adopted by Indian Railways in the 6th CPC regime, may be continued with revised rates to be decided in consultation with Ministry of Finance. The recommendation of the 7th CPC that the provisions of Daily Allowance will also apply to Railway personnel may, therefore, not be accepted.**

On reimbursement of travelling charges, the Committee is of the view that restriction of 50 kms, at times, can be a bottleneck in planning engagements while on tour. Also, it is difficult to book non – AC taxis as most taxis now have AC. In fact, car manufacturers no longer sell non – AC variants of their various car models in the Indian market. **Therefore, the**

recommendations of the 7th CPC on reimbursement of travelling charges may be accepted with the following modifications:

Level	Ceiling for Reimbursement
14 and above	AC taxi charges as per actual expenditure commensurate with official engagements.
12 to 13	AC Taxi charges up to 50 km

5.5.3 Fixed Medical Allowance (FMA) (Para 8.17.52)

Existing Provisions: Fixed Medical Allowance is granted to pensioners for meeting expenditure on day to day medical expenses that do not require hospitalization, at present payable at the rate of ₹500 pm.

Recommendations of 7th CPC: The 7th CPC has mentioned that this allowance was enhanced from ₹300 pm to ₹500 pm from 19.11.2014. As such, further enhancement of this allowance was not recommended.

Demands:

- I. **National Council (Staff Side), JCM:** The rate of the allowance may be raised to ₹2000/- per month as most of the retired personnel suffer from diseases and are required to spend a sizeable amount of their income on medicines.
- II. **D/o Posts:** Rates to be revised to ₹2000 per month.
- III. **Ministry of Defence:** The rate of this allowance may be revised to ₹2000 per month.

Analysis and Recommendations of the Committee:

The Committee observes that Fixed Medical Allowance is granted to a pensioner to meet medical expenses for self and spouse. It is extended to only those pensioners who are not covered under CGHS or equivalent schemes. As compared to pensioners covered under CGHS / equivalent, pensioners getting FMA do not have the facility of in-hospital treatment. FMA was introduced at the rate of ₹100 per month in 1997. It was subsequently revised to ₹300 pm in 2008 and again to ₹500 pm in the year 2014. The present rate of ₹500 per month seems to be inadequate considering the increased cost of medicine and medical supplies. **Therefore, the Committee recommends that the rate of FMA be increased to ₹1000 per month from the existing rate of ₹500 per month.**

The additional financial implications on account of the changes proposed by the Committee is estimated to be around ₹300 crore per annum and will benefit more than 5 lakh pensioners. **The Committee also recommends that appropriate checks such as Aadhar seeding of CGHS cards are put in place to ensure that FMA is paid to only those pensioners who are not covered by CGHS/ ECHS or any other health scheme of the Government.**

5.5.4 Hospital Patient Care Allowance/Patient Care Allowance (Para 8.10.29, 8.10.70)

Existing Provisions: Patient Care Allowance (PCA) is admissible to Group 'C' and 'D' (non-Ministerial) employees excluding nursing personnel working in the health care delivery institutions/establishments (other than hospitals) with less than 30 beds, subject to the condition that no Night Weightage Allowance and Risk Allowance will be admissible to these employees. Similarly placed employees working in hospitals are eligible for Hospital Patient Care Allowance (HPCA).

Hospital Patient Care Allowance @ ₹2,100 pm for Group ₹C' staff and ₹2,085 pm for Group ₹D' Staff.

Recommendations of 7th CPC: The 7th CPC has recommended that this allowance shall be paid as per Cell R1H3 of the newly proposed Risk and Hardship Matrix @ ₹5,300/- pm for level 9 and above and @ ₹4,100/- pm upto level 8. It has also been recommended that HPCA / PCA should be admissible to only those employees who come in continuous and routine contact with the patients. The amount of allowance will increase by 25% each time DA rises by 50%.

Demands:

- I. **National Council (Staff Side), JCM:** The exclusion of the Ministerial Staff by the 7th CPC is without substantive reason as the job of the Ministerial staff working on the premises of the Hospitals involves risk. Therefore, this allowance should continue to be paid to Ministerial staff working in Hospitals.
- II. **M/o Health & FW:** Doctors may be granted Risk & Hardship Allowance as per cell R1H2 of Risk & Hardship Matrix and Nursing Personnel may be granted as per rates of R1H3 of the matrix.

Analysis and Recommendations of the Committee:

The Committee notes that Doctors are granted NPA and the Nurses get Nursing Allowance. The NPA will be paid @20% of the Basic Pay and the Nursing Allowance, which was not recommended to be increased by the 7th CPC, is being recommended to be increased by 1.5 by the Committee. As such, demands for a separate Risk & Hardship Allowance for Doctors and Nurses may not be accepted.

As regards grant of HPCA / PCA to ministerial staff working on hospital premises, **the Committee is of the view that working on hospital premises does involve an element of risk. The recommendations of the 7th CPC on HPCA/ PCA may, therefore, be modified to the extent that these allowances, at present admissible to ministerial staff working in hospital premises, will not be discontinued and be paid to them as per R1H3 of the Risk & Hardship Matrix.**

The additional financial implication on account of the changes proposed by the Committee is estimated to be ₹ 30 crore per annum and will benefit approximately 15000 employees.

5.5.5 House Rent Allowance (HRA) (Para 8.7.3-16)

Existing Provisions: HRA is paid @30, 20 and 10 percent for X class (50 Lakh & above), Y class (5 to 50 lakh) and Z class (below 5 lakh) cities respectively.

At present, in the case of those drawing either NPA or MSP or both, HRA is being paid as a percentage of BP+NPA or BP+MSP or BP+NPA+MSP respectively.

Recommendations of 7th CPC: It has been retained and rationalized. After applying a multiplication factor of 0.8, the rates have been revised downwards to 24 percent, 16 percent and 8 percent of the Basic Pay for X, Y and Z class cities, respectively.

The rate of HRA will be revised to 27 percent, 18 percent and 9 percent when DA crosses 50 percent, and further revised to 30 percent, 20 percent and 10 percent when DA crosses 100 percent.

Add-ons like NPA, MSP, etc. should not be included while working out HRA.

Demands:

- I. **National Council (Staff Side), JCM:** HRA may be retained @30%, 20% and 10% for X, Y and Z cities respectively as the Commission has taken unreliable statistics to determine HRA, which has been reduced by a multiplication factor of 0.8 to 24%, 16% and 8% for X, Y and Z cities respectively.
- II. **CAG, Civil Aviation, M/o Health & FW, M/o HRD - D/o of Higher Education, MEA, Coal, DAE, DRDO, Dep. Of Space, CVC:** Retain the allowance at the existing rates.
- III. **M/o of Law & Justice- D/o Justice:** Cities having population of more than 1 crore may be granted HRA @ 30%.

Analysis and Recommendations of the Committee:

The Committee has the following observations on the recommendations of the 7th CPC on HRA:

- (I) HRA rates have been revised downwards by applying the multiplication factor of 0.8 applied by the 7th CPC on all percentage- based allowances. This was done to neutralise the significant increase in the Basic Pay. All fixed allowances have only been given an inflation indexed increase by the 7th CPC. While the 7th CPC has not explicitly stated how the multiplication factor of 0.8 has been arrived at anywhere in the Report, it may be seen that factoring in the expected Dearness Allowance of 125% on 01.01. 2016 would have yielded a multiplication factor of 0.875 which may have been rounded off to 0.8.
- (II) On the 7th CPC recommendation that the rate of HRA will be revised to 27%, 18% and 9% when DA crosses 50 percent and further revised to 30%, 20% & 10% when DA crosses 100%, the Committee is of the view that given the inflation rates since January 2016 and the RBI policy on inflation, the DA rates might not go beyond 50% in the next 10 years.
- (III) While the rents for residential accommodation have not gone up significantly in the recent past and might also have fallen in some areas, the HRA at the rates recommended by the 7th CPC at the lower levels might not continue to be adequate as per the prevailing market rent.

In view of these observations, the Committee has deliberated upon the following three options which separately, or in combination, can be suggested by way of modifications to the 7th CPC recommendations:

Option (i): Having regard to submissions made before it stating that towards the later part of the ten year period, HRA compensation falls considerably short of requirement, the 7th CPC has recommended that the rate of HRA will be revised to 27 percent, 18 percent and 9 percent when DA crosses 50 percent, and further revised to 30 percent, 20 percent and 10 percent when DA crosses 100 percent. However, considering the present inflation rate, the rate of increase of the Dearness Allowance and future inflation projections, it appears unlikely that DA rates will reach 100 % in the ten year period. Taking this into consideration, the Committee considered that the timing of the upward revisions in HRA rates proposed by the 7th CPC may be advanced as under:

Percentage of	Cities
---------------	--------

DA	X	Y	Z
	% age of HRA		
10	25.5	17	8.5
20	27	18	9
30	28.5	19	9.5
40	30	20	10

This would have no immediate financial implication and the 1st revision, as per the current trend of increase in DA, is expected to occur in July, 2018.

Accordingly, additional annual financial implication in July, 2018 will be approximately ₹ 1850 crore. The additional financial implication in the second, third and fourth revision will also be approximately ₹ 1850 crore per annum.

Option (ii): Instead of advancing the full restoration of HRA rates, the Committee considered splitting the revisions proposed by 7th CPC as under:

%age of DA	Cities			
	X	Y	Z	
	%age of HRA			
25	25.5	17	8.5	Modification proposed
50	27	18	9	As per 7 th CPC
75	28.5	19	9.5	Modification proposed
100	30	20	10	As per 7 th CPC

The financial implication would be similar as in Option (i) except that the timing of the revision would undergo a change.

Option (iii): It has been pointed out that at the recommended rates, HRA at the minimum level might not be sufficient. The minimum HRA calculated at the entry level of Level 1 for X, Y and Z category cities at the rates recommended by the 7th CPC will be ₹ 4320, ₹ 2880 and ₹ 1440 respectively. The Committee considered recommending that the HRA at the rates recommended by the 7th CPC may be subject to a floor which may be fixed at ₹ 5400, ₹ 3600 and ₹ 1800 per month, calculated at 30%, 20% and 10% of the minimum pay for X, Y and Z category cities respectively. This will benefit employees in Levels 1, 2 and 3.

The additional financial implication is estimated to be ₹ 385.00 crore and around 7.70 lakh employees shall be benefited. After a detailed consideration of the above options, the Committee recommended that either only option (iii) or option (iii) in combination with option (ii) be accepted. A final decision in this regard may be taken by E-CoS.

5.5.6 Hydrographic Survey Allowance (Para 8.10.30, 8.10.76)

Existing Provisions: This allowance is paid to Naval Officers for tougher working conditions, as under:

Category	Rates per month in ₹
Surveyors Class-IV	1200
Surveyors Class-III	1500

Surveyors Class-II	1800
Surveyors Class-I	2100
Non-Surveyor Officers on ships	600
Surveyor Recorder-III	300
Surveyor Recorder- II	450
Surveyor Recorder-I (PO and Below)	600
Surveyor Recorder-I (CPO and above)	750
Non-Surveyor Sailors serving on ships	150

Recommendations of 7th CPC: The 7th CPC has recommended that this allowance be paid as per Cell R3H3 of the newly proposed Risk and Hardship Matrix @ ₹ 1200 pm for level 9 and above and ₹ 1000/- pm for level upto 8 (For non – surveyors).

Demands:

Ministry of Defence: This allowance may be paid to Surveyors as per Cell R3H1 and for Non – Surveyors, it may be paid as per cell R3H2 of the Risk & Hardship Matrix.

Analysis and Recommendations of the Committee:

The Committee notes that the rates of Hydrographic Survey Allowance for Surveyors (Class I – IV) being paid currently range from ₹ 1200 pm to ₹ 2100 pm. Thus, the recommended rates are not commensurate with the existing provisions and tougher working conditions.

Moreover, the jobs done by the Surveyors are commercially viable and they generate revenue for the Government.

It is, therefore, recommended that Hydrographic Survey Allowance be paid as per R3H2 (₹ 3400 pm for Level 9 & above and ₹ 2700 for level 8 & below) for Surveyors (Class I – IV) and rates as recommended by 7th CPC for other categories (presently being paid this allowance in the range of ₹ 150- ₹ 600 pm) may continue to be as per R3H3 of R&H Matrix.

The additional financial implications on account of the changes proposed by the Committee is estimated to be ₹ 1.52 crore per annum and will benefit approximately 658 personnel.

