



GOVERNMENT OF KERALA

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Abstract

ALLOWANCE-DEARNESS ALLOWANCE TO STATE GOVERNMENT EMPLOYEES AND TO THE  
TEACHERS COMING UNDER UGC/AICTE /MEDICAL EDUCATION SCHEMES - WITH EFFECT FROM  
01.07.2010 - REVISION-ORDERS ISSUED.

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FINANCE (PAY RESEARCH UNIT) DEPARTMENT

G.O.(P)No.37/2011/Fin. Dated, Thiruvananthapuram, 18<sup>th</sup> January 2011.

- Read:-1. G.O.(P) No.362/2010/Fin. Dated 03.07.2010.  
2. OM No. 1(6)/2010-E II (B) dated 22.09.2010 from the Department of  
Expenditure, Ministry of Finance, Government of India.  
3. OM No.1 (3)2008 - E II (B) dated 29.09.2010 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 01.07.2010.

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. 01.07.2010 as shown below:

<i>Date from which payable</i>	<i>Percentage increase of DA</i>	<i>Revised D.A.</i>
01.07.2010	16%	94%

3. (i) 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 01.07.2010 as shown below:

<i>Date from which payable</i>	<i>Percentage increase of DA</i>	<i>Revised D.A.</i>
01.07.2010	16%	103%

(ii) In respect of the teaching staff coming under UGC/AICTE/Medical Education Schemes who have changed over to revised UGC/AICTE scale from 01.01.2006 or thereafter the D.A will be revised with effect from 01.07.2010 as shown below:

<i>Date from which payable</i>	<i>Percentage increase of DA</i>	<i>Revised D.A.</i>
01.07.2010	10%	45%

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 D.A. or Central D.A. (with 50% merger) is in force. This will not be applicable where variable D.A. is in force.
- ii) Shifting from one DA system (ie., State D.A., Variable D.A, Central D.A.) 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 D.A. can release the revised rates of D.A. 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 01.07.2010, 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
01.07.2010	16%	153%

8. The rate of Dearness Allowance admissible to those employees in Public Sector Undertakings who were getting pay and allowances based on the scales of pay admissible under 1992 Pay Revision shall be enhanced as shown below with effect from 01.07.2010.

Date of effect	Pay Range	Rate of DA per month
01.07.2010	Basic pay upto Rs.3500 p.m.	529 % of pay
	Basic pay above Rs.3500 upto Rs.6000 p.m.	432% of pay subject to minimum of Rs.18,515
	Basic pay above Rs.6000	393 % of pay subject to minimum of Rs.25,920.

9. The accounting and drawal of arrears of DA will be regulated as follows:
- a. The revised rate of D.A. due from 01.07.2010 (additional 16%) will be paid in cash with the salary due for the month of January, 2011 onwards.
  - b. (1) The arrear for the period from 01.07.2010 to 31.12.2010 will be drawn and credited to the PF account of the employee along with the salary bill for the month of January, 2011 to July, 2011.  
(2) The permission to draw arrears along with the salary bill is given in relaxation to Rule 176 of Kerala Treasury Code .
  - c. The procedure as stated in para 9(a) and (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. Where the employee is not eligible to subscribe to any PF account before 31.12.2010, 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.
  - e. For claiming the salary for the month of August, 2011, a certificate shall be attached to the salary bill to the effect that "The arrears as per DA revision from 01.07.2010 to 31.12.2010 have been claimed and credited to the PF account of the employee".
  - f. The procedure as stated in para 9 (e) 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.
  - g. Interest on D.A. credited to PF account will accrue from the 1st day of the month in which the bills are passed by the Treasury.
  - h. 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 01.07.2010 to 31.12.2010	30.09.2014 or retirement whichever is earlier

- i. The condition mentioned under clause (h) 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 D.A.

10. In the bill as well as in the PF schedule the arrears of D.A. from 01.07.2010 to 31.12.2010 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:

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 01.07.2010 to 31.12.2010	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.

By Order of the Governor,  
**SANJAY GARG**  
*Secretary, Finance (Expenditure).*

To

The Principal Accountant General [Audit], Kerala, Thiruvananthapuram.  
The Accountant General [A&E], 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 Managing Director, 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,



Section Officer.