

**MOST IMMEDIATE**

No. F.1-1/2018-U.II  
Government of India  
Ministry of Human Resource Development.  
Department of Higher Education

New Delhi, 26<sup>th</sup> July, 2018

To,

The Education Secretaries of all State Governments.

Subject:- Reimbursement of financial burden due to implementation of Revised Pay Scales on the basis of 7<sup>th</sup> Pay Commission recommendations for Teachers and equivalent Cadres in Universities and Colleges from 01.01.2016.

Sir,

I am directed to say that it has been decided by the competent authority to provide financial assistance to State Governments opting to revise pay scales of teachers and other equivalent cadre covered under the Scheme, notified by the Ministry vide letter No.1-7/2015-U.II(1) dated 2<sup>nd</sup> November, 2017 & 8<sup>th</sup> November, 2017, by way of reimbursement, to the extent of 50% (fifty percent) of the additional expenditure involved in the implementation of the pay revision, for the universities, colleges and other higher educational institutions funded by the State Government. The financial assistance, by way of reimbursement, shall be provided to those State Governments which implement this Ministry's Scheme of revision of pay of teachers and equivalent cadres in universities and colleges as contained in this Ministry's letter No.1-7/2015-U.II(1) dated 02.11.2017 & 08.11.2017, which, inter alia, provides that the Scheme may be extended to universities, colleges and other higher educational institutions coming under the purview of the State Legislatures, receiving substantial financial assistance for its maintenance and operations from the State Governments, provided State Governments wish to adopt and implement the Scheme subject to the following terms and conditions:

- (a) Financial assistance from the Central Government to State Governments opting to revise pay scales of teachers and other equivalent cadre covered under the Scheme shall be limited, by way of reimbursement, to the extent of 50% (fifty percent) of the additional expenditure involved in the implementation of the pay revision, for the universities, colleges and other higher educational institutions funded by the State Government.
- (b) The State Government opting for revision of pay shall meet the remaining 50% (fifty percent) of the additional expenditure from its own sources.
- (c) The proposal for reimbursement on account of pay revision in State funded universities, colleges and other higher educational institutions shall be submitted in the prescribed format by the State Governments. The state bills preferred by the State Governments for reimbursement pertaining to 2017-18 and 2018-19 would be met to the extent of 50%

of additional financial impact during these two years. There would be no central assistance thereafter.

- (d) Financial assistance referred to in sub-clause (a) above shall be provided for the period from 01.01.2016 to 31.03.2019.
- (e) The entire liability accruing with effect from 01.04.2019 onwards on account of revision of pay scales etc. of university and college teachers shall be met by the State Government/ University opting for revision of pay scales.
- (f) The financial assistance from the Central Government shall be restricted to revision of pay scales in respect of only those posts which were in existence and filled up on regular basis as on 01.01.2016 by way of reimbursement.
- (g) State Governments, taking into consideration other local conditions, may also decide in their discretion, to introduce pay higher than those mentioned in this Scheme, and shall give effect to the revised bands/scales of pay from 01.01.2016; however, in such cases, the details of modifications proposed shall be furnished to the Central Government and Central assistance shall be restricted to the Pay as approved by the Central Government and not to any higher pay fixed by the State Government(s).
- (h) Payment of Central assistance for implementing this Scheme is also subject to the condition that the entire Scheme of revision of pay scales, together with all the conditions to be laid down by the UGC by way of Regulations and other guidelines shall be implemented by State Governments and Universities and Colleges coming under their jurisdiction as a composite scheme without any modification except in regard to the date of implementation and pay scales mentioned herein above.

3. Fixation of pay of each category of posts may be done in accordance with the guidelines given in the revised pay rules notified by this Ministry for teachers in Universities and Colleges vide letter No.1-7/2015-U.II(1) dated 02.11.2017 and 08.11.2017.

4. The State Governments shall have to adopt the scheme including the regulations as may be specified by UGC, for being eligible for appropriate Central assistance. However, it is mentioned that the various allowances other than pay scales, applicable to teachers and equivalent cadres in State Governments shall be governed by the respective State Government rules. Financial assistance will be provided for sharing the State bills in respect of State funded Higher Educational Institutions, on account of the implementation of Revised Pay Scales, upto 50% of additional financial impact preferred by the State Governments for reimbursement pertaining to 2017-18 and 2018-19 only.

5. This arrear component would be the difference between the pay + DA/additional DA, if any, existed prior to 01.01.2016 and the revised pay admissible in the pay band plus AGP in terms of revised pay rules notified by