5.5.7 Nursing Allowance (Para 8.17.85)

Existing Provisions: Nursing Allowance is the composite term used for four allowances granted to nursing personnel: Nursing Allowance, Uniform Allowance, Washing Allowance and Messing Allowance, presently granted at the following rates:

(₹ per month)	
Nursing Allowance	4800
Uniform Allowance	750
Washing Allowance	450
Messing Allowance	75

Recommendations of 7th CPC: No change in the rate of Nursing Allowance is recommended. However, the rate of Nursing Allowance will go up by 25 percent each time DA rises by 50 percent. Uniform Allowance and Washing Allowance have been subsumed in the

newly recommended Dress Allowance for Nurses and will not be payable separately. Messing Allowance is petty in nature. It is recommended that it should be abolished.

Demands:

- I. **National Council (Staff Side), JCM:** The rate of this allowance be increased by a factor of 2.25.
- II. **M/o Health & FW:** Multiplying factor of 1.5 may be extended in case of Nursing Allowance.

Analysis and Recommendations of the Committee:

The Committee notes that the rate of the Nursing Allowance has not been revised by the 7th CPC although it is partially linked to DA. **Therefore, the Committee recommends that the rates of Nursing Allowance be multiplied by a factor of 1.5 and be increased to ₹7200 per month.**

The additional financial implication on account of the changes proposed by the Committee is estimated to be ₹49.00 crore per annum and will benefit approximately 17000 personnel.

5.5.8 Professional Update Allowance (Para 8.4.9)

Existing Provisions: This allowance is granted to Scientists/Engineers in certain scientific department like DAE, ISRO etc. to encourage their employees to obtain latest information and keep themselves update to widen their horizon of knowledge.

The present rates are as under:

Grade Pay	Amount
5400-7600	₹ 15000 pa
8700-8900	₹ 30000 pa
>=10000	₹ 45000 pa

Recommendations of 7th CPC: The 7th CPC has recommended that the amount should be increased by 50 percent. It should be extended to DG, DRDO also. The amount will further rise by 25% each time DA rises by 50%.

Demands:

- I. **National Council (Staff Side), JCM:** Non-gazetted staff of the Department of Atomic Energy get ₹7500/- as Update Allowance. However, while recommending enhancing the Professional Update Allowance to Gazetted Scientific community, the 7th CPC has not recommended the increase in Professional Update Allowance for Non – Gazetted employees of the Department of Atomic Energy. Therefore, Professional Update Allowance for all other sections of employees should be increased by 50%.
- II. **M/o Health & FW:** ₹ 15000 per annum be granted to Nursing personnel as Professional Update Allowance.
- III. **Department of Atomic Energy:** Professional Update Allowance which is being paid to Scientific Officers / Technical Officers below GP – 5400 and all Technical, Admin, Purchase & Stores and Auxiliary category employees, should be continued and increased by 50% as that of Professional Update Allowance. At present, the Update Allowance is being paid @₹ 7500/- per year.

Analysis and Recommendations of the Committee:

It has been brought to the notice of the Committee by DAE that Update Allowance is being paid @ ₹7500/- per year to Scientific Officers/Technical Officers below GP – 5400 and all Technical, Administrative, Purchase & Stores and Auxiliary category employees in Department of Atomic Energy. **Therefore, the Committee recommends that the Update Allowance may continue to be paid to Scientific Officer/Technical Officers below GP – 5400 and all Technical, Administrative, Purchase & Stores and Auxiliary category employees in Department of Atomic Energy at the existing rates. The recommendations of the 7th CPC be accepted along with the modifications proposed above.**

The demand of the Ministry of H&FW to grant this allowance to Nurses does not come under the purview of the Committee.

The additional financial implications are estimated to be ₹ 8.50 crore per annum and will benefit approximately 23400 personnel.

5.5.9 Special Duty Allowance (Para 8.17.118)

Existing Provisions: It is granted to attract civilian employees to seek posting in North Eastern and Ladakh regions, in view of the risk and hardship prevailing in these areas. At present, SDA is paid @12.5% to Central Government Employees including officers of the All India Services, serving in the North Eastern Region states (including Sikkim) and Union Territories of A&N and Lakshadweep group of Islands & Ladakh. In addition, 'Special Allowance for Officers belonging to North – East Cadres of AIS' is granted to AIS Officers belonging to the North East Cadres and posted in the North Eastern states at 25%.

Recommendations of 7th CPC: The 7th CPC has recommended that SDA for AIS officers should be paid at the rate of 30 percent of Basic Pay and for other civilian employees at the rate of 10 percent of Basic Pay.

Demands:

- I. **President Secretariat:** SDA@30% be granted to employees of NEHU, Shillong.
- II. **Secretary, All Ladakh Central Government Employees Association through Minister, Social Justice & Empowerment, Governor's Secretariat, J&K, Shri Ghulam Nabi Azad, MP and Shri Thupstan Chhewang, MP:** SDA@25% be granted to employees posted in Ladakh region in addition to Special Compensatory (Remote Locality) Allowance.
- III. **Chief Minister, Manipur:** SDA be allowed to continue and quantum be increased for officers posted in the NE.
- IV. **Ministry of Home Affairs:** SDA admissible to AIS Service officers may be kept separate.
- V. **National Council (Staff Side), JCM:** The SDA and Special Compensatory Allowance (SCA) are being paid concurrently. However, 7th CPC has recommended that both SDA and SCA should not be granted concurrently. Therefore, following changes have been demanded:
 - i. 7th CPC recommendations to the effect that where Tough Area Compensatory Allowance is given, the SDA must be withdrawn, should be rejected.
 - ii. Reduction in the present rate of SDA of 12.5% should not be accepted.
 - iii. Discrimination in the grant of SDA between officers of AIS and other employees must be removed and all to be paid SDA at the same rate.

VI. **Ministry of Defence:** SDA to the Defence Forces at the same rate as applicable to civilian non-AIS employees is to be given. The admissibility of the allowance would be subject to a scheme to be worked out by Ministry of Defence in consultation with Ministry of Finance.

VII. J&K IAS Officers Association:

- (i) SDA@12.5% of Basic Pay be granted to the regions of Jammu Province and Kashmir Valley
- (ii) Additional Monetary Incentive @25% as payable to Officers belonging to NE Cadres of AIS be allowed.

Analysis and Recommendations of the Committee:

It is observed that the existing provisions relating to SDA at present paid @12.5% to Central Government Employees including officers of the All India Services, serving in the North Eastern Region states (including Sikkim) and Union Territories of A&N and Lakshadweep group of Islands & Ladakh and 'Special Allowance for Officers belonging to North – East Cadres of AIS' granted @25% as per DoPT's OM dated 10th February, 2009 have inadvertently been presented by merging them together in the 7th CPC Report. However, both these allowances are governed differently and SDA @ 12.5% is paid to all officers irrespective of their service but 'Special Allowance for Officers belonging to North – East Cadres of AIS' is granted @25% to AIS officers of NE Cadre serving in the Cadre.

The Committee, therefore, recommends that the two allowances, SDA and 'Special Allowance for Officers belonging to North – East Cadres of AIS', may continue to be paid separately as at present at the rate of 10% and 20% respectively after applying the multiplying factor of 0.8 for percentage-based allowances.

As regards the demand of the Ministry of Defence, **the Committee is of the view that the facilities available to Defence Forces differ significantly from those available to Civilian employees. Moreover, the demand pertains to including a new category in the existing allowance, which does not come under the purview of the Committee.**

Demands relating to NEHU, addition of more categories or enhancement of rates and demands of J&K Officers' Association are also outside the purview of this Committee.

5.5.10 Special Incident / Investigation / Security Allowance (Para 8.17.121-122)

Existing Provisions: This allowance is provided to personnel of special security forces, both as compensation for risk and hardship as well as an incentive to attract talent, as under:

Granted to personnel of	Present Rate
SPG (Operational Staff)	50% of (BP+DA)
SPG (Non-Operational Staff)	25% of (BP+DA)
NSG	25% of (BP+DA)
NIA (Executive Staff)	25% of (BP+DA)
NIA (Non-Executive Staff)	15% of (BP+DA)
CBI (Officers up to the level of SP)	25% of BP
CBI (Officers of the rank DIG and above)	15% of BP
CBI (Non-Executive Cadres)	15% of BP
IB	15% of BP
RAF of CRPF	10% of BP

Recommendations of 7th CPC: The following structure of **Special Security Allowances** is recommended:

Granted to Personnel of	Recommended Rate
NSG	40% of Basic Pay
SPG (Operational Staff)	
SPG (Non-Operational Staff)	20% of Basic Pay
IB	
CBI	
NIA	
Parliament Duty Group (PDG)	
RAF (CRPF)	10% of Basic Pay

No new categories of staff in other organizations may be made eligible for the grant of this allowance based on these recommendations. No Deputation (Duty) Allowance will be applicable along with this allowance.

The Commission has also recommended Special Security Allowance @20% of Basic Pay to R&AW.

Demands:

- I. **Special Protection Group (SPG):** There is a need to enhance the existing formula and rate of the Special Security Allowance be revised to 60% and 30% plus DA thereon for Ops and Non-Ops categories respectively.
- II. **Department of Revenue:** Special Incentive / Security Allowance may be given to Enforcement Directorate, Financial Intelligence Unit (FIU), India, DRI at par with the CBI.
- III. **Chairman, NTRO:** Special Allowance of 15% of the Basic Pay is granted to NTRO employees since its inception. However, 7th CPC has made no recommendations regarding NTRO. Therefore, SSA should be granted to NTRO and be enhanced from 15% to 20%.
- IV. **National Disaster Response Force:** NDRF allowance to personnel of NDRF at par with SPG, NSG and IB.
- V. **Intelligence Bureau:** Special Security Allowance be allowed @25% of Basic Pay + DA.

Analysis and Recommendations of the Committee:

The Committee notes that the 7th CPC has recommended that no new categories of staff in other organizations may be made eligible for the grant of this allowance based on these recommendations.

The Committee also notes that this allowance has been granted to Enforcement Directorate as an ad – hoc measure with the approval of Department of Expenditure pending recommendations of the 7th CPC. Further, the Department of Revenue has sent the file that DRI and FIU (India) also be allowed this allowance at par with ED. The 7th CPC, in Para 11.18.109 of the Report, has recommended that Department of Revenue should assess the risk profile of the officials of the ED at various levels and thereafter make a case to Ministry of Finance for grant of Risk and Hardship Allowance, if any, as per appropriate cell.

It has been brought to the notice of the Committee that employees of National Technical Research Organization (NTRO) have been getting this allowance but have not been mentioned in the Report.

Therefore, it is recommended that:

- (i) **The Department of Revenue should assess the risk profile of the officials of the ED at various levels and thereafter make a case to Department of Expenditure, Ministry of Finance for grant of Risk and Hardship allowance, if any, as per appropriate cell. In the meantime and taking into consideration the fact that the 7th CPC has not recommended this allowance for ED, it may be withdrawn as it was approved as an ad-hoc measure by the Department of Expenditure and was subject to the recommendations of the 7th CPC in this regard.**
- (ii) **Officers / Officials of NTRO be allowed this allowance @20% of Basic Pay only as they appear to have been inadvertently left out from the list.**

The additional financial implication on account of the changes proposed by the Committee is estimated to be ₹ 1.25 crore per annum and will benefit approximately 1081 personnel of NTRO.

5.5.11 Special Running Staff Allowance (Para 8.11.15, 11.40.62)

Existing Provisions: This allowance is granted to Running staff on account of more onerous nature of work as well as process of selection involved. The extant rates are:

Loco Pilot (Passenger), Mail Guard @ ₹ 500 pm + DA

Loco Pilot (Mail/Express) @ ₹ 1000 pm + DA

Recommendations of 7th CPC: Special Running Staff Allowance should be raised to ₹ 2,250 pm for Loco Pilot Mail / Express, ₹ 1,125 pm to Loco Pilot Passenger/Motormen and ₹ 1,125 for Guard Mail/Express. In addition, Loco Pilot Goods and Sr. Passenger Guard should also be extended this allowance at the rate of ₹ 750 pm. Dearness Allowance will be payable on this allowance but it will not count for pensionary benefits.

