



GOVERNMENT OF KERALA

Abstract

ALLOWANCE—DEARNESS ALLOWANCE/DEARNESS RELIEF TO STATE
GOVERNMENT EMPLOYEES/PENSIONERS WITH EFFECT FROM
1-1-1998—REVISION—ORDERS—ISSUED

FINANCE (PAY RESEARCH UNIT) DEPARTMENT

G.O. (P) No. 2386/98/Fin.

Dated, Thiruvananthapuram, 7th October, 1998.

- Read.— 1. G.O.(P) No. 1142/98/Fin. dated 25-3-1998.
2. OMF No. 1(2)/98-E 11(B) dated 13-4-1998 from the
Ministry of Finance, Department of Expenditure,
Government of India.

ORDER

Government are pleased to order that the rates of Dearness Allowance to Government Employees, Staff of Aided Schools, Private Colleges and Polytechnics, Full time employees borne on the contingent and work charged establishment and employees of Local Bodies will be revised with effect from 1-1-1998 as shown below:

| <i>Date from which payable</i> | <i>Pay Range</i> | <i>Rate of D.A. per month</i> |
|--------------------------------|---|--|
| 1-1-1998 | Basic pay upto Rs. 3500 per mensem | 189% of pay |
| | Basic pay above Rs. 3500 and upto 6000 per mensem | 147% of pay subject to a minimum of Rs. 6615. |
| | Basic pay above Rs. 6000 per mensem | 129% of pay subject to a minimum of Rs. 8820 per mensem. |

GPT. 4/4284/98/(ii) MC.

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

3. The revised rates of D.A. will be applicable to the part-time teachers and part-time contingent employees also on the basis of pay drawn by them.

4. In the case of Public Sector Undertakings/Statutory Corporations where long term agreement exists by which the pre-revised scale plus D.A. is agreed to, the enhancement of D.A. will be allowed with the approval of the Board of Directors subject to financial viability till a fresh agreement is executed.

5. In the case of those who remain in the pre 1-7-1998 scales, the pay for the purpose of D.A. will be the pay in the pre revised scale plus D.A. and ad hoc D.A. at 608 points of All India Consumer Price Index as shown in Appendix II of the G.O. (P) No. 480/89/Fin. dated 1-11-1989. For computing the amount of D.A. payable on the pay arrived at as above, as on 1-1-1998, the principle laid down in para 5 of G.O. (P) No. 364/92/Fin. dated 15-4-1992 will be followed.

6. The accounting and drawal of arrears of D.A. will be regulated as follows:—

(i) The revised rates of D.A. from 1-1-1998 for those drawing pay upto Rs. 3500 will be paid in cash from the salary due for the month of October 1998. The arrears for the period from 1-1-1998 to 30-9-1998 will be drawn and credited to the P.F. account of the employees along with the salary bill for October, November, December 1998, January, February or March 1999, in relaxation of rule 176, KTC.

(ii) In the case of those drawing pay above Rs. 3500 the three instalments of D.A. sanctioned with effect from 1-7-1991, 1-1-1992, 1-7-1992 will continue to be credited to the Provident Fund Account. The amount of D.A. that can be drawn in cash by them from the salary for October 1998 will be as follows:—

| | |
|--------------------------|--|
| (a) 1-1-1998 | |
| Pay Rs. 3501 to Rs. 6000 | 147% pay subject to a minimum of Rs. 6615 minus the amount being credited to Provident Fund account as indicated above. |
| Pay above Rs. 6000 | 129% of pay subject to a minimum of Rs. 8820 minus the amount being credited to Provident Fund Account as indicated above. |

(VIDE ANNEXURE)

(b) The arrears due for the period from 1-1-1998 to 30-9-1998 will be claimed in the salary bill for October, November, December 1998, January, February or March 1999 and credited to P.F. account.

(iii) Where the employee is not eligible to subscribe to any Provident Fund before 30-9-1998 the drawal of arrears of D.A. shall be deferred, and as and when the Provident Fund Account is opened, it shall be drawn and deposited to it.

(iv) For claiming the salary for the month of April 1999 a certificate should be attached to the salary bill to the effect that "the arrears as per D.A. revision from 1-1-1998 to 30-9-1998 have been claimed and credited to the Provident Fund Account of the employee".

