GOVERNMENT OF KERALA

Abstract

ALLOWANCE-DEARNESS ALLOWANCE TO STATE GOVERNMENT EMPLOYEES AND THE TEACHERS COMING UNDER UGC/AICTE /MEDICAL EDUCATION SCHEMES WITH EFFECT FROM 1.7.2007 - REVISION-ORDERS ISSUED

FINANCE (PAY RESEARCH UNIT) DEPARTMENT

G.O.(P)No.91/2008/Fin. Dated, Thiruvananthapuram,16- 02-2008.

Read:-1. G.O.(P) 546/07/Fin dtd.13.11.2007.
2. G.O.(P) 547/07/Fin dtd.14.11.2007.
3. OMF No.1(8)/2007-E.II(B) dated 11.09.2007 from the Department of Expenditure, Ministry of Finance, Government of India.
4. OMF 1(13)/97-E.II(B) dated 24.09.2007 from the Department of Expenditure, Ministry of Finance, Government of India.

O R D E R

Government are pleased to order that the rates of Dearness Allowance payable to State Government Employees, Teachers, Staff of Aided Schools, Private Colleges and Polytechnics, Full Time employees borne on the contingent and work charged establishments and employees of Local Bodies will be revised w.e.f. 01.07.2007 as shown below:

Date from which payable	*Percentage increase of DA*	*Revised D.A.*
1.7.2007	6%	32%

2. Teachers coming under UGC/AICTE/Medical Education Schemes (in whose case DA upto 50% has been converted as Dearness Pay) the DA will be revised with effect from 1.7.2007 as shown below:

Date from which payable	*Percentage increase of DA*	*Revised D.A.*
1.7.2007	6%	41%

3. The additional expenditure on this account in respect of Local Bodies will be met by them from their own funds.

4. The revised rate of DA will be applicable to part-time teachers and part-time contingent employees also, on the basis of pay drawn by them.

5. The employees of State Public Sector Undertakings/Statutory Corporations/autonomous bodies on State DA pattern, are also eligible for the enhanced rate of DA, subject to the following conditions:

i) This will apply only in Public Sector Undertakings, Statutory Corporations, Autonomous Bodies etc. where State DA or Central DA (with 50% merger) is in force. This will not be applicable where variable DA is in force.

ii) Shifting from one DA system (ie. State DA, Variable DA, Central DA) to another requires separate and specific prior approval of the Government. Orders in this regard are to be issued by the Administrative Department in consultation with Planning & Economic Affairs (BPE) Department and Finance Department. Such migration cannot be done on the basis of this Government Order.

iii) Those organizations which are already on State DA can release the revised rates of DA to their employees without reference to Government. However, a decision on this has to be taken by the Board of Directors of the organization, keeping in mind the ability of the organization to pay for the increase from their own resources. If the organization cannot meet such expenses on their own, and has to get funds from the Government for this, prior approval of the Government should be taken. (Orders in Government can be issued by the Administrative Department only in consultation with Planning & Economic Affairs (BPE) Department and Finance Department.) The condition that those

organizations which require funds from the Government to pay the DA instalments need to take prior Government approval will not apply to organizations such as Universities, Kerala Water Authority, Kerala State Council for Science, Technology and Environment etc. where more than 90% of the salary expenses are met by Non Plan grant from the Government. They can release DA instalments without prior approval ofthe Government but with the approval of the Board/Executive Committee etc.

6. For those who are continuing in the 1997 pay scales even after 1.7.2007, DA will be sanctioned (up to the date of effect of option under Pay Revision 2004)as follows:

Date of effect	Percentage Increase of DA	Revised DA
1.7.2007	6%	91%

7. Those who have opted to remain in the pre-revised scale of 1997 Pay Revision (ie. 1992 pay scales) even after 1.7.2007 and those who have opted to remain in the pre-revised scale of 1996 UGC/AICTE/Medical Education Scheme pay scales (ie. 1986 UGC/AICTE/Medical Education Scheme pay scales) even after 1.7.2007 will be sanctioned DA as given below:

Date of effect	*Pay Range*	*Rate of DA per month*
1.7.2007	Basic pay upto Rs.3500 p.m. Basic pay above Rs.3500 upto Rs.6000 p.m. Basic pay above Rs.6000	376% of pay 282% of pay subject to minimum of Rs.13160 244% of pay subject to minimum of Rs.16920

8. The accounting and drawal of arrears of DA will be regulated as follows:

a. The revised rate of DA due from 1.7.2007 (additional 6%) will be paid in cash with the salary due for the month of February 2008 onwards.

b. (1) The arrear for the period from 1.7.2007 to 31.1.2008 will be drawn and credited to the PF account of the employee along with the salary bill for the month of February 2008 to August 2008.

(2) The permission to draw arrears along with the salary bill is given in relaxation of Rule 176 of Kerela Treasury Code .

c. The procedure as stated in para 8 (a) & (b) will also be applicable to the employees continuing in the pre-revised scale even after the 2004 pay revision and also to the employees continuing in the pre-revised scale even after the 1996 UGC/AICTE/Medical Education Scheme .

d. In the case of those drawing pay above Rs. 3500 in the pre-revision scale, the 3 instalments of DA sanctioned with effect from 1.7.1991, 1.1.1992 & 1.7.1992 will continue to be credited to the PF account, the percentage of which will be as shown below:

Pay Rs. 3501 to Rs. 6000	24% of pay subject to a minimum of Rs. 1120
Pay above Rs. 6000	21% of pay subject to a minimum of Rs. 1440

e. In their case the amount of DA that can be drawn by them from the salary bill of February 2008 will be 282% of pay subject to a minimum of Rs. 13160 (for those with Basic Pay between Rs. 3501-6000 p.m) and 244% of pay subject to a minimum of Rs. 16920 (for those with Basic Pay above Rs. 6000 p.m) minus the amount to be credited to PF account as per para 8(d) above.

f. Where the employee is not eligible to subscribe to any PF account before 31.1.2008, the drawal of arrears of DA shall be deferred. As and when the PF account is opened, it shall be drawn and deposited in it.

g. For claiming the salary for the month of September 2008, a certificate shall be attached to the salary bill to the effect that "The arrears as per DA revision from 1.7.2007 to 31.1.2008 have been claimed and credited to the PF account of the employee".

h. The procedure as stated in para 8 (g) above will also be applicable to the employees continuing in the pre-revised scale of pay even after the 2004 pay revision and also those continuing in the pre-revised scale of pay even after the 1996 UGC/AICTE/Medical Education Schemes pay revision.

i. The enhanced amount of DA to be drawn and credited monthly to PF account by those drawing pay above Rs. 3500 p.m. in the pre-revised scale of 1997 pay revision as stated in para 8 (d) above may be shown separately in the Provident Fund Schedule and certificate to that effect attached to the bill for each month as already ordered in G.O(P) No. 211/93/Fin dated 15.3.1993.

j. Interest on DA credited to PF account will accrue from the 1st day of the month in which the bills are passed by the Treasury.

k. No withdrawal, other than final withdrawal, shall be made before the date specified below, from the arrears of DA credited to PF account

	Date on which the amount will be permitted to be withdrawn
Arrears for the period from 1.7.2007 to 31.01.2008	31.3.2011 or retirement whichever is earlier

l. The condition mentioned under clause (k) above will be applicable "mutatis mutandis" to Provident Fund other than General Provident Fund also. In regard to Contributory Provident Fund, however, there will be no matching contribution from the Government in respect of the arrears of DA.

9. In the bill as well as in the PF schedule the arrears of DA from 1.7.2007 to 31.1.2008 may be indicated separately. Accordingly, the amount of arrears of DA to be credited to PF account should be shown as a separate entry in the PF schedule as shown below:

Subscription proper			Refund of Advance		Arrears of DA	Amount
Amount	Month to which it related	No. of instalments	Amount	Month to which it relates	From 1.7.2007 to 31.1.2008	Total
(6)	(7)	(8)	(9)	(10)	(11)	(12)
						6+9+11

10. The following categories of employees will be paid arrears of DA in cash:

(i) Those, in whose cases, it is not obligatory to maintain PF Account

(ii) Part-time teachers

(iii) Those who have opted not to subscribe to the PF account during the last one year of their service prior to retirement.

