

**GOVERNMENT OF KERALA**

**Abstract**

ALLOWANCE-DEARNESS ALLOWANCE TO STATE GOVERNMENT EMPLOYEES AND TO THE TEACHERS COMING UNDER UGC/AICTE /MEDICAL EDUCATION SCHEMES - DEARNESS RELIEF TO STATE GOVERNMENT PENSIONERS AND FAMILY PENSIONERS INCLUDING THOSE COMING UNDER UGC/AICTE/MEDICAL EDUCATION SCHEMES WITH EFFECT FROM 01.01.2008 - REVISION-ORDERS ISSUED

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**FINANCE (PAY RESEARCH UNIT) DEPARTMENT**

**G.O.(P)No.220/2008/Fin. Dated, Thiruvananthapuram, 22- 05-2008.**

- Read:- 1.G.O.(P) No.546/2007/Fin. dated 13.11.2007.  
2. G.O.(P) No.547/2007/Fin dtd.14.11.2007.  
3. G.O.(P) No.91/2008/Fin dtd.16.02.2008.  
4. OMF No. 1(1)2008-E II (B) dated 17.03.2008 from the Department of Expenditure, Ministry of Finance, Government of India.  
5. OMF No.42/2/2008 - P&PW (G) dated 19.3.2008 from the Department of Pension & Pension Welfare, Government of India.  
6. OMF No.1 (13)/97 - E II (B) dated 24.04.2008 from the Department of Expenditure, Ministry of Finance, Government of India.

**ORDER**

In the Office Memoranda cited above, Government of India sanctioned revised rate of DA/DR to Central Government employees, Pensioners and family pensioners with effect from 01.01.2008.

2. On the basis of above orders, 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. 01.01.2008 as shown below:

<i>Date from which payable</i>	<i>Percentage increase of DA</i>	<i>Revised D.A.</i>
01.01.2008	6%	38%

3. In respect of 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 01.01.2008 as shown below:

<i>Date from which payable</i>	<i>Percentage increase of DA</i>	<i>Revised D.A.</i>
01.01.2008	6%	47%

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

5. 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.

6. 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 of the Government but with the approval of the Board/Executive Committee etc.

7. For those who are continuing in the 1997 pay scales even after 01.01.2008, 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
01.01.2008	6%	97%

8. Those who have opted to remain in the pre-revised scale of 1997 Pay Revision (ie. 1992 pay scales) even after 01.01.2008 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 01.01.2008 the rate of DA will be as given below:

<i>Date of effect</i>	<i>Pay Range</i>	<i>Rate of DA per month</i>
01.01.2008	Basic pay upto Rs.3500 p.m.	390 % of pay
	Basic pay above Rs.3500 upto Rs.6000 p.m.	293% of pay subject to minimum of Rs.13650
	Basic pay above Rs.6000	254 % of pay subject to minimum of Rs.17580.

9. The accounting and drawal of arrears of DA will be regulated as follows:
- The revised rate of DA due from 01.01.2008 (additional 6%) will be paid in cash with the salary due for the month of May 2008 onwards.
  - (1) The arrear for the period from 01.01.2008 to 30.04.2008 will be drawn and credited to the PF account of the employee along with the salary bill for the month of May 2008 to November 2008.  
(2) The permission to draw arrears along with the salary bill is given in relaxation of Rule 176 of Kerela Treasury Code .
  - The procedure as stated in para 9 (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 .
  - 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

- In their case the amount of DA that can be drawn by them from the salary bill of May 2008 will be 293 % of pay subject to a minimum of Rs.13650 (for those with Basic Pay between Rs. 3501-6000 p.m) and 254% of pay subject to a minimum of Rs. 17580 (for those with Basic Pay above Rs. 6000 p.m) minus the amount to be credited to PF account as per para 9 (d) above.

- f. Where the employee is not eligible to subscribe to any PF account before 30.04.2008, 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 December 2008, a certificate shall be attached to the salary bill to the effect that "The arrears as per DA revision from 1.1.2008 to 30.04.2008 have been claimed and credited to the PF account of the employee".
- h. The procedure as stated in para 9 (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 9 (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 01.01.2008 to 30.04.2008	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.

10. In the bill as well as in the PF schedule the arrears of DA from 01.01.2008 to 30.04.2008 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 01.01.2008 to 30.04.2008	Total
(6)	(7)	(8)	(9)	(10)	(11)	(12)
						6+9+11

11. 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.