Demands:

- I. **Ministry of Railways:**
 - i. Special Running Allowance (Additional Allowance for Running Staff) be revised from ₹ 2250/- pm to ₹ 3000 pm and ₹ 1250/- pm to ₹ 1500/- pm for Loco Pilot (Mail / Express) and Loco Pilot (Pass.) respectively as erstwhile distinct cadres and pay scales of LP (M/E) and LP (Pass) and LP (Goods) were merged into Grade Pay of ₹ 4200 by 6th CPC and proposal for grant of Grade Pay ₹ 4600 to LP (M/E) has not been accepted.
 - ii. This allowance be called Additional Allowance as earlier and not Special Running Allowance.
- II. **All India Guards Council:** Special Running Staff Allowance may also be allowed to the Goods Guards.

Analysis and Recommendations of the Committee: In the deliberations of the Committee, Ministry of Railways have emphasised the functional requirements of the Organisation and the need for increasing the rates of this allowance for Loco Pilot (Passenger) and Loco Pilot (Mail / Express). Ministry of Railways have also stated that the nomenclature of the allowance used by the 7th CPC may be changed as there are other running allowances admissible in Railways. The Committee noted that the rates of this allowance being fixed in nature, have already been revised by a factor of 2.25. In addition, Loco Pilot (Passenger) and Loco Pilot (Mail / Express) are already getting this allowance at different rates. Therefore, no change is being recommended in the rates for this Allowance. The Committee, however, recommends that **the**

name of this Allowance may continue to be 'Additional Allowance' instead of Special Running Staff Allowance.

5.5.12 Training Allowance (Para 8.14.8)

Existing Provisions: It is granted @30 percent of Basic Pay in the National/ Central Training Academies and Institutes for Group ₹A' officers and 15 percent in other training establishments.

Recommendations of 7th CPC: The 7th CPC has recommended the revised percentage of rates for Training Allowance as under:

In the National/Central Training Academies and Institutes for Group ₹A' officers	24% of Basic Pay
In other Training Establishments	12% of Basic Pay

It will not be admissible to those employees who are directly recruited by such training establishments for imparting training. The allowance will be payable to an eligible employee for a maximum period of five years only during the entire career, for which period the Deputation (Duty) Allowance will not be granted.

Demands:

- I. **Ministry of Home Affairs:** Capping of the period of deputation to a maximum of 5 years should be removed. Instead three years' cooling off period may be introduced.
- II. **Intelligence Bureau:** Training Allowance for IB training centres viz. NIA and IBCTS be granted at par with National Training Institutes as these Institutes impart training to IPS Officers.
- III. **Cabinet Secretariat:** Training Academy of R&AW may be recognised as a National Training Academy for Group 'A' officers and faculty engaged in training of Group 'A' officers at the Academy may be allowed Training Allowance at par with other National Training Academies.

Analysis and Recommendations of the Committee: The Committee notes that the 7th CPC has recommended that this allowance will be payable to an eligible employee for a maximum period of five years only during the entire career. Given the investments made in capacity development of trainers, general unwillingness of officers to be posted in training institutes and the need for quality in training, **the Committee is of the view that the ceiling of five years recommended by the 7th CPC may not be accepted. The recommendations may be modified to that extent. Standard cooling off requirements between tenures should continue to apply.**

5.5.13 Travelling Allowance (Para 8.15.56-57)

Existing Provisions: Different categories are entitled for Travelling Allowances based on pre revised Grade Pay.

Recommendations of 7th CPC: The 7th CPC has maintained the status quo in the allowance:

Kind of Travel	Level	Travel entitlement
Travel Entitlement within the country	14 and above	Business/Club class by air OR AC-I by train
	12 and 13	Economy class by air OR AC-I by train
	9 to 11	Economy class by air OR AC-II by train

Kind of Travel	Level	Travel entitlement
	6 to 8	AC-II by train
	5 and below	First Class/AC-III/AC Chair car by train

The 7th CPC has also recommended that Indian Railways may reconsider its position regarding air travel to its employees in the light of the possible savings in terms of cost and man hours, particularly after the pay revision. Additional seats released in trains for the public will be an added advantage.

Demands:

- I. **Ministry of Railways:** Existing DA / TA Rules for Railways may continue to be distinct from those on others, as at present.
- II. **Ministry of Defence:** Level 5A is to be clubbed with level 6 for grant of TA entitlements.

Analysis and Recommendations of the Committee: Ministry of Railways has recommended that Railway Officers may travel by train to be familiar with ground realities. It has also been informed by the Railways that present expenditure on TA / DA in Indian Railways is around ₹ 1450 crore per year. If the 7th CPC formulation is adopted, the additional financial implication would be enormous (two to two and half times the present expenditure). **The Committee agrees with the view of Ministry of Railways and recommends that the existing system of TA / DA in Indian Railways may continue with revised rates to be decided in consultation with Ministry of Finance.**

Considering the increasing number of budget airlines and with a view to allowing more time to officials at work, thereby increasing their productivity, the Committee recommends that officers in the levels 6 to 8, at present not entitled to travel by air, be allowed to travel by Air (economy class).

As is the practice in the 6th CPC regime, officials drawing pre-revised Grade Pay of ₹ 3400/- in the Defence Forces may travel as per entitlements of Level-6.

The changes proposed by the Committee will benefit approximately 1620 personnel of Defence Forces with an estimated financial implication of ₹ 23 lakh per annum. It will also benefit 2.81 lakh employees in levels 6 to 8.

Conclusion:

5.6 Out of 95 retained / rationalized allowances, the Committee is recommending changes in 13 allowances. A list of all these 95 retained / rationalized allowances is appended below **(APPENDIX – III)**. Additional annual financial implication in respect of changes recommended by the Committee is estimated to be around ₹ 780.00 crore (approximately).

APPENDIX – III (Refer para 5.6 of Chapter 5)

RECOMMENDATIONS ON RETAINED / RATIONALIZED ALLOWANCES

Allowances where no modifications are proposed

S. No.	Name of the Allowance	Recommendations of the Committee
1.	Aeronautical Allowance	Retained. Enhanced by 50%.
2.	Air Worthiness Certificate Allowance	Retained. Enhanced by 50%.
3.	Annual Allowance	Retained. Enhanced by 50%. Extended to some more categories.
4.	Bhutan Compensatory Allowance	Retained. Status Quo to be maintained.
5.	Boiler Watch Keeping Allowance	Retained. Rationalized. To be paid as per Cell R3H1 of the newly proposed Risk and Hardship Matrix.
6.	Book Allowance	Retained. Status Quo to be maintained.
7.	Briefcase Allowance	Retained. Status Quo to be maintained.
8.	Canteen Allowance	Retained. Enhanced by 50%.
9.	Children Education Allowance (CEA)	Retained. Procedure of payment simplified.
10.	CI Ops Allowance	Retained. Rationalized.
11.	Classification Allowance	Retained. Enhanced by 50%.
12.	COBRA Allowance	Retained. Rationalised. To be paid as per Cell R1H1 of the newly proposed Risk and Hardship Matrix.
13.	Compensatory (Construction or Survey) Allowance	Retained. Rationalised. To be paid as per Cell R3H2 of the newly proposed Risk and Hardship Matrix.
14.	Composite Personal Maintenance Allowance (CPMA)	Retained. Rationalised. Enhanced by 50%. Extended to some more categories.
15.	Constant Attendance Allowance	Retained. Enhanced by 50%.
16.	Conveyance Allowance	Retained. Status Quo to be maintained.
17.	Cooking Allowance	Retained. Rationalised. To be paid as per Cell R3H3 of the newly proposed Risk and Hardship Matrix.
18.	Cost of Living Allowance	Retained. Status Quo to be maintained.
19.	Daily Allowance on Foreign Travel	Retained. Status Quo to be maintained.
20.	Dearness Allowance (DA)	Not within the purview of the Committee
21.	Deputation (Duty) Allowance for civilians	Retained. Ceilings enhanced by 50%.
22.	Deputation (Duty) Allowance for Defence Personnel	Retained. Ceilings enhanced by 50%.

S. No.	Name of the Allowance	Recommendations of the Committee
23.	Detachment Allowance	Retained. Rationalized. Enhanced by 50%.
24.	Diving Allowance, Dip Money and Attendant Allowance	Retained. Enhanced by 50%.
25.	Educational Concession	Retained. Rationalized. Extended to some more categories.
26.	Family HR Allowance	Retained. Status Quo to be maintained.
27.	Field Area Allowance	Retained. Rationalized.
28.	Flying Allowance	Retained. Rationalised. To be paid as per Cell R1H1 of the newly proposed Risk and Hardship Matrix.
29.	Free Fall Jump Instructor Allowance	Retained. Rationalised. To be paid as per Cell R2H2 of the newly proposed Risk and Hardship Matrix.
30.	Good Service / Good Conduct / Badge Pay	Retained. Enhanced by a factor of 2.25.
31.	Hard Area Allowance	Retained. Rationalized by a factor of 0.8.
32.	Hardlying Money	Retained. Rationalised. Full Rate to be paid as per Cell R3H3 of the newly proposed Risk and Hardship Matrix.
33.	Health and Malaria Allowance	Retained. Rationalised. To be paid as per Cell R3H3 of the newly proposed Risk and Hardship Matrix.
34.	High Altitude Allowance	Retained. Rationalized.
35.	Higher Qualification Incentive for Civilians	Retained. Rationalized.
36.	Holiday Monetary Compensation	Retained. Rationalized.
37.	Internet Allowance	Retained. Rationalized.
38.	Island Special Duty Allowance	Retained. Rationalized by a factor of 0.8.
39.	Language Allowance	Retained. Enhanced by 50%.
40.	Language Award	Retained. Enhanced by 50%.
41.	Leave Travel Concession (LTC)	Retained. Rationalized.
42.	MARCOS and Chariot Allowance	Retained. Rationalised. To be paid as per Cell R1H1 of the newly proposed Risk and Hardship Matrix.
43.	Medal Allowance	Retained.
44.	Messing Allowance	Retained for "floating staff" under Fishery Survey of India, and enhanced by 50%. Abolished for Nursing Staff.
45.	Mileage Allowance for journeys by road	Retained.
46.	Mobile Phone Allowance	Retained. Rationalized.
47.	Monetary Allowance attached to Gallantry Awards	Retained. Status Quo to be maintained

S. No.	Name of the Allowance	Recommendations of the Committee
48.	National Holiday Allowance	Retained. Enhanced by 50%.
49.	Newspaper Allowance	Retained. Rationalized.
50.	Night Duty Allowance	Retained. Rationalized.
51.	Non-Practicing Allowance (NPA)	Retained. Rationalized by a factor of 0.8.
52.	Nuclear Research Plant Support Allowance	Retained. Enhanced by 50%.
53.	Orderly Allowance	Retained. Status Quo to be maintained.
54.	Para Allowances	Retained. Rationalised. To be paid as per Cell R2H2 of the newly proposed Risk and Hardship Matrix.
55.	Para Jump Instructor Allowance	Retained. Rationalised. To be paid as per Cell R2H2 of the newly proposed Risk and Hardship Matrix.
56.	Parliament Assistant Allowance	Retained. Enhanced by 50%.
57.	PCO Allowance	Retained. Rationalized.
58.	Post Graduate Allowance	Retained. Enhanced by 50%.
59.	Project Allowance	Retained. Rationalised. To be paid as per Cell R3H2 of the newly proposed Risk and Hardship Matrix.
60.	Qualification Allowance	Retained. Enhanced by 50%. Extended to some more categories.
61.	Qualification Pay	Retained. Enhanced by a factor of 2.25.
62.	Refreshment Allowance	Retained. Enhanced by a factor of 2.25.
63.	Reward for Meritorious Service	Retained. Enhanced by a factor of 2.25.
64.	Sea Going Allowance	Retained. Rationalised. To be paid as per Cell R2H2 of the newly proposed Risk and Hardship Matrix.
65.	Siachen Allowance	Retained. Rationalised. To be paid as per Cell RH-Max of the newly proposed Risk and Hardship Matrix.
66.	Special Allowance for Child Care for Women with Disabilities	Retained. Enhanced by 100%.
67.	Special Allowance to Chief Safety Officers/Safety Officers	Retained. Rationalized by a factor of 0.8.
68.	Special Forces Allowance	Retained. Rationalised. To be paid as per Cell R1H1 of the newly proposed Risk and Hardship Matrix.
69.	Special LC Gate Allowance	Retained. Rationalised. To be paid as per Cell R3H3 of the newly proposed Risk and Hardship Matrix.
70.	Special Train Controllers Allowance	To be paid @₹5,000 per month to Section Controllers and Dy. Chief Controllers

S. No.	Name of the Allowance	Recommendations of the Committee
71.	Specialist Allowance	Retained. Enhanced by 50%.
72.	Split Duty Allowance	Retained. Enhanced by 50%.
73.	Submarine Allowance	Retained. Rationalised. To be paid as per Cell R1H1 of the newly proposed Risk and Hardship Matrix.
74.	Submarine Duty Allowance	Retained. Rationalised. To be paid as per Cell R3H1 of the newly proposed Risk and Hardship Matrix, on a pro-rata basis.
75.	Submarine Technical Allowance	Retained. Rationalised. To be paid as per Cell R3H3 of the newly proposed Risk and Hardship Matrix. Extended to some more categories.
76.	Subsistence Allowance	Retained. Status Quo to be maintained.
77.	TA for Retiring Employees	Retained. Rationalized.
78.	TA on Transfer	Retained. Rationalized.
79.	Tenure Allowance	Retained. Ceilings enhanced by 50%.
80.	Test Pilot and Flight Test Engineer Allowance	Retained. Rationalised. To be paid as per Cell R1H3 of the newly proposed Risk and Hardship Matrix.
81.	Transport Allowance	Retained. Rationalized.
82.	Unit Certificate and Charge Certificate Allowance	Retained. Enhanced by 50%.

