

GOVERNMENT OF KERALA

Abstract

PAY AND ALLOWANCES- MERGER OF DEARNESS ALLOWANCE IN
DEARNESS PAY- ORDERS – ISSUED.

FIANANCE DEPARTMENT

G.O.(P) NO. 181/62/Fin.

Dated, Trivandrum, 2nd May, 1962

Read:-G.O. Fin (C) 5.7955/53 dated 12th May, 1953.

ORDER

1. The several Service Associations of the State have repeatedly requesting Government to merge the Dearness Allowance in pay as was done by the Government of India and some State Governments.

2. The Government have examined the request with special reference to the orders issued by the Government of India and the Government of Madras in the matter. Both the Government of India and the Government of Madras ordered the merger of D.A. with pay along with a general revision of pay scales. Even under their revised pay rules, an element of D.A. is retained as part of the emoluments of the low paid employees. The request for merging D.A. with pay are made with a view to get enhanced pensionary benefits. Under the existing rules 10 percent of the D.A. subject to a minimum of Rs. 5/ per mensem is treated as Dearness pay which counts as pay for purpose of retirement benefits. The merger of D.A with pay on the lines implemented by the Government of India and the Government of Madras will bring in its wake re-adjustment of existing pay scales. This Government sanctioned a general pay revision only recently and any attempt to further revise the scales of pay will result in heavy financial commitments. Further it is considered that for purpose of retirement benefits, it will be sufficient if the bulk of the Dearness allowance is absorbed as Dearness Pay.

3. Considering all the aspects of the question , Government are pleased to order that, out of the question, Government are pleased to order that, out of the existing D.A. (including special Dearness allowance), only Rs. 10 per mensem will be retained as dearness allowance, the balance being treated as Dearness Pay Subject, however, to the condition that the maximum amount of Dearness Pay will be limited to Rs. 60.

4. The benefit of the above merger of Dearness Allowance with Dearness Pay will be extended to Private school teachers also.

5. These orders will take effect from 1st April 1962.

By order of the Governor
P.S. PADMANABHAN,
Special Secretary (Finance)

To

The Accountant General, Kerala
All Heads of Departments and Offices
The Registrar of High Court (with C.L)
The Registrar, Kerala University (with C.L)
The Secretary, Kerala Public Service Commission (with C.L)
The Secretaries, Joint Secretaries, Deputy Secretaries, and Assistant
Secretaries to Government.
The Private Secretary to the Chief Minister & other Ministers
The Secretary to Governor
The Personal Clerk to Chief Secretary
