(TO BE PUBLISHED IN PART-I SECTION-3 OF THE GAZETTE OF INDIA EXTRAORDINARY)

GOVERNMENT OF INDIA MINISTRY OF DEFENCE

New Delhi, the 5th September, 2016

RESOLUTION

No. 1(7) /2016/D (Pay/Services)

- 1. The Seventh Central Pay Commission (CPC) was set up by the Government of India vide Ministry of Finance (Department of Expenditure) Resolution No. 1/1/2013-E.III(A) dated 28th February, 2014. The Commission submitted its report on 19th November, 2015. The report covered among other things, matters relating to structure of emoluments, allowances and conditions of service of Armed Forces personnel. Government has given careful consideration to the recommendations of the Commission relating to these matters in respect of Personnel Below Officer Rank (PBOR) of the Armed Forces and have decided that the recommendations of the Commission on the aforementioned matters in respect of these categories of Defence personnel shall be accepted as follows. Some of the major points in respect of the Defence Personnel (PBOR) are as mentioned below:
 - (i) Implementation of the revised pay structure will be w.e.f 01.01.2016;
 - (ii) Pay related matter;
 - a) The existing system of Pay Band and Grade Pay has been replaced with separate Pay Matrix for Defence forces personnel as specified at Annexure-II.
 - b) Fixation of pay of each employee in the new Pay Matrix as on 01.01.2016 would be done by multiplying his/her basic pay by a factor of 2.57.

Note-1 With regard to fixation of pay in the new Pay Matrix as on 01.01.2016, the existing pay (Pay in Pay Band plus Grade Pay) in the prerevised structure as on 31.12.2015 shall be multiplied by a factor of 2.57.
The figure so arrived at is to be located in the Level corresponding to employee's Grade Pay in the new Pay Matrix. If a Cell identical with the figure so arrived at is available in the appropriate Level, that Cell shall be the revised pay; otherwise the next higher cell in that Level shall be the revised pay of the employee.

Note-2 After fixation of pay in the appropriate Level as specified in Note-1 above, the subsequent increments shall be at the immediate next Cell in that Level.

- (iii) Increase in Military Service Pay (MSP) of Personnel Below Officer Rank (PBOR) from Rs. 2000/- to Rs. 5200/- p.m. MSP would be counted only for Dearness Allowance (DA) and Pension purposes;
- (iv) There would be two dates for grant of increment viz. 1st January and 1st July of every year, instead of existing date of 1st July. However, an employee will be able to avail annual increment only on one of these two dates depending on the date of appointment, promotion or grant of financial upgradation;
- (v) Recommendations on Allowances (except Dearness Allowance) would be referred to a Committee comprising Finance Secretary & Secretary (Expenditure) as Chairman and Secretaries of Home Affairs, Defence, Health & Family Welfare, Personnel and Training, Posts and Chairman, Railway Board as Members. The Committee would submit its report within a period of 4 months. Till a final decision on Allowances is taken based on the recommendations of this Committee, all Allowances would continue to be paid at existing rates in existing pay structure, as if the pay had not been revised w.e.f. 1.1.2016 i.e., status quo would be maintained;
- (vi) Arrears of Pay would be paid during the current financial year;

- (vii) Recommendations not relating to pay and allowances and other administrative issues specific to department/ cadres/ posts would be examined separately as per the Transaction of Business Rules/ Allocation of Business Rules.
- 2. Other instructions on Pay Fixation and increment not specifically covered in these instructions will be as in the Government of India, Ministry of Finance (Department of Expenditure) Resolution No. 1-2/2016-IC dated 25th July, 2016.
- 3. The decisions taken by the Government accordingly on various recommendations of the Commission in respect of Personnel Below Officer Rank (PBOR) of Armed Forces are indicated in the statement at Annexure-I to this Resolution. New Pay Matrix applicable to Personnel Below Officer Rank (PBOR) is at Annexure-II.