Allowances where modifications are proposed

S. No.	Name of the Allowance	Recommendations of the Committee
1.	Antarctica Allowance	May be kept out of R&H Matrix. To be raised to ₹1500 & ₹2000 per day in Summer and Winters respectively. Team Leader to continue to get 10% extra
2.	Daily Allowance	Existing system of Daily / Travelling allowance in the Ministry of Railways to continue. Other Modifications: Travelling Charges for Level – 12 – 13 (AC taxi charges upto 50 Kms.) and 14 & above (AC taxi charges as per actual expenditure commensurate with official engagements)
3.	Fixed Medical Allowance (FMA)	Existing rate of ₹500 to be revised to ₹1000 per month.
4.	Hospital Patient Care Allowance/Patient Care Allowance	Ministerial Staff to continue to get HPCA / PCA as per R1H3 of Risk & Hardship Matrix
5.	House Rent Allowance	HRA rates recommended by 7 th CPC subject to a minimum HRA of ₹5400, ₹3600 and ₹1800 in X, Y and Z cities respectively. Rates of 24%, 16% & 8% to be revised when DA reaches 25%, 50%, 75% and 100%.

S. No.	Name of the Allowance	Recommendations of the Committee
6.	Hydrographic Survey Allowance	To be paid as per Cell R3H2 to Surveyors. Other categories to remain in cell R3H3.
7.	Nursing Allowance	Existing rate be multiplied by 1.5 and to be revised to ₹ 7200 per month.
8.	Professional Update Allowance	May continue to be paid to non-gazetted staff of DAE at existing rates
9.	Special Duty Allowance	Special Allowance to NE Cadre of AIS to be unbundled from SDA and be paid at 20%. SDA to remain at 10%.
10.	Special Incident / Investigation / Security Allowance	This allowance be withdrawn from ED D/o Revenue to examine proposal for Risk & Hardship allowance as recommended by 7 th CPC and send the proposal to Ministry of Finance. NTRO employees to be granted this allowance @20%.
11.	Special Running Staff Allowance	Name of the allowance to continue as 'Additional Allowance'.
12.	Training Allowance	Capping of 5 years to be removed. Standard cooling off period between tenures shall apply.
13.	Travelling Allowance	Existing system to continue in Railways Level 5 A of Defence Forces to be clubbed with Level 6. Level 6 to 8 to be entitled for Air travel.

CHAPTER 6

Allowances Not Included In the Report

6.1. The Committee has noted that the 7th CPC, in its report at Para 8.11.18-20 has mentioned as under:

“Both the recognised federations of Indian Railways, viz., All India Railwaymen’s Federation (AIRF) and National Federation of Indian Railwaymen (NFIR) have requested that “the issue pertaining to payment of Running Allowance (Kilometrage Allowances and ALK) is best left to the Railway Administration, since from time immemorial, the kilometrage entitlements/rates are decided through bi-lateral discussions between Railway Board and Federations.” On the other hand the Ministry of Railway specifically referred the examination of Running Allowance (RA) to the Seventh CPC for its consideration, vide Letter No.E(P&A)II-2014/Misc.3/7th CPC of 20.10.2014.

However, subsequently vide letter No.E(P&A)II-2014/Misc.3/7th CPC of 11.05.2015, the Ministry of Railways reverted to the Commission stating that successive Pay Commissions have “refrained from giving any express recommendations on the methodology/formula for calculation of the rates of Kilometrage Allowance/ALK,” and “7th CPC may consider to let past practice continue.”

*Considering the above, except for the Special Running Staff Allowance, which is covered in the Chapter 11.40, **the discussion on these allowances is not included in the report.***

6.2 Accordingly, the 7th CPC has not included the following 12 allowances in the Report:

1. Accident Allowance
2. Allowance in Lieu of Kilometrage (ALK)
3. Allowance in Lieu of Running Room Facilities
4. Breach of Rest Allowance
5. Ghat Allowance
6. Kilometrage Allowance (KMA)
7. Officiating Allowance
8. Outstation (Detention) Allowance
9. Outstation (Relieving) Allowance
10. Shunting Allowance
11. Trip Allowance
12. Waiting Duty Allowance

6.3 The Indian Railway Loco Runningmen Organization (IRLRO) requested that the Committee should examine the rates of Running Allowance instead of Ministry of Railways.

6.4 **The Committee is of the view that as per recommendations of the 7th CPC, the rates of above mentioned 12 allowances may be decided through bilateral discussions between Railway Board and Federations as earlier. The rates may, thereafter, be notified by the Ministry of Railways with the concurrence of the Ministry of Finance.**

CHAPTER 7

Miscellaneous Issues

7.1 Orders of the Hon'ble High Court of Punjab & Haryana in CWP 19577 / 2016 (Shri Preetpal Singh Grewal Vs. Union of India and Ors) - regarding

7.1.1 In CWP 19577 / 2016 (Shri Preetpal Singh Grewal Vs. Union of India), the Hon'ble High Court of Punjab & Haryana, vide Order dated 21st September, 2016 had directed that the petitioner Shri Preetpal Singh Grewal is at liberty to file representation before the Anomalies Committee (Committee on Allowances) and the Anomalies Committee was directed to consider the grievances of the petitioner and to keep it in sealed cover till disposal of the writ petition.

7.1.2 Shri Grewal, vide his letter dated 24th September 2016, addressed to Chairperson, Anomaly Committee on 7th CPC Allowances, submitted his representation to the Committee. The Representation was put up before the Committee on Allowances in its 4th meeting held on 13.10.2017. The Committee noted that the Committee on Allowances is not an Anomalies Committee and also that no anomaly has arisen on allowances. However, the Committee decided that since the issues raised in the Representation mainly pertained to Defence Forces, the Representation may be referred to the Ministry of Defence for comments in the first instance. Ministry of Defence sent the comments on the representation of Shri Grewal on 14.03.2017.

7.1.3 After comments of the MoD on the representation were received, it was again placed before the Committee in its 13th meeting held on 03.03.2017. The Committee took note of the following comments of the Ministry of Defence, received vide ID No. PC-1(2)/2016/D(Pay/Services) dated 28.03.2017:

"The matter of whether the order of the Hon'ble High Court bars the Allowances Committee from going forward with its recommendations on the allowances of the Central Government employees or is only limited to the keeping in sealed cover of the consideration of the Committee on the representation of the petitioner was referred to LA (Defence). LA (Defence) opines that Ministry of Finance, Implementation Cell misinterpreted the directions of Hon'ble High Court. There is no direction to keep the recommendations of the Anomalies Committee in relation to all the employees of the Central Government including civilians and Defence Services in sealed cover till disposal of the present writ petition. The Court's direction is limited to the representation of the petitioner for consideration of the Anomalies Committee and same kept in sealed cover till disposal of the writ petition."

7.1.4 As per the orders of Hon'ble High Court, the issues raised in the Representation received vide letter dated 24.09.2016 were deliberated upon by the Committee. The recommendations of the Committee have been kept in sealed cover till disposal of the above said Writ Petition as per legal opinion obtained by Ministry of Defence.

7.2 Issues relating to Indian Coast Guard

7.2.1 The Ministry of Defence, vide OM No. 11(4)/2015-D(Civ-I) dated 7th April, 2017 has requested for continuance of existing allowances admissible to Coast Guard Personnel vide MoD letter No. 1(1)/2009/D(CG-R) dated 12.06.2009 subject to rationalization based on 7th CPC recommendations'. It has further been requested that the specific recommendations of 7th CPC and their extension to the ICG personnel may be considered by the Committee on Allowances.

7.2.2 As informed by the MoD, following allowances are granted to Coast Guard Personnel at par with Naval Personnel:

- (i) Sea Going / Sea Duty Allowance
- (ii) Hardlying Money
- (iii) Unit & Charge Certificate Allowance
- (iv) Diving Allowance
- (v) Dip Money and Attendant Allowance
- (vi) Flying Allowance
- (vii) Outfit Allowance
- (viii) Kit Maintenance Allowance
- (ix) Good Conduct Badge Allowance
- (x) Boiler Watch Keeping Allowance
- (xi) Composite Personal Maintenance Allowance
- (xii) Official Hospitality Grant

7.2.3 In addition, it has also been informed by the MoD that:

- (i) Some allowances are at present drawn by Indian Coast Guard Personnel at par with other Central Government employees
- (ii) Recommendations of the 7th CPC extending some allowances to Coast Guard Personnel at par with Indian Navy to resolve anomalies / disparities be considered by the Committee

Besides above, the MoD has not recommended one additional free Railway Warrant to Coast Guard Personnel as no field area / units exist in the Coast Guard.

7.2.4 The recommendations of MoD that the recommendations of 7th CPC granting one additional free Railway Warrant to Coast Guard Personnel should not be accepted as there is no concept of field area in respect of Indian Coast Guard has already been factored in by the Committee in its analysis and recommendations for LTC at para 5.4.14 of this Report.

7.2.5 The Committee also recommends that allowances that are presently admissible to the Indian Coast Guard at par with Indian Navy may continue to be admissible to Indian Coast Guard even if specific mention to this effect has not been made in the 7th CPC Report. Wherever specific mention of Indian Coast Guard has been made in the Report, the admissibility of the Allowance shall be governed by the recommendations made therein.

7.3 Allowances not mentioned / examined by the 7th CPC

7.3.1 The Committee has noted that various demands have been received on allowances which were not examined by the 7th CPC or to include new categories in the existing allowances.

7.3.2 The Committee has noted that the 7th CPC, in its report at Para 8.2.5 has mentioned that:

“We have considered all allowances reported to us, in this chapter. Any allowance, not mentioned here (and hence not reported to the Commission), shall cease to exist immediately. In case there is any demand or requirement for continuation of an existing allowance which has not been deliberated upon or covered in this report, it should be re-notified by the ministry concerned after obtaining due approval of Ministry of Finance and should be put in the public domain.”

7.3.3 Demands relating to Allowances not included in the list of 196 Allowances have not been considered by the Committee. The Committee recommends that these allowances which are not in the list of 196 Allowances compiled by the 7th CPC and have, therefore, not been examined by the 7th CPC shall cease to exist. If such an Allowance has to be re-notified, the process as laid down in the 7th CPC Report may be followed. The Committee further recommends that Department of Expenditure may consider assigning the responsibility to the PAO / DDO / Head of Office / Head of Department to ensure that no disbursement is made on account of any allowance which is not included in the list of 197 allowances mentioned in the 7th CPC Report once the 7th CPC recommendations on Allowances subject to the modifications proposed by the Committee on Allowances are approved and notified.