11. Consequent to the Pay and Pension Revision Orders of 2004, 3 separate sets of DA mergers are in existence simultaneously; (i) those whose salaries and pensions have been revised after merging DA/DR at 59% to whom only the balance DA is payable, (ii) those for whom DA at 50% has been converted as Dearness Pay who are entitled to the balance DA and finally (iii) those in whose case no DA/DR merger has taken place. There is every likelihood of confusion as to which of these have been released at what time. Hence, for easy understanding, a summary of the release of DA/DR to various categories of employees and pensioners is attached as Annexure to this order.

By Order of the Governor,

ASHWINI KUMAR RAI,

Secretary (Finance - Expenditure).

To

The Accountant General [A&E], Kerala, Thiruvananthapuram.
The Principal Accountant General [Audit], Kerala, Thiruvananthapuram.
All Heads of Departments.
All Departments [all sections] of the Secretariat.
The Secretary, Kerala Public Service Commission [with C.L.].
The Registrar, University of Kerala/Cochin/Calicut [with C.L.].
The Registrar, Mahatma Gandhi University, Kottayam [with C.L.].
The Registrar, University of Sanskrit, Ernakulam [with C.L.].
The Registrar, Kerala Agricultural University, Mannuthy, Thrissur
The Advocate General, Ernakulam [with C.L.].
The Secretary, Kerala State Electricity Board [with C.L.].
The General Manager, Kerala State Road Transport Corporation, Thiruvananthapuram [with C.L.].
All Principal Secretaries, Secretaries, Additional Secretaries, Joint Secretaries, Deputy Secretaries and Under Secretaries to Government.
The Secretary to Governor.
The Private Secretaries to Chief Minister and other Ministers.

The Private Secretary to Speaker.
The Private Secretary to Deputy Speaker.
The Private Secretary to the Leader of Opposition.
The Additional Secretary to the Chief Secretary.
The Secretary, State Election Commission, Kerala, Thiruvananthapuram.
The Registrar, Kerala Lokayukta, Thiruvananthapuram.
The Secretary, Kerala Human rights Commission, Thiruvananthapuram.
The Ombudsman for Local Self Government Institutions, Thiruvananthapuram
The Director of Public Relations, Thiruvananthapuram.

Forwarded / By Order,

Section Officer.

ANNEXURE

RELEASE OF DEARNESS ALLOWANCE/DEARNESS RELIEF IN KERALA

G.O. (P) No 91/08/Fin. Dated 16-02-2008.

			Release of Dearness Allowance					
Dearness Allowance			**3% w.e.f 1.1.2005**	**4% w.e.f 1.7.2005**	**3% w.e.f 1.1.2006**	**5% w.e.f 1.7.2006**	**6% w.e.f 1.1.2007**	**6% w.e.f 1.7.2007**
1.	State scales of pay (with 59% DA merger)	(a) Those continuing in service	From salary of Mar '07 (Total 8%)	From salary of Sep '07 (Total 12%)	From salary of Dec '07 (Total 15%)	From salary of Feb '08 (Total 20%)	From salary of Feb '08 (Total 26%)	From salary of Feb-08 (Total 32%)This G.O.
			G.O. (P) No 120/2007/Fin dated 20.3.2007 and G.O. (P) No 531/2007/Fin dated 5.11.2007				GO (P) No 547/ 07/Fin.dtd.14.11.07	
		(b) Those who have retired	From date of retirement (Total 8%)	From date of retirement (Total 12%)	From date of retirement (Total 15%)	From date of retirement (Total 20%)	From date of retirement (Total 26%)	From date of retirement (Total 32%)
			G.O. (P) No 120/2007/Fin dated 20.3.2007				GO (P) No 236/ /2007/Fin dt 12.6.2007	GO (P) No 546/ /2007/Fin dt 13.11.2007
2.	UGC/AICTE etc scales of pay, with Dearness Pay (equal to 50% of pay)	(a) Those continuing in service	From salary of Jun '07 (Total 17%)	From salary of Sep '07 (Total 21%)	From salary of Dec '07 (Total 24%)	From salary of Feb '08 (Total 29%)	From salary of Feb '08 (Total 35%) G.O.(P) 547/07/Fin dated 14.11.2007	From salary of Feb-08 (Total 41%) This G.O.
			G.O. (P) No 251/2007/Fin dated 15.6.2007 and G.O. (P) No 531/2007/Fin dated 5.11.2007					
		(b) Those who have retired	From date of retirement (Total 17%)	From date of retirement (Total 21%)	From date of retirement (Total 24%)	From date of retirement (Total 29%)	From date of retirement (Total 35%)	From date of retirement (Total 41%)
			G.O. (P) No 251/2007/Fin dated 15.6.2007				GO (P) No 395/ /2007/Fin dt 1.9.2007	GO (P) No 546/ /2007/Fin dt 13.11.2007