(v) The enhanced amount of D.A. to be drawn and credited monthly to Provident Fund Account by those drawing pay above Rs. 3500 per mensem may be drawn 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.

(vi) Interest on the D.A. credited to the Provident Fund Account will accrue from the first month in which the bills are presented in the Treasuries.

(vii) No withdrawal, other than final withdrawal, shall be made before the date specified below, from the arrears of D.A. credited to Provident Fund Account.

Arrears for the period from
1-1-1998 to 30-9-1998

Date on which the amount will be
permitted to be withdrawn 1-4-2000

7. The procedure mentioned under clause (vii) above will be applicable "mutatis mutandis" to Provident Fund other than General Provident Funds also. In regard to Contributory Provident Fund, however, there will be no matching contribution from the Government in respect of the arrears of D.A.

8. In the bill as well as in the Provident Fund Schedule, arrears of D.A. from 1-1-1998 to 30-9-1998 may be indicated separately. Accordingly, the amount of arrears of D.A. to be credited to Provident Fund Account should be shown as a separate entry in the Provident Fund Schedule as shown below:

| <i>Subscription proper</i> | | | <i>Refund of Advance</i> | | <i>Arrears of D A. amount</i> | |
|----------------------------|----------------------------------|---------------------------|--------------------------|----------------------------------|------------------------------------|--------------|
| <i>Amount</i> | <i>Month to which it relates</i> | <i>No. of instalments</i> | <i>Amount</i> | <i>Month to which it relates</i> | <i>From 1-1-1998 to 30--9-1998</i> | <i>Total</i> |
| (6) | (7) | (8) | (9) | (10) | (11) | (12) |
| | | | | | | (6+9+11) |

9. The following categories of employees will be paid arrears of D.A. in cash:

- (i) Those who have retired since 1-1-1998 and those will be retiring on or before 30-4-1999.
- (ii) Those who have opted not to subscribe to the P.F. account during the last one year of their service prior to retirement.
- (iii) Those, in whose case, it is not obligatory to maintain P.F. Account.
- (iv) Part-time teachers and part-time contingent employees.

ANNEXURE

The amount to be credited to P.F. Account being the instalments of D.A., sanctioned with effect from 1-7-1991, 1-1-1992 and 1-7-1992 by those who are drawing pay above Rs. 3500.

| <i>Pay Range</i> | <i>Amount to be credited to P.F. account [vide para 6 (ii) of the G.O.]</i> |
|----------------------|---|
| Rs. 3501 to Rs. 6000 | 24% of pay subject to a minimum of Rs. 1120 |
| Above Rs. 6000 | 21% of pay subject to a minimum of Rs. 1440. |

**Dearness Relief to State Service Pensioners and
Family Pensioners**

10. Government are also pleased to revise the Dearness Relief to State Service Pensioners and Family Pensioners with effect from 1-1-1998 as shown below:—

| <i>Pension/Family Pension (P.M.)</i> | <i>Rate of Dearness Relief from 1-1-1998 (P.M.)</i> |
|---|--|
| Not exceeding Rs. 1750 | 189% of Pension/Family Pension. |
| Exceeding Rs. 1750 but not exceeding Rs. 3000 | 147% of Pension/Family Pension subject to a minimum of Rs. 3308. |
| Exceeding Rs. 3000 | 129% of Pension/Family Pension subject to a minimum of Rs. 4410. |

11. Payment of Dearness Relief involving fraction of Rupee shall be rounded off to the next higher rupee.

By order of the Governor,

VINOD RAI,
Principal Secretary (Finance).

To

The Accountant General (Accounts and Entitlements), Kerala,
Thiruvananthapuram.

The Principal Accountant General (Audit), Kerala, Thiruvananthapuram.
All Heads of Departments and Offices.

All Departments (All Sections) of 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, Kerala Agricultural University, Thrissur (with C.L.).

The Advocate General, Ernakulam (with C.L.).

The Secretary, Kerala State Electricity Board (with C.L.).

4/4284/98/MC.

The General Manager, Kerala State Road Transport Corporation
(with C.L.).

All 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 Secretaries to the Leader of Opposition and Government
Chief Whip.

The Director of Public Relations, Thiruvananthapuram.

The Deputy Secretary to Chief Secretary.

The Private Secretary to Speaker.

The Private Secretary to Deputy Speaker.