12. The Government are also pleased to revise the rate of Dearness Relief with effect from 01.01.2008 to State Service Pensioners and Family Pensioners and also to the Pensioners/Family Pensioners coming under UGC/AICTE/Medical Education Schemes (who retired prior to 01.07.2004 and whose pension/family pension has been revised as per G.O.(P) No.81/07/Fin. dated 28.02.2007), as follows:

Date of effect	Percentage increase of Dearness Relief	Revised Dearness Relief payable
01.01.2008	6% of Pension/ Family Pension	38% of Pension/ Family Pension

13. For the Pensioners/Family Pensioners, coming under UGC/AICTE/Medical Education Schemes who retired after 01.07.2004 and whose pension has been revised as per G.O.(P) No.84/07/Fin. dated 1.03.2007 the rate of DR will be revised with effect from 01.01.2008 as follows:

Date of effect	Percentage increase of Dearness Relief	Revised Dearness Relief payable
01.01.2008	6% of Pension/ Family Pension	47% of Pension/ Family Pension

14. In respect of The Pensioners/Family Pensioners whose pension has not undergone revision as per G.O.(P) No.180/06/Fin. dated 18.04.2006 and are drawing the Pension/Family Pension as per pension revision 1997, and in respect of Pensioners/Family Pensioners coming under UGC/AICTE/Medical Education Schemes whose pension has not undergone revision as per G.O.(P) No.81/07/Fin. dated 28.02.2007 or G.O.(P) No.84/07/Fin. dated 1.03.2007, the DR will be sanctioned as follows .

Date of effect	Percentage increase of Dearness Relief	Revised Dearness Relief payable
01.01.2008	6% of Pension/ Family Pension	97% of pre revised Pension/ Family Pension

This will be applicable only till such time as the date of effect of option for Pension Revision 2004, after which the DR payable will be as indicated in para 12 above.

15. The Pensioners/Family Pensioners, whose pension has not undergone revision, as per Go.(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:

Date of effect	Pension/Family Pension per month	Rate of Dearness Relief per month
1.1.2008	Not exceeding Rs.1750	390% of Pension/Family Pension
	Exceeding Rs.1750 but not exceeding Rs.3000	293% of Pension/Family Pension subject to minimum of Rs.6825
	Exceeding Rs.3000	254% of Pension/Family Pension subject to minimum of Rs.8790

16. The revised Dearness Relief due from 1.1.2008 @ 6% along with the arrears upto May 2008 will be released in cash along with the pension of June 2008 (due on 1<sup>st</sup> June).

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

17. Consequent upon 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 those 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).

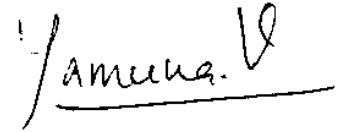
To

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.  
The Nodal Officer, [www.finance.kerala.gov.in](http://www.finance.kerala.gov.in)

Forwarded / By Order,

A handwritten signature in black ink, appearing to read 'J. Amma', is written over a horizontal line.

Section Officer.

**ANNEXURE**  
**RELEASE OF DEARNESS ALLOWANCE/DEARNESS RELIEF IN KERALA**

**G.O.(P) No.220/08/Fin. Dated 22. 05.2008.**

Dearness Allowance			Release of 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	6% w.e.f 1.1.2008
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%)	From salary of May-08 (Total 38%)
		(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%)	From date of retirement (Total 38%)
			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		G.O.(P) 91/08/Fin. Dtd.16.02.08
			G.O. (P) No 120/2007/Fin dated 20.3.2007				dt 12.6.2007		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%)	From salary of Feb-08 (Total 41%)	From salary of May-08 (Total 47%)
		(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%)	From date of retirement (Total 47%)
			G.O. (P) No 251/2007/Fin dated 15.6.2007 and G.O. (P) No 531/2007/Fin dated 5.11.2007				G.O.(P) 547/07/Fin dated 14.11.2007		G.O.(P) 91/08/Fin. Dtd.16.02.08
			G.O. (P) No 251/2007/Fin dated 15.6.2007				dt 1.9.2007		dt 13.11.2007
Dearness Relief			Release of 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	6% w.e.f 1.1.2008
3.	State pensioners/family pensioners who have retired from State scales of pay (with 59% DR being merged)	(a) Those continuing in service	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%)	From pension of June '08 (Total 38%)
		(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%)	From date of retirement (Total 38%)
			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
			G.O. (P) No 120/2007/Fin dated 20.3.2007				dt 12.6.2007		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)	(a) Those continuing in service	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%)	From pension of June '08 (Total 38%)
		(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%)	From date of retirement (Total 38%)
			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
			G.O. (P) No 251/2007/Fin dated 15.6.2007				dt 1.9.2007		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.	(a) Those continuing in service	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%)	From pension of June '08 (Total 47%)
		(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%)	From date of retirement (Total 47%)
			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
			G.O. (P) No 251/2007/Fin dated 15.6.2007				dt 1.9.2007		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	(a) Those continuing in service	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%)	From pension of June '08 (Total 97%)
		(b) Those who have retired	From date of retirement (Total 67%)	From date of retirement (Total 71%)	From date of retirement (Total 74%)	From date of retirement (Total 79%)	From date of retirement (Total 85%)	From date of retirement (Total 91%)	From date of retirement (Total 97%)
			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
			G.O. (P) No 251/2007/Fin dated 15.6.2007				dt 1.9.2007		dt 13.11.2007