



GOVERNMENT OF KERALA

Abstract

ALLOWANCE-DEARNESS ALLOWANCE TO STATE GOVERNMENT EMPLOYEES
RETIRED/WILL BE RETIRING ON OR AFTER 1.1.2007 AND DEARNESS RELIEF TO
PENSIONERS WITH EFFECT FROM 1.1.2007 - REVISION-ORDERS ISSUED

FINANCE (PAY RESEARCH UNIT) DEPARTMENT

G.O.(P)No.236/2007/Fin.

Dated, Thiruvananthapuram, 12.6.2007.

- Read:-
1. G.O.(P)120/2007/Fin. dated 20.3.2007 & G.O.(P)No.148/07/Fin. dated 9.4.2007.
 2. OMF 1(2)2007-E.II(B)/64 dated 22.3.2007 and OMF 1(13)/97-E-II(B) dated 10.5.2007 from the Department of Expenditure, Ministry of Finance, Government of India.

ORDER

Government are pleased to order that the rates of Dearness Allowance payable to retired/retiring Government employees, staff of Aided Schools, Private Colleges and Polytechnics, Full Time employees borne on the contingent and work charged establishments and employees of Local Bodies who have retired or will be retiring on or after 1.1.2007 will be revised w.e.f. 1.1.2007 as shown below:

<i>Date from which payable</i>	<i>Percentage increase of DA</i>	<i>Revised D.A.</i>
1.1.2007	6%	26%

The payment of this increased DA will not be through the monthly salary bills which will continue to be at 20%, but in lump at the time of retirement as indicated in para 2 below.

2. Since the policy of the State Government is to release the entire overdue DA to the employees of State Government at the time of retirement, the employees who have retired/will be retiring on or after 1.1.2007 will be paid the increased DA from 1.1.2007 till the date of retirement in cash at the time of their retirement. Those who have already retired after 1.1.2007 and upto the date of the Government Order will be paid the arrears of DA immediately. The entire pension calculation, including leave surrender and DCRG, will be on the basis of such revised DA.

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

4. The revised rate of DA /DR will be applicable to part-time teachers and part-time contingent employees also, who retired/will be retiring on or after

1.1.2007 on the basis of pay drawn by them, subject to the same condition as in paragraph 2 above.

5. The employees of State Public Sector Undertakings/Statutory Corporations/autonomous bodies on State DA pattern, who retired/ will be retiring on or after 1.1.2007, are also eligible for the enhanced rate of DA, subject to the following conditions:

- i) The payment of this increased DA will not be through the monthly salary bills which will continue to be at 20%, but in lump at the time of retirement as indicated in para 2 above.
- ii) This will apply only in Public Sector Undertakings, Statutory Corporations, Autonomous Bodies etc. where State DA is in force. This will not be applicable where variable DA or Central DA (with 50% merger) is in force.
- iii) 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.
- iv) 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 (wherever State DA is payable) 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 of the Government but with the approval of the Board.

6. The benefit of this Government Order will not be applicable to those employees coming under UGC/AICTE scales of pay including (Medical Education Scheme) in the State service, since their DA has not been revised as per G.O.(P) 120/07/Fin. dated 20.3.2007. Separate orders will be issued in this regard.

7. Those who have opted to remain in the pre-revised scale of 1997 Pay Revision (ie. 1992 pay scales) even after 1.1.2007 and who retired/will be retiring on or after 1.1.2007 will be sanctioned DA as given below:

<i>Date of effect</i>	<i>Pay Range</i>	<i>Rate of DA per month</i>
1.1.2007	Basic pay upto Rs.3500 p.m.	361% of pay
	Basic pay above Rs.3500 upto Rs.6000 p.m.	270% of pay subject to minimum of Rs.12635
	Basic pay above Rs.6000	234% of pay subject to minimum of Rs.16200

Here again, the payment of the increased DA will not be through monthly salary bills which will continue to be at the pre existing DA rates, but in lump at the time of retirement as indicated in para 9 below.

8. For those who retired or will be retiring on or after 1.1.2007 and are continuing in the 1997 pay scales ie. (up to the date of effect of option under Pay Revision 2004), DA will be sanctioned as follows:

<i>Date of effect</i>	<i>Percentage Increase of DA</i>	<i>Revised DA</i>
1.1.2007	6%	85% of pre revised pay of Pay Revision 2004.

Here again, the payment of the increased DA will not be through monthly salary bills which will continue to be at the pre existing DA rates, but in lump at the time of retirement as indicated in para 9 below.

9. (a) The arrear DA sanctioned w.e.f 1.1.2007 to those employees who retired since 1.1.2007 upto the date of Government Order will be paid in cash.

(b) For those employees who are continuing in service and will be retiring on or after the Government Order, the arrears w.e.f. 1.1.2007 will be paid only at the time of their retirement.

10. Subject to para 13 below, the Government are also pleased to revise the rates of Dearness Relief to State Service Pensioners and Family Pensioners with effect from 1.1.2007 as follows:

<i>Date of effect</i>	<i>Percentage increase of Dearness Relief</i>	<i>Revised Dearness Relief payable</i>
1.1.2007	6% of Pension/Family Pension	26% of Pension/Family Pension

11. Pensioners/Family Pensioners, whose pension has not undergone revision, as per G.O.[P]No.3001/98/Fin. dated 25.11.1998 and who are at present drawing Dearness Relief beyond 608 points will be sanctioned Dearness Relief as shown below (subject to para 13 below):

<i>Date of effect</i>	<i>Pension/Family Pension per month</i>	<i>Rate of Dearness Relief per month</i>
1.1.2007	Not exceeding Rs.1750	361% of Pension/Family Pension
	Exceeding Rs.1750 but not exceeding Rs.3000	270% of Pension/Family Pension subject to minimum of Rs.6318
	Exceeding Rs.3000	234% of Pension/Family Pension subject to minimum of Rs.8100

12. Pensioners/Family Pensioners whose pension has not undergone revision as per G.O.(P)No.180/2006/Fin. dated 18.4.2006 and are continuing the pension/Family Pension as per pension revision 1997, upto the date of effect of option for Pension Revision 2004 as per G.O.(P)No.180/2006/Fin. dated 18.4.2006, the DR will be sanctioned as follows (subject to para 13 below):

<i>Date of effect</i>	<i>Percentage increase of DR</i>	<i>Revised DR</i>
1.1.2007	6%	85% of pre revised pension/family pension

13. The revised Dearness Relief due from 1.1.2007 @ 6% along with the arrears from 1.1.2007 will be released in cash along with the pension of August 2007 (due on 1st August).

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

By Order of the Governor,

K. JOSE CYRIAC,
Principal Secretary [Finance]

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.