

OFFICE MEMORANDUM

**Subject: - Special Allowance to CPSE employees for serving in the difficult and far flung areas.**

The undersigned is directed to invite attention to para 10 of DPE O.M. No. 2(70)/08-DPE (WC) dated 26.11.2008 which, inter alia, keeps certain allowances (four) outside the purview of the ceiling of 50% of the Basic Pay. Para 10 (iii) of the said O.M. dated 26.11.2008 provides for "Special Allowance upto 10% of Basic Pay for serving in the difficult and far flung areas as approved by concerned Ministries in consultation with the Department of Public Enterprises from time to time."

2. Some Ministries/Departments, in particular, the Ministry of Petroleum & Natural Gas has raised the issue of Special Allowance to the employees of Oil Sector CPSEs serving in difficult and far flung areas.

3. The Department of Expenditure vide their O.M. No. 3(1)/08-E-II(B) dated 29.08.2008 has allowed Special Compensatory (Remote Locality) Allowance to the Central Government Employees serving in the specified areas in different States and Union Territories, listed as Part A, B, C and D in the annexure attached to the said O.M. Central Government employees have been allowed this allowance based on Grade Pay and locality/remoteness of the area.

4. In regard to the employees of Central Public Sector Enterprises (CPSEs), the Government has decided, after careful consideration, to allow and adopt Special Allowances based on localities as specified in Department of Expenditure O.M. No. 3(1)/08-E-II (B) dated 29.08.2008 referred above (and further orders issued from time to time) as per the following:-

Category	Part 'A' (Rs. per month)	Part 'B' (Rs. per month)	Part 'C' (Rs. per month)	Part 'D' (Rs. per month)
All employees of CPSEs	10% of Basic pay	8% of Basic pay	6% of Basic pay	4% of Basic pay

5. The above ceilings will be further subject to the provision contained in para '4' of DPE O.M. dated 02.04.2009. Further, in case an area is considered difficult and far flung by the administrative Ministry/Department of the respective CPSEs and is not covered under the said O.M. dated