		Release of Dearness Relief					
Dearness Relief		**3% w.e.f 1.1.2005**	**4% w.e.f 1.7.2005**	**3% w.e.f 1.1.2006**	**5% w.e.f 1.7.2006**	**6% w.e.f 1.1.2007**	**6% w.e.f 1.7.2007**
3.	State pensioners/family pensioners who have retired from State scales of pay (with 59% DR being merged)	From pension of Apr 2007 (Total 8%)	From pension of May 2007 (Total 12%)	From pension of Jun 2007 (Total 15%)	From pension of Jul 2007 (Total 20%)	From pension of Aug '07 (Total 26%)	From pension of Dec '07 (Total 32%)
		G.O. (P) No 120/2007/Fin dated 20.3.2007				GO (P) No 236/ /2007/Fin dt 12.6.2007	GO (P) No 546/ /2007/Fin dt 13.11.2007
4.	State pensioners/family pensioners who have retired prior to 1.7.2004 from UGC/AICTE, etc scales of pay (with 59% DR merged)	From pension of Jul 2007 (Total 8%)	From pension of Jul 2007 (Total 12%)	From pension of Jul 2007 (Total 15%)	From pension of Jul 2007 (Total 20%)	From pension of Oct '07 (Total 26%)	From pension of Dec '07 (Total 32%)
		G.O. (P) No 251/2007/Fin dated 15.6.2007				GO (P) No 395/ /2007/Fin dt 1.9.2007	GO (P) No 546/ /2007/Fin dt 13.11.2007
5.	State pensioners /family pensioners who have retired on or after 1.7.2004 from UGC/AICTE etc. scales of pay, wherein Dearness Pay (equal to 50% of pay) has been reckoned for pension.	From pension of Jul 2007 (Total 17%)	From pension of Jul 2007 (Total 21%)	From pension of Jul 2007 (Total 24%)	From pension of Jul 2007 (Total 29%)	From pension of Oct '07 (Total 35%)	From pension of Dec '07 (Total 41%)
		G.O. (P) No 251/2007/Fin dated 15.6.2007				GO (P) No 395/ /2007/Fin dt 1.9.2007	GO (P) No 546/ /2007/Fin dt 13.11.2007
6.	State pensioners /family pensioners who have retired from UGC/AICTE etc. scales of pay, but whose pension has not undergone revision as per G.O. (P) No 81/07/Fin dt 28.2.2007 or G.O.(P) No 84/07/Fin dt 1.3.2007	From pension of Jul 2007 (Total 67%)	From pension of Jul 2007 (Total 71%)	From pension of Jul 2007 (Total 74%)	From pension of Jul 2007 (Total 79%)	From pension of Oct '07 (Total 85%)	From pension of Dec '07 (Total 91%)
		G.O. (P) No 251/2007/Fin dated 15.6.2007				GO (P) No 395/ /2007/Fin dt 1.9.2007	GO (P) No 546/ /2007/Fin dt 13.11.2007