

New Delhi, the 1st April, 1998

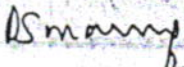
OFFICE MEMORANDUM

Subject : Construction Projects-Grant of Project Allowance—Revision of rates.

The undersigned is directed to say that consequent upon the decision taken by the Government on the recommendations of the Fifth Central Pay Commission, the President is pleased to decide that in modification of No.20011/5/73-E.IV(B) dated the 17th January, 1975 as amended from time to time on the subject mentioned above, the rates of Project Allowance shall be as follows:-

Pay Range (Basic Pay)	Rates of Project Allowance per month (Rs.)
Below Rs.3000/- p.m.	150
Rs.3000/- p.m. to Rs.4499/- p.m.	300
Rs.4500/- p.m. to Rs.5999/- p.m.	450
Rs.6000/- p.m. to Rs.8999/- p.m.	600
Rs.9000/- p.m. and above	750

2. Central Government employees of other Departments whose offices have been located in the project area specifically for the work of project authorities shall be allowed Project Allowance at 50% of the above rates.
3. The term 'pay' for the purpose of Project Allowance shall be the pay drawn in the prescribed scale of pay, including stagnation increment(s) and non-practising allowance, but shall not include any other type(s) of pay like special pay or personal pay etc. In the case of those employees who opt to retain the existing scales of pay, it will include, in addition to pay, in the pre-revised scale, dearness allowance and interim relief appropriate to that pay permissible under orders in existence on 1.1.1996.
4. Where the application of revised rates results in a monetary loss to an employee, who has been continuously drawing the allowance from a date prior to 1.8.1997 the amount drawn by him immediately prior to that date will be protected by treating the difference between the allowance so drawn and that admissible at the revised rates as personal to him. The protection will continue till the employee remains posted in the said project area and becomes eligible to higher amount either on promotion or otherwise.
5. These orders will take effect from 1.8.1997. For the period from 1.1.96 to 31.7.97, the above allowance will be drawn at the existing rates on the notional pay in the pre-revised scale.
6. These orders will apply to all civilian employees of the Central Government including civilian employees drawn from the Defence Services Estimates. In regard to Armed Forces personnel and Railway employees, separate orders will be issued by the Ministry of Defence and Ministry of Railways, respectively.
7. In so far as persons serving in the Indian Audit & Accounts Department are concerned, these orders issued after consultation with the Comptroller & Auditor General of India.
8. Hindi version of the order is attached.

  
(D. Swarup)  
Joint Secretary to the Govt. of India

All Ministries/Departments of the Government of India.  
Copy forwarded to C&AG, UPSC etc. (with usual number of spare copies).