CHAPTER 8

Executive Summary

- 8.1** Cabinet approved setting up of a Committee on Allowances to examine the allowances recommended by the 7th CPC on 22nd July 2016. Till then, the existing allowances were to be paid at existing rates in existing pay structure, as if the pay had not been revised. Committee on Allowances was set up vide OM dated 22.07.2017.
- 8.2** While examining the recommendations on Allowances, Committee on Allowances considered demands of JCM and other Staff Associations as also the comments of the Ministries / Departments on Allowances. Committee also held separate meetings with National Council (Staff Side), JCM and representatives of Staff Associations and Officers from the Ministry of Health & Family Welfare, Ministry of Home Affairs, Department of Posts, Ministry of Railways, Department of Atomic Energy, representatives of Defence Forces personnel (TRIPAS) and Ministry of Defence. The Committee also interacted with the officers of SPG.
- 8.3** The 7th CPC, for the first time compiled a comprehensive list of 196 Allowances. In addition, it proposed a new allowance Special Train Controllers' Allowance for Indian Railways. The 7th CPC has given its recommendations for 185 Allowances: 53 Allowances (including allowances abolished for certain categories) be abolished, 37 Allowances be subsumed in an existing or newly proposed Allowance and remaining 95 allowances (including Special Train Controllers' Allowance) have been retained and rationalised. The rates of Running Allowance of Indian Railways have been decided through bilateral discussions between Railway Board and Federations in the past. 7th CPC has also not made any recommendations in respect of 12 Allowances of Ministry of Railways which are included in the list of 197 allowances.
- 8.4** Of the Allowances that have been retained, Allowances not DA indexed have been raised by a factor of 2.25. Allowances partially indexed, have been raised by a factor of 1.5. Allowances fully DA indexed, have not been raised. Percentage Based allowances have been rationalized by a factor of 0.8 after taking into consideration the increase in the Basic Pay.
- 8.5** Out of the 197 allowances reported by the 7th CPC, the Committee received demands in respect of 79 allowances which include demands on 21 abolished, 13 subsumed and 45 allowances which have been retained and rationalized. Based on its deliberations, the Committee has recommended changes in respect of 12 abolished, 9 subsumed and 13 retained/rationalised allowances. In total, out of 79 allowances on which demands have been received, the Committee has recommended changes in respect of 34 allowances. This information has been presented in tabular form below:

Sl. No.	Category	No demands received	Demands received			Total
			No changes proposed	Changes proposed	Total Demands	
1	Abolished	32	09	12	21	53
2	Subsumed	24	04	09	13	37
3	Retained/ Rationalised	50	32	13	45	95
4	Not Included in the Report	-	-	-	-	12
	Total	106	45	34	79	197

Allowances recommended to be Abolished by the 7th CPC

8.6 A comprehensive list of 53 abolished allowances indicating status in terms of whether demands have been received or not is as under:

Name of the Allowance		
S.No.	No Demands received	Demands received
1.	Air Dispatch Pay	Breakdown Allowance
2.	Air Steward Allowance	Cash Handling Allowance
3.	Assisting Cashier Allowance	Coal Pilot Allowance
4.	ASV Allowance	Commercial Allowance
5.	Command Allowance	Cycle Allowance
6.	Commando Allowance	Family Planning Allowance
7.	Condiment Allowance	Funeral Allowance
8.	Court Allowance	Headquarters Allowance
9.	Desk Allowance	Investigation Allowance
10.	Diet Allowance	Language Reward and Allowance
11.	Electricity Allowance	Launch Campaign Allowance
12.	Entertainment Allowance for Cabinet Secretary	Night Patrolling Allowance
13.	Entertainment Allowance in Indian Railways	Operation Theatre Allowance
14.	Flying Squad Allowance	Overtime Allowance (Abolished for certain categories)
15.	Handicapped Allowance	Ration Money Allowance (Abolished for certain categories)
16.	Hutting Allowance	Risk Allowance
17.	Metropolitan Allowance	Savings Bank Allowance
18.	Official Hospitality Grant in Defence forces	Space Technology Allowance
19.	Organization Special Pay	Special Compensatory (Hill Area) Allowance
20.	Out-turn Allowance	Special Scientists' Pay
21.	Rajdhani Allowance	Treasury Allowance
22.	Rent Free Accommodation	
23.	Secret Allowance	
24.	Shorthand Allowance	
25.	Special DOT Pay	
26.	Special NCRB Pay	
27.	Spectacle Allowance	
28.	Sumptuary Allowance in Training Establishments	
29.	Sumptuary Allowance to Judicial Officers in Supreme Court Registry	
30.	Training Stipend	
31.	Vigilance Allowance	
32.	Study Allowance	

8.7 Committee has recommended that the recommendations of the 7th CPC in respect of the 32 allowances where no demands have been received, may be accepted without any change. In addition, 9 allowances where demands were received and no change is proposed in the recommendations of the 7th CPC, is as under:

S. No.	Name of the Allowance
1.	Commercial Allowance
2.	Family Planning Allowance
3.	Headquarters Allowance
4.	Investigation Allowance
5.	Language Reward and Allowance
6.	Night Patrolling Allowance
7.	Savings Bank Allowance
8.	Special Compensatory (Hill Area) Allowance
9.	Special Scientists' Pay

8.8 The list of 12 allowances where the Committee has recommended changes in the recommendations of the 7th CPC, along with estimated financial implication and approximate number of employees to be benefited, is as under:

S. No.	Name of the Allowance	Recommendations of the Committee	If change is proposed, financial implication and number of employees to be benefited	
			Additional Financial implication (₹ in Crore)	Number of employees to be benefited
1.	Breakdown Allowance	May be retained. Existing Rates to be multiplied by 2.25.	15.00	11000
2.	Cash Handling Allowance	May be retained. Cash Handling Allowance and Treasury allowance to be merged in a single Allowance and rates revised.	14.27	14000
3.	Coal Pilot Allowance	May be retained. Existing rates to be multiplied by 2.25	1.00	1000
4.	Cycle Allowance	May be retained. Existing rates of ₹90 pm to be doubled to ₹180 per month	1.88	22200
5.	Funeral Allowance	Funeral Allowance is in the nature of a grant to the next of kin. It may cease to exist as an allowance. The grant for this purpose should continue and the expenditure at the existing rate of ₹6000/- on this account may be borne by the Unit directly.	4.57	NA

S. No.	Name of the Allowance	Recommendations of the Committee	If change is proposed, financial implication and number of employees to be benefited	
			Additional Financial implication (₹ in Crore)	Number of employees to be benefited
6.	Launch Campaign Allowance	Retained at the existing rate of ₹7500/- in Department of Space	2.16	3575
7.	Operation Theatre Allowance	May be retained. Existing rate to be multiplied by 1.5	3.86	17000
8.	Overtime Allowance (Abolished for certain categories)	OTA may not be revised upwards.	-	-
9.	Ration Money Allowance (Abolished for certain categories)	Facility of free ration to be discontinued and to be paid in cash in peace areas to all Defence Forces officers	150.40	43473
10.	Risk Allowance	May be retained. Existing rate of 60 to be multiplied by 2.25 and to be increased to ₹135 pm	1.00	7000
11.	Space Technology Allowance	Retained at the existing rate of ₹7500/- in Department of Space	2.52	3602
12.	Treasury Allowance	May be retained. Cash Handling Allowance and Treasury allowance to be merged in a single Allowance and rates revised.	Merged with Cash Handling Allowance	
	Total		196.66	

Allowances recommended to be Subsumed by the 7th CPC

8.9 A complete list of 37 allowances which have been recommended to be subsumed by the 7th CPC indicating status whether demands have been received or not is as under.

S. No.	Name of the Allowance	
	No Demands received	Demands received
1.	Acting Allowance	Caretaking Allowance
2.	Bad Climate Allowance	Clothing Allowance
3.	Camp Allowance	Compensation in lieu of Quarters (CILQ)

4.	Dual Charge Allowance	Fixed Monetary Compensation
5.	Extra Duty Allowance	Holiday Allowance Compensatory Allowance
6.	Family Accommodation Allowance (FAA)	Kit Maintenance Allowance
7.	Flag Station Allowance	Outfit Allowance
8.	Flight Charge Certificate Allowance	Qualification Grant
9.	Haircutting Allowance	Special Compensatory (Remote Locality) Allowance
10.	Higher Proficiency Allowance	Special Appointment Allowance
11.	Initial Equipment Allowance	Technical Allowance
12.	Instructional Allowance	Uniform Allowance
13.	Judge Advocate General Department Examination Award	Washing Allowance
14.	Library Allowance	
15.	Out of Pocket Allowance	
16.	Rajbhasha Allowance	
17.	Robe Allowance	
18.	Robe Maintenance Allowance	
19.	Shoe Allowance	
20.	Single in Lieu of Quarters (SNLQ)	
21.	Soap Toilet Allowance	
22.	Sunderban Allowance	
23.	TA Bounty	
24.	Tribal Area Allowance	

8.10 The Committee has recommended that the recommendations of the 7th CPC in respect of the 24 Subsumed Allowances where no demands have been received may be accepted without any change. In addition, the Committee is not recommending any change in respect of 4 more Allowances where demands were received. These 4 Allowances are as under:

S. No.	Name of the Allowance
1.	Caretaking Allowance
2.	Clothing Allowance
3.	Compensation in lieu of Quarters (CILQ)
4.	Outfit Allowance

8.11 The list of 9 Allowances where the Committee has recommended changes in the 7th CPC recommendations, along with estimated financial implication and approximate number of employees to be benefited, is as under:

S. No.	Name of the Allowance	Recommendations of the Committee	If change is proposed, financial implication and number of employees to be benefited	
			Additional Financial implication (₹ in Crore)	Number of employees to be benefited
1.	Fixed Monetary Compensation	Not to be subsumed but retained as a separate allowance. Existing rates to be multiplied by 2.25 and revised to ₹115 and ₹54 for full beat and sharing a beat respectively.	2.00	15098
2.	Holiday Compensatory Allowance	Not to be subsumed but retained as a separate allowance. Existing system to continue in IB & RAW on the same lines as Delhi Police.	73.93	23659
3.	Kit Maintenance Allowance	To be subsumed in Dress Allowance for SPG and factored in for determining the revised rates of Dress Allowance for SPG	As mentioned in Uniform Allowance	As mentioned in Uniform Allowance
4.	Qualification Grant	7 th CPC recommendations accepted with the modification that this will not include Tier – II courses.	As mentioned in Technical Allowance	As mentioned in Technical Allowance
5.	Special Appointment Allowance	To include ASI (RM), ASI (RO) and SI (RM) in the list	1.74	6605
6.	Special Compensatory (Remote Locality) Allowance	The amount being drawn under 6 th CPC regime may be protected.	-	-
7.	Technical Allowance	To be retained at the existing rates with maximum amount for both courses to be capped @₹4500 pm. Tier II courses will not be included for Qualification Grant.	35.00	9894
8.	Uniform Allowance	Rates different from 7 th CPC recommendations for the following: (i) Nurses: ₹1800 per month (ii) SPG personnel: ₹27,800 & ₹21,225 per annum for Ops and Non-ops duties respectively. To be given to all Check Points of Bureau of Immigration.	25.15	25919
9.	Washing Allowance	To be subsumed in Dress Allowance in respect of Nurses and factored in for determining the revised rates of Dress Allowance for Nurses.	As mentioned in Uniform Allowance	As mentioned in Uniform Allowance
Total			₹ 137.82	

Allowances recommended to be Retained/ Rationalised by the 7th CPC

8.12 A comprehensive list of 95 allowances recommended to be retained indicating status in terms of whether demands have been received or not, as under:

S. No.	Name of the Allowance	
	No Demands received	Demands received
1.	Bhutan Compensatory Allowance	Aeronautical Allowance
2.	Briefcase Allowance	Antarctica Allowance
3.	Cost of Living Allowance	Book Allowance
4.	Daily Allowance on Foreign Travel	Children Education Allowance (CEA)
5.	Dearness Allowance (DA)	Classification Allowance
6.	Monetary Allowance attached to Gallantry Awards	Conveyance Allowance
7.	Orderly Allowance	Daily Allowance
8.	Subsistence Allowance	Deputation (Duty) Allowance for civilians
9.	Boiler Watch Keeping Allowance	Detachment Allowance
10.	CI Ops Allowance	Family HR Allowance
11.	COBRA Allowance	Field Area Allowance
12.	Compensatory (Construction or Survey) Allowance	Fixed Medical Allowance (FMA)
13.	Composite Personal Maintenance Allowance (CPMA)	Flying Allowance
14.	Cooking Allowance	Good Service / Good Conduct / Badge Pay
15.	Educational Concession	Hardlying Money
16.	Free Fall Jump Instructor Allowance	Hospital Patient Care Allowance/Patient Care Allowance
17.	Hard Area Allowance	House Rent Allowance
18.	Health and Malaria Allowance	Hydrographic Survey Allowance
19.	High Altitude Allowance	Internet Allowance
20.	Higher Qualification Incentive for Civilians	Leave Travel Concession (LTC)
21.	Holiday Monetary Compensation	MARCOS and Chariot Allowance
22.	Island Special Duty Allowance	Mobile Phone Allowance
23.	Para Allowances	National Holiday Allowance
24.	Para Jump Instructor Allowance	Newspaper Allowance
25.	PCO Allowance	Night Duty Allowance
26.	Siachen Allowance	Non-Practicing Allowance (NPA)
27.	Special Allowance to Chief Safety Officers/Safety Officers	Nuclear Research Plant Support Allowance
28.	Submarine Duty Allowance	Nursing Allowance
29.	Submarine Technical Allowance	Parliament Assistant Allowance
30.	TA for Retiring Employees	Professional Update Allowance
31.	Test Pilot and Flight Test Engineer Allowance	Project Allowance
32.	Air Worthiness Certificate Allowance	Qualification Allowance

