

F.No.12/3/2017-Estt.(Pay-I)  
Government of India  
Ministry of Personnel, Public Grievances & Pensions  
Department of Personnel & Training

North Block, New Delhi.  
Dated 28.07.2017

**OFFICE MEMORANDUM**

**Subject:-** Guidelines for fixation of pay of candidates working in Public Sector Undertakings etc., recommended for appointment by the Commission by method of recruitment by selection – regarding.

Reference is invited to this Department's O.M.s No.12/1/88-Estt(Pay-I) dated 07.08.1989, OM No.12/1/96-Estt(Pay-I) dated 10.07.1998 and OM No.12/3/2009-Pay-I dated 30.03.2010 whereby guidelines for fixation of pay of candidates working in Public Sector Undertakings etc., on their appointment as direct recruits on selection through a properly constituted authority including departmental authorities, were issued.

2. Subsequent to the implementation of the recommendations of the 7<sup>th</sup> CPC and issuance of CCS(RP) Rules 2016, the system of running Pay Bands and Grade Pays have been replaced by pay matrix. Accordingly, in partial modification of this Department's OM No.12/1/88-Estt(Pay-I) dated 07.08.1989, O.M. No.12/1/96-Estt(Pay-I) dated 10.07.1998 and O.M. No.12/3/2009-Pay-I dated 30.03.2010 referred to above, the method of pay fixation in respect of those appointed on or after 01.01.2016 will be as under:-

“ In case of candidates working in Public Sector Undertakings (PSUs), Universities, Semi-Government Institutions or Autonomous Bodies, who are appointed to a post as direct recruits on or after 01.01.2016 on selection through interview by a properly constituted agency including Departmental Authorities making recruitment directly, their initial basic pay shall be fixed at a stage in the Level of the post so that the pay and Dearness Allowance as admissible in the Government, protects the pay and Dearness Allowance drawn in the PSU etc.. If there is no such stage in the post, the pay shall be fixed at the stage next below that pay. If the maximum pay in the Level applicable to the post in which the person is appointed is less than such pay arrived at, his initial basic pay shall be fixed at such maximum pay of the post. Similarly, if the minimum pay in the Level applicable to the post in which such person is appointed is more than such pay arrived at, his initial basic pay shall be fixed at such minimum pay of the post. The pay fixed under this formulation will not exceed the highest cell value applicable for the Level of the post in the pay matrix, to which he is appointed.”

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3. The conditions for admissibility of pay protection shall be the same as stipulated in this Department's OMs dated 07.08.1989 and 10.07.1998 referred to above.
4. In so far as persons serving in the Indian Audit and Accounts Department are concerned, these orders are issued with the concurrence of the Comptroller and Auditor General of India.
5. These orders will be applicable w.e.f. 01.01.2016.
6. Hindi version will follow.



(Pushpender Kumar)  
Under Secretary to the Government of India  
Tel.No.23040 489

To

1. All Ministries/Departments of the Govt. of India as per standard list.

Copy also forwarded to:

1. Secretaries to Union Public Service Commission / Supreme Court of India /Lok Sabha Sectt. / Rajya Sabha Sectt. /Cabinet Sectt. / Central Vigilance Commission / President's Sectt. / Vice-President's Sectt/Prime Minister's Office / Niti Ayog.
2. Controller General of Accounts / Controller of Accounts, Ministry of Finance.
3. Department of Personnel and Training (AIS Division) / JCA /Admn. Section.
4. Governors of all States/Lt. Governors of all Union Territories.
5. Secretary, National Council of JCM (Staff Side), 13-C, Feroz Shah Road, New Delhi.
6. All Members of Staff Side of the National Council of JCM / Departmental Council.
7. All Officers/Sections of DoPT / Department of Administrative Reforms & Public Grievances/Department of Pensions & Pensioners Welfare/ PESB.
8. Joint Secretary (Pers), Ministry of Finance, D/o Expenditure.
9. Additional Secretary (Union Territories), Ministry of Home Affairs.
- ✓10. NIC with a request to upload the OM on the website of DoPT



(Pushpender Kumar)  
Under Secretary to the Government of India