(V. Anandarajan) Joint Secretary to the Government of India

PERTAINS TO CHAPTER AND PARAGRAPH OF THE PAY COMMISSION REPORT) STATEMENT SHOWING THE RECOMMENDATIONS OF THE VII CENTRAL PAY COMMISSION RELATED TO PERSONNEL BELOW OFFICER RANK (PBOR) OF THE ARMED FORCES AND GOVERNMENT DECISION THEREON (FIGURES REFERRED IN PARENTHESIS

SI.	Recommendations of the VII CPC	Decision of the Government
1. Fitment I	Fitment Factor: The Seventh CPC has recommended fitment in	Minimum Pay, Fitment Factor, Index of Rationalisation, Pay
the pay bar	the pay band in the following manner:	Matrix and general recommendations on pay recommended by
'The fitme	The fitment in the new matrix is essentially a multiple factor of	the Commission in as much as it impacts PBORs accepted without
2.57. This	2.57. This multiple is the ratio of the new minimum pay arrived at	апу талетал апетанон.
by the Cor	by the Commission and the existing minimum pay. The fitment	
factor is b	factor is being applied uniformly to all employees. It includes a	
factor of 2	factor of 2.25 to account for DA neutralisation, assuming that the	
rate of De	rate of Dearness Allowance would be 125 percent at the time of	
implemen	implementation of the new pay as on 01.01.2016. The actual	
raise/fitm	raise/fitment being recommended by the Commission is 14.29	
percent. A	percent. An identical fitment of 2.57 has also been applied to the	
existing ra	existing rates of Military Service Pay (MSP), applicable to Defence	
forces pers	forces personnel only.' (Para 5.2.7)	ur

a	Pay level 6 (corresponding to Grade Pay of Rs 4200 in VI
	AICTE. This amount is the difference in the minimum of the
	qualification which is equivalent of a diploma recognised by
	month: For all X trades which involve obtaining a
	a) X pay for JCOs/ORs in Group X at Rs 6,200 per
	Group 'X' Pay: The Commission recommends:
	No. 5.2.22)
	Allowance, Composite Transfer Grant and Annual Increment.(Para
	Service Pay will however not be counted for purposes of House Rent
	Dearness Allowance, as also in the computation of pension. Military
# No.	MSP will continue to be reckoned as Basic Pay for purposes of
The state and th	at Rs 5,200 for JCO/ORs.
be counted only for Dearness Allowance (DA) and Pension.	The Commission recommends an MSP for Defence forces personnel
Rate of Military Service Pay (MSP) is accepted. However, MSP will	for all ranks up to and inclusive of Brigadiers and their equivalents.
	Matrices above, will be entitled to payment of Military Service Pay
	The Defence forces personnel, in addition to their pay as per the
	3. Military Service Pay for PBORs:
promotion or grant of financial upgradation.	
on one of these two dates depending on the date of appointment,	
However, an employee will be able to avail annual increment only	
and 1st July of every year, instead of existing date of 1st July.	retained at 3 percent. (Para 5.1.38)
There would be two dates for grant of increment viz. 1st January	2. Rate of increment: The rate of annual increment is being

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	employment, in case they do not get a promotion. (Para 6.2.98)
	extended to them after a period of eight years from their date of re-
	they are defence forces personnel the benefit of MACP would be
- F	the course of reemployment as defence service corps personnel. As
Accepted.	in the entire service career, both during regular employment and in
	However this benefit should be limited to a total of three upgrades
	under the Army, they would also be permitted the benefit of MACP.
	Personnel: Since Defence Security Corps personnel are personnel
	6. Grant of Financial Upgradation under MACP to the DSC
	(Para 6.2.92)
	month on par with that payable to all the Commissioned officers.
	They will, in addition be paid Military Service Pay of Rs 15,500 per
	shall be placed in the pay level 10 and pay level 10B respectively.
Accepted.	on their promotion as Honorary Lieutenant or Honorary Captain
	Commission recommends that the Junior Commissioned Officers
	Commission, taking note of the existing framework of Honorary
	5. Pay Scales of Honorary Commissioned Officers: The
	technical qualification recognised by AICTE. (Para 6.2.88)
	Rs 1,400) for those currently in X pay, but not having a
	month: (standard fitment of 2.57 on the existing X pay of
1 xxxx D cxxxx	b) X pay for JCOs/ORs in Group X at Rs 3,600 per
Accepted	2800 in VI CPC). (Para 6.2.88)
	CPC), and Pay level 5 (corresponding to Grade Pay of Rs
	and Pav level 5 (corresponding to Grade Pay of Rs

