



FINANCE (PENSION) DEPARTMENT

G.O.No.764, Dated 27th September 1995

(Yuva, Purattasi 11, Thiruvalluvar Aandu 2026)

PENSION - Classification of Dearness Allowances as Dearness Pay for purpose of Death Gratuity/Retirement Gratuity and raising the maximum limit of Gratuity from Rs.1 lakh to Rs.2.50 lakhs - Orders- Issued.

READ the following:-

- 1) G.O.Ms.No.3, Finance (Pension) Department, dated 3.1.94.
- 2) From the Government of India, Department of Pension and Pensioners' Welfare, Ministry of Personnel, Public Grievances and Pensions, New Delhi, O&M No.7/1/95-P&PW(F), dated 14.7.95.

\* \* \*

Order-No.764, Finance (Pension), dated 27th September 1995.

In the Government Order read above, orders have been issued treating 20 per cent of basic pay as Dearness Pay along with pay for calculating retirement gratuity/Death Gratuity in respect of Retirement/Death on or after 1.1.94.

2. In the Office Memorandum second read above, Government of India issued orders converting the Dearness Allowance as linked to the average All India Consumer Price Index of 1201.66 points obtaining as on 1.7.93 as indicated below as Dearness Pay for reckoning emoluments for the purpose of Retirement Gratuity/Death Gratuity in the case of Central Government employees:-

Pay Range (1)	Dearness Allowance to be added to pay for calculating Gratuity (2)
1. Basic pay upto Rs.3500/- per mensem	97% of pay.
2. Basic pay above Rs.3500/- per mensem and upto Rs.6000/- per mensem	73% of pay subject to a minimum of Rs.3395/-
3. Basic pay above Rs.6000/- per mensem	63% of pay subject to a minimum of Rs.4380/-

The Government of India also issued orders enhancing the ceiling on the maximum amount of retirement gratuity/Death Gratuity from Rs.1.00 lakh to Rs.2.50 lakhs.

3. Government after careful consideration have decided to implement the Government of India's orders in para 2 above in respect of employees retiring on or after 1st October 1995. They accordingly direct that Dearness Allowance as indicated below (inclusive of the Dearness Pay at 20% of pay sanctioned in the Government Order read above) be taken into account along with pay for calculating retirement Gratuity in respect of the employees retiring on or after 1.10.1995. This Dearness Pay shall also be applicable to the cases of Death Gratuity in respect of those who die in harness on or after 1.10.1995:-

Pay Range (1)	Dearness Allowance to be added to pay for calculating Gratuity (2)
1. Basic pay upto Rs.3500/- per mensem	97% of pay.
2. Basic pay above Rs.3500/- per mensem and upto Rs.6000/- per mensem	73% of pay subject to a minimum of Rs.3395/-
3. Basic pay above Rs.6000/- per mensem	63% of pay subject to a minimum of Rs.4380/-

4. Government also direct that the existing ceiling on the maximum amount of retirement Gratuity/Death Gratuity be enhanced from Rs.1.00 lakh to Rs.2.50 lakhs with effect from 1.10.1995.

5. These orders shall apply to all State Government employees including the teaching and non-teaching staff working under local bodies and aided-educational institutions, but excluding employees governed by University Grants Commission, All India Council of Technical Education Scales of Pay and the Teachers/Physical Directors/Librarians in Government and Aided Polytechnics and Special Diploma Institutions.

(BY ORDER OF THE GOVERNOR)

N. NARAYANAN,  
SECRETARY TO GOVERNMENT.

To  
All Secretaries to Government.  
The Secretary, Legislative Assembly Secretariat, Madras-600 009.  
The Comptroller, Governor's Household, Raj Bhavan, Madras-600 032.  
The Secretary to the Governor, Madras-600 032.  
The Governor's Secretariat, Raj Bhavan, Guindy, Madras-32  
All Department of Secretariat.  
All Department of Secretariat. ( Bills).  
The Legislative Assembly Secretariat, Madras-600 009.  
All Heads of Departments.