S. No.	Name of the Allowance	
	No Demands received	Demands received
33.	Annual Allowance	Sea Going Allowance
34.	Canteen Allowance	Special Duty Allowance
35.	Constant Attendance Allowance	Special Forces Allowance
36.	Deputation (Duty) Allowance for Defence Personnel	Special Incident / Investigation / Security Allowance
37.	Diving Allowance, Dip Money and Attendant Allowance	Special LC Gate Allowance
38.	Language Allowance	Special Running Staff Allowance
39.	Language Award	Special Train Controllers Allowance
40.	Post Graduate Allowance	Split Duty Allowance
41.	Qualification Pay	Submarine Allowance
42.	Refreshment Allowance	TA on Transfer
43.	Reward for Meritorious Service	Training Allowance
44.	Special Allowance for Child Care for Women with Disabilities	Transport Allowance
45.	Specialist Allowance	Travelling Allowance
46.	Tenure Allowance	
47.	Unit Certificate and Charge Certificate Allowance	
48.	Mileage Allowance for journeys by road	
49.	Medal Allowance	
50.	Messing Allowance	

8.13 The Committee has recommended that the recommendations of the 7th CPC in respect of the 50 retained / rationalized Allowances where no demands have been received may be accepted without any change. In addition, the Committee is also not recommending any change in respect of 32 more Allowances where demands were received. These 32 Allowances are as under:

Sl. No	Name of the Allowance
1.	Aeronautical Allowance
2.	Book Allowance
3.	Children Education Allowance (CEA)
4.	Classification Allowance
5.	Conveyance Allowance
6.	Deputation (Duty) Allowance for civilians
7.	Detachment Allowance
8.	Family HR Allowance
9.	Field Area Allowance
10.	Flying Allowance
11.	Good Service / Good Conduct / Badge Pay
12.	Hardlying Money
13.	Internet Allowance
14.	Leave Travel Concession (LTC)
15.	MARCOS and Chariot Allowance
16.	Mobile Phone Allowance
17.	National Holiday Allowance

Sl. No	Name of the Allowance
18.	Newspaper Allowance
19.	Night Duty Allowance
20.	Non-Practicing Allowance (NPA)
21.	Nuclear Research Plant Support Allowance
22.	Parliament Assistant Allowance
23.	Project Allowance
24.	Qualification Allowance
25.	Sea Going Allowance
26.	Special Forces Allowance
27.	Special LC Gate Allowance
28.	Special Train Controllers Allowance
29.	Split Duty Allowance
30.	Submarine Allowance
31.	TA on Transfer
32.	Transport Allowance

8.14 The list of 13 retained / rationalized allowances where the Committee has recommended changes in the 7th CPC recommendations, along with estimated financial implication and approximate number of employees to be benefited, is as under:

S. No.	Name of the Allowance	Recommendations of the Committee	If change is proposed, financial implication and number of employees to be benefited	
			Additional Financial implication (in Crore)	Number of employees to be benefited
1.	Antarctica Allowance	May be kept out of R&H Matrix. To be raised to ₹1500&₹2000 per day in Summer and Winters respectively. Team Leader to continue to get 10% extra	3.01	120
2.	Daily Allowance	Existing system of Daily / Travelling allowance in the Ministry of Railways to continue. Travelling Charges for Level – 12 – 13 (AC taxi charges upto 50 Kms.) and 14 & above (actual exp as per official engagements)	There will be a saving of approximately 3000 crore	-
3.	Fixed Medical Allowance (FMA)	Existing rate of ₹500 to be revised to ₹1000 per month.	300.00	500000
4.	Hospital Patient Care Allowance/ Patient Care	Ministerial Staff to continue to get HPCA / PCA as per R1H3 of Risk & Hardship Matrix	30.00	15000

	Allowance			
5.	House Rent Allowance	No change in HRA rates recommended by 7 th CPC. Subject to a minimum HRA of ₹5400, ₹3600 and ₹1800 in X, Y and Z cities respectively. Rates of 24%, 16% & 8% to be revised when DA reaches 25%, 50%, 75% and 100%.	385.56*	769691
6.	Hydrographic Survey Allowance	Change in cell proposed. To be paid as per Cell R3H2 to Surveyors	1.52	658
7.	Nursing Allowance	Existing rate of ₹4800 to be multiplied by 1.5 and to be revised to ₹7200 per month.	49.00	17007
8.	Professional Update Allowance	This allowance may continue to also be paid to non-gazetted staff of DAE at existing rates	8.50	23400
9.	Special Duty Allowance	Special Allowance to NE Cadre of AIS to be unbundled from SDA and be paid @20%. SDA to remain at 10%.	-	-
10.	Special Incident / Investigation / Security Allowance	This allowance be withdrawn from ED D/o Revenue to examine proposal for Risk & Hardship allowance as recommended by 7 th CPC. NTRO employees to be granted this allowance @20%.	1.25	1081
11.	Special Running Staff Allowance	Name of the allowance to continue as 'Additional Allowance'.	-	-
12.	Training Allowance	Capping of 5 years to be removed. Standard cooling off period between tenures should apply.	-	-
13.	Travelling Allowance	Existing system to continue in Railways Level 5 A of Defence Forces to be clubbed with Level 6. Level 6 to 8 to be entitled for Air travel.	0.23 (Defence)	1620 (Defence) + 2.81 lacs (level 6 – 8)
	Total		779.06	

*During the period, DA remains between 25 – 50%, and 75 – 100%, there will be an additional financial implication of ₹ 1850 crore per annum.

8.15 With the changes proposed in the recommendations of the 7th CPC by the Committee on Allowances, the total number of Allowances to be abolished has come down from 53 to 41, the number of allowances which will be Subsumed in

an existing or newly proposed Allowance will be 35. The total number of Allowances which will be retained and rationalized will go up from 95 to 109. In addition, 6 new Allowances will come into existence. A comprehensive list of 197 Allowances showing the recommendations of the 7th CPC and the recommendations/modifications proposed by the Committee on Allowances thereon is placed at Annexure – III.

- 8.16 The additional financial implication of the changes proposed by the Committee are estimated at ₹1113.55 crore (approximately). The total annual financial implication of the 7th CPC recommendations along with the changes suggested therein by the Committee on Allowances will thus go up from ₹29300.00 crore to ₹30413.00 Crore (approximately).

Annexure-I
(Refer Para 1.3.1)

No. 11-1/2016-IC
Government of India
Ministry of Finance
Department of Expenditure
(Implementation Cell)

Hotel Ashok, Chanakyapuri,
New Delhi, Dated the 22nd July, 2016

OFFICE MEMORANDUM

Subject: Constitution of the Committee for examining the recommendations of the 7th Central Pay Commission (CPC) regarding Allowances - reg.

In view of the significant departure from existing provisions relating to Allowances, as recommended by the 7th Central Pay Commission, and representations received in this regard, it has been decided, with the approval of the competent authority, to set up a Committee to examine the recommendations of the 7th CPC on allowances.

2. The Committee will have following members:

- | | | |
|---|---|------------------|
| 1. Finance Secretary & Secretary (Exp.) | - | Chairman |
| 2. Secretary, M/o Home Affairs | - | Member |
| 3. Secretary, M/o Defence | - | Member |
| 4. Secretary, DoPT | - | Member |
| 5. Secretary, D/o Posts | - | Member |
| 6. Secretary, D/o Health & FW | - | Member |
| 7. Chairman, Railway Board | - | Member |
| 8. J.S. (IC), D/o Expenditure | - | Member Secretary |


3. The Committee may co-opt any other member as may be found necessary.

4. The Committee shall go into the recommendations of the Commission in regard to various allowances applicable to various categories of employees and, having regard to the representations made by the Staff Associations as

Contd.

also the suggestions of the concerned Ministries/Departments, shall I make recommendations as to whether any changes in the recommendations of the Commission are warranted and if so, in what form.

5. The Committee will submit its report within four months.


22/7/2016

((R.K. Chaturvedi)

Joint Secretary to the Govt. of India

Ph 26-118846

Distribution:

1. Finance Secretary & Secretary (Exp.)
2. Secretary, M/o Home Affairs
3. Secretary, M/o Defence
4. Secretary, DoPT
5. Secretary, D/o Posts
6. Secretary, D/o Health & FW
7. Chairman, Railway Board
8. J.S. (IC), D/o Expenditure
9. Office order folder

Annexure – II
Meetings held by the Committee
(Refer Para 2.7)

Meeting	Date of the Meeting	Proceedings
1 st	04.08.2016	Briefed on 7 th CPC recommendations on Allowances and demands received by E-CoS
2 nd	01.09.2016	Consultation with National Council (Staff Side), Joint Consultative Machinery (JCM)
3 rd	15.09.2016	Consultation with Representatives of Staff Associations and officers of Ministry of Health & Family Welfare and Officers of
4 th	13.10.2016	Consultation with officers of Ministry of Home Affairs and Heads of CAPFs
5 th	03.11.2016	Consultation with Representatives of Staff Associations and officers of Department of Posts
6 th	28.11.2016	Consultation with Representatives of Staff Associations and officers of Ministry of Railways
7 th	14.12.2016	Consultation with Representatives of Defence Forces and officers of Ministry of Defence
8 th	12.01.2017	Consultation with Special Protection Group (SPG), Cabinet Secretariat , and Detailed deliberations on the 15 abolished allowances.
9 th	27.01.2017	Detailed deliberations on 3 subsumed allowances and 4 retained / rationalized allowances
10 th	08.02.2017	Detailed deliberations on 7 subsumed allowances and 11 retained / rationalized allowances. Deliberations on Others

Meeting	Date of the Meeting	Proceedings
		items as per Agenda
11 th	14.02.2017	Detailed deliberations on 2 abolished, 2 subsumed allowances and 11 retained / rationalized allowances. Deliberations on Others items as per Agenda
12 th	16.02.2017	Detailed deliberations on 14 retained / rationalized allowances.
13 th	03.03.2017	Detailed deliberations on 1 abolished and 3 retained / rationalized allowances. Deliberations on Others items as per Agenda
14 th	28.03.2017	Detailed deliberations on 3 abolished, and 1 subsumed.
15 th	06.04.2017	Detailed deliberations on issues relating to Indian Coast Guard and 2 retained / rationalized allowances. Deliberations on Others items as per Agenda

Annexure – III
List of Allowances (Summary)
(Refer Para 8.15)

S No	Name of the Allowance	Recommendations of 7th CPC	Recommendations / Modifications proposed by the Committee
1	Accident Allowance	Not included in the report.	Rates to be decided through bi-lateral discussion between Railway Board and Federations. To be notified with the concurrence of Ministry of Finance
2	Acting Allowance	Abolished as a separate allowance. Eligible employees to be governed by the newly proposed "Additional Post Allowance."	Accepted
3	Aeronautical Allowance	Retained. Enhanced by 50%.	Accepted
4	Air Despatch Pay	Abolished.	Accepted
5	Air Steward Allowance	Abolished.	Accepted
6	Air Worthiness Certificate Allowance	Retained. Enhanced by 50%.	Accepted
7	Allowance in Lieu of Kilometrage (ALK)	Not included in the report.	Rates to be decided through bi-lateral discussion between Railway Board and Federations. To be notified with the concurrence of Ministry of Finance
8	Allowance in Lieu of Running Room Facilities	Not included in the report.	Rates to be decided through bi-lateral discussion between Railway Board and Federations. To be notified with the concurrence of Ministry of Finance
9	Annual Allowance	Retained. Enhanced by 50%. Extended to some more categories.	Accepted
10	Antarctica Allowance	Retained. Rationalised. To be paid as per Cell RH-Max of the newly proposed Risk and Hardship Matrix.	To be kept out of R&H Matrix. Summer Rates to be revised from ₹1125 to ₹1500 per day and Winters Rates from ₹1688 to ₹2000 per day. Team Leaders to get 10% more.
11	Assisting Cashier Allowance	Abolished.	Accepted