Annexure - II

Pay Matrix (Defence Forces Personnel - except Military Nursing Service)

Pay Band		5200-20200				9300-34800				15600-39100			37400-67000	57000		79000	80000	80000	90000
Grade Pav	2000	2400	2800	3400	4200	4600	4800	5400	5400	6100	6600	8000	8700	8900	10000	200			
Level	3	4	O.	5A	6	7	00	9	10	10B	11	12A	13	13A	14	15	16	17	18
-	21700	25500	29200	33300	35400	44900	47600	53100	56100	61300	69400	116700	125700	139600	144200	182200	205400	225000	250000
22	22400	26300	30100	34300	36500	46200	49000	54700	57800	63100	71500	120200	129500	143800	148500	187700	211600		
Ç,	23100	27100	31000	35300	37600	47600	50500	56300	59500	65000	73600	123800	133400	148100	153000	193300	217900		
4	23800	27900	31900	36400	38700	49000	52000	58000	61300	67000	75800	127500	137400	152500	157600	199100	224400		
cs.	24500	28700	32900	37500	39900	50500	53600	59700	63100	69000	78100	131300	141500	157100	162300	205100			
6	25200	29600	33900	38600	41100	52000	55200	61500	65000	71100	80400	135200	145700	161800	167200	211300			
7	26000	30500	34900	39800	42300	53600	56900	63300	67000	73200	82800	139300	150100	166700	172200	217600			
00	26800	31400	35900	41000	43600	55200	58600	65200	69000	75400	85300	143500	154600	171700	177400	224100			
9	27600	32300	37000	42200	44900	56900	60400	67200	71100	77700	87900	147800	159200	176900	182700				
10	28400	33300	38100	43500	46200	58600	62200	69200	73200	80000	90500	152200	164000	182200	188200				
=	29300	34300	39200	44800	47600	60400	64100	71300	75400	82400	93200	156800	168900	187700	193800				
12	30200	35300	40400	46100	49000	62200	66000	73400	77700	84900	96000	161500	174000	193300	199600				
13	31100	36400	41600	47500	50500	64100	68000	75600	80000	87400	98900	166300	179200	199100	205600				
14	32000	37500	42800	48900	52000	66000	70000	77900	82400	90000	101900	171300	184600	205100	211800				
15	33000	38600	44100	50400	53600	68000	72100	80200	84900	92700	105000	176400	190100	211360	218200				
16	34000	39800	45400	51900	55200	70000	74300	82600	87400	95500	108200	181700	195800	217600					
17	35000	41000	46800	53500	56900	72100	76500	85100	90000	98400	111400	187200	201700						
18	36100	42200	48200	55100	58600	74300	78800	87700	92700	101400	114700	192800	207800						
19	37200	43500	49600	56800	60400	76500	81200	90300	95500	104400	118100	198600	214000						
20	38300	44800	51100	58500	62200	78800	83600	93000	98400	107500	121600	204600							
21	39400	46100	52600	60300	64100	81200	86100	95800	101400	110700	125200	210700							
22	40600	47500	54200	62100	66000	83600	88700	98700	104400	114000	129000								
23	41800	48900	55800	64000	68000	86100	91400	101700	107500	117400	132900					100			
3,4	43100	50400	57500	65900	70000	88700	94100	104800	110700	120900	136900								