All Collectors/ All District Judges  
 All Chief Judicial Magistrates.  
 The Principal Accountant General  
 (Accounts and Entitlements) Madras-600 018.  
 The Principal Accountant-General  
 (Accounts and Entitlements) Madras-600 018.  
 (By name).  
 The Accountant General (Audit-I) Madras-600 035.  
 The Accountant General (Audit-I) Madras-600 035.  
 (By name)  
 The Accountant General (Audit-II) Madras-600 006.  
 The Accountant General (Audit-II) Madras-600 006.  
 (By name)  
 The Accountant General (CAB) Madras-600 009.  
 The Director of Treasuries and Accounts, Madras-600 035.  
 The Pay and Accounts Officer (Secretariat)  
 Madras-600 009.  
 The Pay and Accounts Officer (South) Madras-600 035.  
 The Pay and Accounts Officer (North) Madras-600 079.  
 The Pay and Accounts Officer (East) Madras-600 005.  
 The Pay and Accounts Officer, Madurai-625-001.  
 All Treasury Officer.  
 All Sub Treasury Officers.  
 The Chairman, Tamil Nadu Public Service Commission,  
 Madras-600 002.  
 The Commissioner of Tribunal for Disciplinary Proceedings,  
 No.6, Manickeswari Road, Madras-600 010.  
 The Registrar, High Court, Madras-600 104.  
 The Registrar of all Universities.  
 All State Owned Corporations and Statutory Board.  
 The Commissioners, Corporation of Madras/Madurai/Coimbatore.  
 The Finance (FC) Department, Madras-600 009.  
 All Tahsildars.  
 All Divisional Development Officers.  
 All Revenue Divisional Officers.  
 All Block Development Officers.  
 All Municipalities.  
 All Chief Educational Officers.  
 All Finance Secretaries of other State Governments.  
 The Finance Secretary, Pondicherry.  
 The Project Co-ordinator, Tamil Nadu Integrated Nutrition  
 Project, 570, Anna Salai, Madras-600 018.  
 The President, Tamil Nadu State Retired Officials  
 Association, DPI Complex, College Road, Madras-600 006.  
 The President, Tamil Nadu Secretariat Retired Officials  
 Association, No.88, Seventh Street, Secretariat Colony,  
 Kilpauk, Madras-600 010.  
 The President, All India Federation of Pensioners' Association,  
 No.8, Gulam Murthusa Street, Anna Salai, Madras-600 002.  
 The President, The Teachers Association, No.12, North Ramalingam  
 Street, Mayiladuthurai.

Copy to:

The Private Secretary to Chief Secretary to Government.  
 Finance (OP.I) Department, Madras-600 009.  
 Finance (OP.Misc) Department, Madras-600 009.  
 The Personnel and Administrative Reforms (PGC) Department,  
 Madras-600 009.  
 The Secretary to Government of India, Ministry of Home  
 Affairs, New Delhi.  
 The Secretary to Government of India, Ministry of Finance  
 (Department of Economic Affairs) New Delhi.

The Secretary to Government of India, Ministry of Finance  
 (Department of Expenditure) New Delhi.  
 The Secretary to Government of India, Ministry of  
 Finance (Department of Banking and Revenue) New Delhi.  
 The Secretary to Government of India, Ministry of  
 External Affairs, New Delhi.  
 The Senior Research Officer, Pay Research Unit, Ministry  
 of Finance (Department of Expenditure) Room No.261,  
 North Block, New Delhi.  
 The Reserve Bank of India, Madras-600 001.  
 The Reserve Bank of India, Central Office, Department of Bank  
 and Government Accounts, Bombay-400 023. (75 copies)  
 Stock File / Spare copies.

//FORWARDED/BY ORDER //

*K.G. K. Sharma*  
 SECTION OFFICER. 28/11/65

B.No.221/95 dt.19/10/95.

Copy communicated to all the Judicial Magistrates in this  
 Unit for information and necessary action.

*m*  
*COM*  
*19/10*

DESPATCHED  
 8824 to 88  
 DATE 15/11/65