S No	Name of the Allowance	Recommendations of 7th CPC	Recommendations / Modifications proposed by the Committee
12	ASV Allowance	Abolished.	Accepted
13	Bad Climate Allowance	Abolished as a separate allowance. Subsumed in Tough Location Allowance-III. To be paid as per Cell R3H3 of the newly proposed Risk and Hardship Matrix.	Accepted
14	Bhutan Compensatory Allowance	Retained. Status Quo to be maintained.	Accepted
15	Boiler Watch Keeping Allowance	Retained. Rationalised. To be paid as per Cell R3H1 of the newly proposed Risk and Hardship Matrix.	Accepted
16	Book Allowance	Retained. Status Quo to be maintained.	Accepted
17	Breach of Rest Allowance	Not included in the report.	Rates to be decided through bi-lateral discussion between Railway Board and Federations. To be notified with the concurrence of Ministry of Finance
18	Breakdown Allowance	Abolished.	Retained and enhanced by a factor of 2.25
19	Briefcase Allowance	Retained. Status Quo to be maintained.	Accepted
20	Camp Allowance	Abolished as a separate allowance. Subsumed in the newly proposed Territorial Army Allowance.	Accepted
21	Canteen Allowance	Retained. Enhanced by 50%.	Accepted
22	Caretaking Allowance	Abolished as a separate allowance. Eligible employees to be governed by the newly proposed "Extra Work Allowance"	Accepted
23	Cash Handling Allowance	Abolished.	Abolished as a separate Allowance. Cash Handling Allowance and Treasury Allowance may be merged in a single allowance namely Cash Handling & Treasury Allowance with two slabs. Rates revised to ₹700 and ₹1000.
24	Children Education Allowance (CEA)	Retained. Procedure of payment simplified.	Accepted.
25	CI Ops Allowance	Retained. Rationalized.	Accepted

S No	Name of the Allowance	Recommendations of 7th CPC	Recommendations / Modifications proposed by the Committee
26	Classification Allowance	Retained. Enhanced by 50%.	Accepted
27	Clothing Allowance	Abolished as a separate allowance. Subsumed in the newly proposed Dress Allowance.	Accepted.
28	Coal Pilot Allowance	Abolished	Retained and enhanced by 2.25
29	COBRA Allowance	Retained. Rationalised. To be paid as per Cell R1H1 of the newly proposed Risk and Hardship Matrix.	Accepted
30	Command Allowance	Abolished	Accepted
31	Commando Allowance	Abolished	Accepted
32	Commercial Allowance	Abolished	Accepted
33	Compensation in Lieu of Quarters (CILQ)	Abolished as a separate allowance. Eligible employees to be governed by the newly proposed provisions for Housing for PBORs.	Accepted
34	Compensatory (Construction or Survey) Allowance	Retained. Rationalised. To be paid as per Cell R3H2 of the newly proposed Risk and Hardship Matrix.	Accepted
35	Composite Personal Maintenance Allowance (CPMA)	Retained. Rationalised. Enhanced by 50%. Extended to some more categories.	Accepted
36	Condiment Allowance	Abolished.	Accepted
37	Constant Attendance Allowance	Retained. Enhanced by 50%.	Accepted
38	Conveyance Allowance	Retained. Status Quo to be maintained.	Accepted
39	Cooking Allowance	Retained. Rationalised. To be paid as per Cell R3H3 of the newly proposed Risk and Hardship Matrix.	Accepted
40	Cost of Living Allowance	Retained. Status Quo to be maintained.	Accepted
41	Court Allowance	Abolished.	Accepted
42	Cycle Allowance	Abolished.	Retained and existing rates doubled.
43	Daily Allowance	Retained. Rationalized.	Accepted with the modification that existing system in M/o Railways to continue and travelling entitlement for level 12 & above be modified.

S No	Name of the Allowance	Recommendations of 7th CPC	Recommendations / Modifications proposed by the Committee
44	Daily Allowance on Foreign Travel	Retained. Status Quo to be maintained.	Accepted
45	Dearness Allowance (DA)	Retained. Status Quo to be maintained.	Recommendations already implemented
46	Deputation (Duty) Allowance for Civilians	Retained. Ceilings enhanced by 50%.	Accepted
47	Deputation (Duty) Allowance for Defence Personnel	Retained. Ceilings enhanced by 50%.	Accepted
48	Desk Allowance	Abolished.	Accepted
49	Detachment Allowance	Retained. Rationalized. Enhanced by 50%.	Accepted
50	Diet Allowance	Abolished.	Accepted
51	Diving Allowance, Dip Money and Attendant Allowance	Retained. Enhanced by 50%.	Accepted
52	Dual Charge Allowance	Abolished as a separate allowance. Eligible employees to be governed by the newly proposed "Additional Post Allowance".	Accepted
53	Educational Concession	Retained. Rationalized. Extended to some more categories.	Accepted
54	Electricity Allowance	Abolished.	Accepted
55	Entertainment Allowance for Cabinet Secretary	Abolished.	Accepted
56	Entertainment Allowance in Indian Railways	Abolished.	Accepted
57	Extra Duty Allowance	Abolished as a separate allowance. Eligible employees to be governed by the newly proposed "Extra Work Allowance".	Accepted
58	Family Accommodation Allowance (FAA)	Abolished as a separate allowance. Eligible employees to be governed by the newly proposed provisions for Housing for PBORs.	Accepted
59	Family HRA Allowance	Retained. Status Quo to be maintained.	Accepted
60	Family Planning Allowance	Abolished.	Accepted
61	Field Area Allowance	Retained. Rationalized.	Accepted
62	Fixed Medical Allowance (FMA)	Retained. Status Quo to be maintained.	Rates of FMA to be revised to ₹1000 per month from ₹500 per month.

S No	Name of the Allowance	Recommendations of 7th CPC	Recommendations / Modifications proposed by the Committee
63	Fixed Monetary Compensation	Abolished as a separate allowance. Eligible employees to be governed by the newly proposed "Additional Post Allowance".	Retained as separate allowance. Enhanced by a factor of 2.25
64	Flag Station Allowance	Abolished as a separate allowance. Eligible employees to be governed by the newly proposed "Extra Work Allowance".	Accepted
65	Flight Charge Certificate Allowance	Abolished as a separate allowance. Eligible employees to be governed by the newly proposed "Extra Work Allowance".	Accepted
66	Flying Allowance	Retained. Rationalised. To be paid as per Cell R1H1 of the newly proposed Risk and Hardship Matrix.	Accepted
67	Flying Squad Allowance	Abolished.	Accepted
68	Free Fall Jump Instructor Allowance	Retained. Rationalised. To be paid as per Cell R2H2 of the newly proposed Risk and Hardship Matrix.	Accepted
69	Funeral Allowance	Abolished.	To be renamed as Funeral Expense, and the expenditure on this account at the existing rate of ₹6,000/- and mortuary expenses may be directly borne by the concerned Unit and reflected in budget and accounts accordingly.
70	Ghat Allowance	Not included in the report.	Rates to be decided through bi-lateral discussion between Railway Board and Federations. To be notified with the concurrence of Ministry of Finance
71	Good Service/ Good Conduct/ Badge Pay	Retained. Enhanced by a factor of 2.25.	Accepted
72	Haircutting Allowance	Abolished as a separate allowance. Subsumed in Composite Personal Maintenance Allowance.	Accepted
73	Handicapped Allowance	Abolished.	Accepted
74	Hard Area Allowance	Retained. Rationalized by a factor of 0.8.	Accepted

S No	Name of the Allowance	Recommendations of 7th CPC	Recommendations / Modifications proposed by the Committee
75	Hardlying Money	Retained. Rationalised. Full Rate to be paid as per Cell R3H3 of the newly proposed Risk and Hardship Matrix.	Accepted
76	Headquarters Allowance	Abolished.	Accepted
77	Health and Malaria Allowance	Retained. Rationalised. To be paid as per Cell R3H3 of the newly proposed Risk and Hardship Matrix.	Accepted
78	High Altitude Allowance	Retained. Rationalized.	Accepted
79	Higher Proficiency Allowance	Abolished as a separate allowance. Eligible employees to be governed by Language Award or Higher Qualification Incentive for Civilians.	Accepted
80	Higher Qualification Incentive for Civilians	Retained. Rationalized.	Accepted
81	Holiday Compensatory Allowance	Abolished as a separate allowance. Eligible employees to be governed by National Holiday Allowance.	Retained as a separate allowance. Existing system to continue in IB & RAW on the same lines as Delhi Police.
82	Holiday Monetary Compensation	Retained. Rationalized.	Accepted
83	Hospital Patient Care Allowance/Patient Care Allowance	Retained. Rationalised. To be paid as per Cell R1H3 of the newly proposed Risk and Hardship Matrix.	Accepted with the modification that ministerial staffs working in Hospitals also be allowed to draw HPCA / PCA as per R1H3 of the Risk & Hardship Matrix
84	House Rent Allowance (HRA)	Retained. Rationalized by a factor of 0.8.	HRA rates recommended by 7 th CPC subject to a minimum HRA of ₹5400, 3600 and 1800 in X, Y and Z cities respectively. Rates of 24%, 16% & 8% to be revised when DA reaches 25%, 50%, 75% and 100%.
85	Hutting Allowance	Abolished.	Accepted

S No	Name of the Allowance	Recommendations of 7 th CPC	Recommendations / Modifications proposed by the Committee
86	Hydrographic Survey Allowance	Retained. Rationalized.	To be paid as per cell R3H2 for Surveyors (I to IV) and rates as recommended by 7 th CPC for other categories (presently being paid this allowance is in the range of ₹150-₹600 pm) may continue to be paid as per R3H3 of R&H Matrix
87	Initial Equipment Allowance	Abolished as a separate allowance. Subsumed in the newly proposed Dress Allowance.	Accepted
88	Instructional Allowance	Abolished as a separate allowance. Eligible employees to be governed by Training Allowance.	Accepted
89	Internet Allowance	Retained. Rationalized.	Accepted
90	Investigation Allowance	Abolished.	Accepted
91	Island Special Duty Allowance	Retained. Rationalized by a factor of 0.8.	Accepted
92	Judge Advocate General Department Examination Award	Abolished as a separate allowance. Eligible employees to be governed by the newly proposed Higher Qualification Incentive for Defence Personnel.	Accepted
93	Kilometrage Allowance (KMA)	Not included in the report.	Rates to be decided through bi-lateral discussion between Railway Board and Federations. To be notified with the concurrence of Ministry of Finance
94	Kit Maintenance Allowance	Abolished as a separate allowance. Subsumed in the newly proposed Dress Allowance.	Accepted with the modification that the rates of KMA in respect of SPG be factored in for determining the revised rates of Dress Allowance for SPG
95	Language Allowance	Retained. Enhanced by 50%.	Accepted
96	Language Award	Retained. Enhanced by 50%.	Accepted
97	Language Reward and Allowance	Abolished.	Accepted
98	Launch Campaign Allowance	Abolished.	Retained at the existing rate of ₹7500/-
99	Leave Travel Concession (LTC)	Retained. Rationalized.	Accepted

S No	Name of the Allowance	Recommendations of 7th CPC	Recommendations / Modifications proposed by the Committee
100	Library Allowance	Abolished as a separate allowance. Eligible employees to be governed by the newly proposed "Extra Work Allowance".	Accepted
101	MARCOS and Chariot Allowance	Retained. Rationalised. To be paid as per Cell R1H1 of the newly proposed Risk and Hardship Matrix.	Accepted
102	Medal Allowance	Retained.	Accepted
103	Messing Allowance	Retained for "floating staff" under Fishery Survey of India, and enhanced by 50%. Abolished for Nursing Staff.	Accepted
104	Metropolitan Allowance	Abolished.	Accepted
105	Mileage Allowance for journeys by road	Retained.	Accepted
106	Mobile Phone Allowance	Retained. Rationalized.	Accepted
107	Monetary Allowance attached to Gallantry Awards	Retained. Status Quo to be maintained.	Accepted
108	National Holiday Allowance	Retained. Enhanced by 50%.	Accepted
109	Newspaper Allowance	Retained. Rationalized.	Accepted
110	Night Duty Allowance	Retained. Rationalized.	Accepted
111	Night Patrolling Allowance	Abolished.	Accepted
112	Non-Practicing Allowance (NPA)	Retained. Rationalized by a factor of 0.8.	Accepted
113	Nuclear Research Plant Support Allowance	Retained. Enhanced by 50%.	Accepted
114	Nursing Allowance	Retained. Rationalized.	Enhanced by 50% to ₹7200 per month.
115	Official Hospitality Grant in Defence forces	Abolished.	Accepted
116	Officiating Allowance	Not included in the report.	Rates to be decided through bi-lateral discussion between Railway Board and Federations. To be notified with the concurrence of Ministry of Finance
117	Operation Theatre Allowance	Abolished.	Retained. Enhanced by 50%.
118	Orderly Allowance	Retained. Status Quo to be maintained.	Accepted

S No	Name of the Allowance	Recommendations of 7th CPC	Recommendations / Modifications proposed by the Committee
119	Organization Special Pay	Abolished.	Accepted
120	Out of Pocket Allowance	Abolished as a separate allowance. Eligible employees to be governed by Daily Allowance on Foreign Travel.	Accepted
121	Outfit Allowance	Abolished as a separate allowance. Subsumed in the newly proposed Dress Allowance.	Accepted.
122	Outstation (Detention) Allowance	Not included in the report.	Rates to be decided through bi-lateral discussion between Railway Board and Federations. To be notified with the concurrence of Ministry of Finance
123	Outstation (Relieving) Allowance	Not included in the report.	Rates to be decided through bi-lateral discussion between Railway Board and Federations. To be notified with the concurrence of Ministry of Finance
124	Out-turn Allowance	Abolished.	Accepted
125	Overtime Allowance (OTA)	Abolished.	Accepted with the modification that rates of OTA may not be revised upwards and it will be linked to biometric attendance.
126	Para Allowances	Retained. Rationalised. To be paid as per Cell R2H2 of the newly proposed Risk and Hardship Matrix.	Accepted
127	Para Jump Instructor Allowance	Retained. Rationalised. To be paid as per Cell R2H2 of the newly proposed Risk and Hardship Matrix.	Accepted
128	Parliament Assistant Allowance	Retained. Enhanced by 50%.	Accepted
129	PCO Allowance	Retained. Rationalized.	Accepted
130	Post Graduate Allowance	Retained. Enhanced by 50%.	Accepted
131	Professional Update Allowance	Retained. Enhanced by 50%. Extended to some more categories.	Accepted with the modification that this allowance may continue to also be paid to non-gazetted staff of DAE at existing rates

S No	Name of the Allowance	Recommendations of 7 th CPC	Recommendations / Modifications proposed by the Committee
132	Project Allowance	Retained. Rationalised. To be paid as per Cell R3H2 of the newly proposed Risk and Hardship Matrix.	Accepted
133	Qualification Allowance	Retained. Enhanced by 50%. Extended to some more categories.	Accepted
134	Qualification Grant	Abolished as a separate allowance. Eligible employees to be governed by the newly proposed Higher Qualification Incentive for Defence Personnel.	7 th CPC recommendations accepted with the modification that this will not include Tier – II courses.
135	Qualification Pay	Retained. Enhanced by a factor of 2.25.	Accepted
136	Rajbhasha Allowance	Abolished as a separate allowance. Eligible employees to be governed by the newly proposed "Extra Work Allowance"	Accepted
137	Rajdhani Allowance	Abolished.	Accepted
138	Ration Money Allowance	Retained. Rationalized.	Facility of free ration to be discontinued and to be paid in cash in peace areas to all Defence Forces officers.
139	Refreshment Allowance	Retained. Enhanced by a factor of 2.25.	Accepted
140	Rent Free Accommodation	Abolished.	Accepted
141	Reward for Meritorious Service	Retained. Enhanced by a factor of 2.25.	Accepted
142	Risk Allowance	Abolished.	Retained. Existing rate of ₹60 to be multiplied by 2.25 and to be increased to ₹ 135 pm
143	Robe Allowance	Abolished as a separate allowance. Subsumed in the newly proposed Dress Allowance.	Accepted
144	Robe Maintenance Allowance	Abolished as a separate allowance. Subsumed in the newly proposed Dress Allowance.	Accepted
145	Savings Bank Allowance	Abolished.	Accepted
146	Sea Going Allowance	Retained. Rationalised. To be paid as per Cell R2H2 of the newly proposed Risk and Hardship Matrix.	Accepted
147	Secret Allowance	Abolished.	Accepted

S No	Name of the Allowance	Recommendations of 7th CPC	Recommendations / Modifications proposed by the Committee
148	Shoe Allowance	Abolished as a separate allowance. Subsumed in the newly proposed Dress Allowance.	Accepted
149	Shorthand Allowance	Abolished.	Accepted
150	Shunting Allowance	Not included in the report.	Rates to be decided through bi-lateral discussion between Railway Board and Federations. To be notified with the concurrence of Ministry of Finance
151	Siachen Allowance	Retained. Rationalised. To be paid as per Cell RH-Max of the newly proposed Risk and Hardship Matrix.	Accepted
152	Single in Lieu of Quarters (SNLQ)	Abolished as a separate allowance. Eligible employees to be governed by the newly proposed provisions for Housing for PBORs.	Accepted
153	Soap Toilet Allowance	Abolished as a separate allowance. Subsumed in Composite Personal Maintenance Allowance.	Accepted
154	Space Technology Allowance	Abolished.	Retained at the existing rate of ₹7500/-
155	Special Allowance for Child Care for Women with Disabilities	Retained. Enhanced by 100%.	Accepted
156	Special Allowance to Chief Safety Officers/Safety Officers	Retained. Rationalized by a factor of 0.8.	Accepted
157	Special Appointment Allowance	Abolished as a separate allowance. Eligible employees to be governed by the newly proposed "Extra Work Allowance".	ASI (RM), ASI (RO) and SI (RM) to be included in the list of eligible employees in the list
158	Special Compensatory (Hill Area) Allowance	Abolished.	Accepted
159	Special Compensatory (Remote Locality) Allowance	Abolished as a separate allowance. Eligible employees to be governed by the newly proposed Tough Location Allowance-I, II or III.	The amount being drawn under 6 th CPC regime may be protected.
160	Special DOT Pay	Abolished.	Accepted

S No	Name of the Allowance	Recommendations of 7th CPC	Recommendations / Modifications proposed by the Committee
161	Special Duty Allowance	Retained. Rationalized by a factor of 0.8.	Special Allowance to NE Cadre of AIS to be unbundled from SDA. Rationalization by a factor of 0.8 to continue.
162	Special Forces Allowance	Retained. Rationalised. To be paid as per Cell R1H1 of the newly proposed Risk and Hardship Matrix.	Accepted
163	Special Incident /Investigation / Security Allowance	Retained. Rationalized.	D/o Revenue to examine proposal of ED for Risk & Hardship Allowance in terms of Para 11.18.109 of the 7 th CPC Report. NTRO employees also to be granted this allowance at 20%.
164	Special LC Gate Allowance	Retained. Rationalised. To be paid as per Cell R3H3 of the newly proposed Risk and Hardship Matrix.	Accepted
165	Special NCRB Pay	Abolished.	Accepted
166	Special Running Staff Allowance	Retained. Extended to some more categories.	The name of this allowance be retained as 'Additional Allowance' instead of Special Running Allowance
167	Special Scientists' Pay	Abolished.	Accepted
168	Specialist Allowance	Retained. Enhanced by 50%.	Accepted
169	Spectacle Allowance	Abolished.	Accepted
170	Split Duty Allowance	Retained. Enhanced by 50%.	Accepted
171	Study Allowance	Abolished.	Accepted
172	Submarine Allowance	Retained. Rationalised. To be paid as per Cell R1H1 of the newly proposed Risk and Hardship Matrix.	Accepted
173	Submarine Duty Allowance	Retained. Rationalised. To be paid as per Cell R3H1 of the newly proposed Risk and Hardship Matrix, on a pro-rata basis.	Accepted
174	Submarine Technical Allowance	Retained. Rationalised. To be paid as per Cell R3H3 of the newly proposed Risk and Hardship Matrix. Extended to some more categories.	Accepted
175	Subsistence Allowance	Retained. Status Quo to be maintained.	Accepted

S No	Name of the Allowance	Recommendations of 7th CPC	Recommendations / Modifications proposed by the Committee
176	Sumptuary Allowance in Training Establishments	Abolished.	Accepted
177	Sumptuary Allowance to Judicial Officers in Supreme Court Registry	Abolished.	Accepted
178	Sunderban Allowance	Abolished as a separate allowance. Subsumed in Tough Location Allowance-III. To be paid as per Cell R3H3 of the newly proposed Risk and Hardship Matrix.	Accepted
179	TA Bounty	Abolished as a separate allowance. Subsumed in the newly proposed Territorial Army Allowance.	Accepted
180	TA for Retiring Employees	Retained. Rationalized.	Accepted
181	TA on Transfer	Retained. Rationalized.	Accepted
182	Technical Allowance	Abolished as a separate allowance. Eligible employees to be governed by the newly proposed Higher Qualification Incentive for Defence Personnel.	Accepted with the modification that both Tier – I and Tier – II to continue at the existing rates in the MoD and maximum ceiling for both allowances to be capped at ₹ 4500 per month. Officers who are getting Tier –II will not be eligible for Qualification Grant.
183	Tenure Allowance	Retained. Ceilings enhanced by 50%.	Accepted
184	Test Pilot and Flight Test Engineer Allowance	Retained. Rationalised. To be paid as per Cell R1H3 of the newly proposed Risk and Hardship Matrix.	Accepted
185	Training Allowance	Retained. Rationalized by a factor of 0.8. Extended to some more categories.	Accepted with the modification that ceiling of 5 years be removed. Standard cooling off stipulations to apply.
186	Training Stipend	Abolished.	Accepted
187	Transport Allowance (TPTA)	Retained. Rationalized.	Accepted.

S No	Name of the Allowance	Recommendations of 7 th CPC	Recommendations / Modifications proposed by the Committee
188	Travelling Allowance	Retained. Rationalized.	Accepted with the modification that existing system in M/o Railways to continue, officers in the levels 6 to 8 be allowed to travel by Air (economy class) and officials of Defence Forces with GP – 3400 be clubbed with Level – 6 for travelling entitlement.
189	Treasury Allowance	Abolished.	Abolished as a separate Allowance. Cash Handling Allowance and Treasury Allowance may be merged in a single allowance namely Cash Handling & Treasury Allowance with two slabs. Rates revised to ₹700 and ₹1000.
190	Tribal Area Allowance	Abolished as a separate allowance. Subsumed in Tough Location Allowance-III. To be paid as per Cell R3H3 of the newly proposed Risk and Hardship Matrix.	Accepted
191	Trip Allowance	Not included in the report.	Rates to be decided through bi-lateral discussion between Railway Board and Federations. To be notified with the concurrence of Ministry of Finance
192	Uniform Allowance	Abolished as a separate allowance. Subsumed in the newly proposed Dress Allowance.	Accepted with the modification that (i) Uniform Allowance recommended for Bureau of Immigration be made applicable to all Immigration Points. (ii) Revised rates for Nurses and SPG will be as under: Nurses: ₹1800 per month SPG personnel: ₹27,800 & ₹21,225 per annum for Operational and Non-Operational duties respectively.
193	Unit Certificate and Charge Certificate Allowance	Retained. Enhanced by 50%.	Accepted

S No	Name of the Allowance	Recommendations of 7th CPC	Recommendations / Modifications proposed by the Committee
194	Vigilance Allowance	Abolished.	Accepted
195	Waiting Duty Allowance	Not included in the report.	Rates to be decided through bi-lateral discussion between Railway Board and Federations. To be notified with the concurrence of Ministry of Finance
196	Washing Allowance	Abolished as a separate allowance. Subsumed in the newly proposed Dress Allowance.	Accepted with the modification that rates in respect of Nurses be factored in for determining the revised rates of Dress Allowance for Nurses.
197	Special Train Controller's Allowance	To be paid @ ₹5,000 per month to Section Controllers and Dy. Chief Controllers	Accepted.