

No. G. 14015/3/2001 – F.Est
GOVERNMENT OF MIZORAM
FINANCE DEPARTMENT

OFFICE MEMORANDUM

Aizawl, the 21st February, 2007.

Subj: Merger of Dearness Allowance equal to 50% of existing Basic Pay with the Basic Pay to the Employees of the Government of Mizoram w.e.f. 1.1.2007.

The undersigned is directed to convey the sanction of the Governor of Mizoram for merger of Dearness Allowance equal to 50% of the existing Basic Pay with the Basic Pay of the Employees of the Government of Mizoram and shown distinctly as Dearness Pay (DP) w.e.f. 1.1.2007 on the following conditions:-

1. Dearness Allowance equal to 50% of the existing pay shall be converted into Dearness Pay each time the employees get increment and the Dearness Pay shall be released and paid in cash to all the categories of Government employees w.e.f. 1.1.2007 until further order. The amounts of Dearness Allowances already impounded in to the GPF accounts of the Employees before 1.1.2007 shall remain as it is.
2. Dearness Pay shall be counted for purposes like payment of allowances, transfer grant, retirement benefits, contribution to GPF, License Fee, various advances etc. However it shall not be counted for entitlement of LTC, TA/DA while on tour and transfer and Government accommodation.
3. Consequent upon merger of D A with the basic pay w.e.f 1-1-2007, the limit of the Basic Pay plus Dearness Pay plus NPA for Doctors shall not exceed Rs.44,250.00/- Illustration appended herewith.
4. Since Dearness Allowance equal to 50% of the existing Basic Pay has been converted to Dearness Pay, the remaining 24% of Dearness Allowance shall continue to be impounded to the respective GPF accounts of all the categories of Government Employees and another remaining 5 % shall be released and paid in cash to all the categories of Government Employees w.e.f 1.1.2007 until further orders.
5. For employees 'not eligible to' or 'not yet having' GPF Accounts, the remaining 24% of Dearness Allowance shall continue to be invested in Small Savings Scheme like KVP/National Saving Certificate, etc, until further orders.

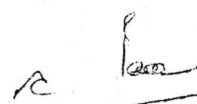
6. For employees of District Councils, Public Sector Undertakings (PSUs), Autonomous Bodies/Boards/Aided/ Non-Government Institutions and those who are paid from Grants in Aids etc., the remaining 24% of Dearness Allowance shall continue to be invested in their respective CPF/EPF/or Small Saving Schemes like KVP/NSC etc until further orders.
7. For employees who are retiring between 1.1.2007 to 31.10.2007, Dearness Allowance equal to 50% of the Basic Pay shall be treated as Basic Pay for purposes of computation of pension in respect of Basic Pay received by them prior to 1.1.2007. Consequently, element of dearness pension will exist only for pensioners retired/retiring from Government of Mizoram up to 31.12.2006.
8. The provisions contained in para. 3, 4 and 5 of the Govt. of India, Ministry of Finance O.M. No. 1(13)/97-E-II (B) dt. 3.10.1997 shall continue to be applicable while regulating Dearness Allowances under these orders. However, with effect from 1.1.2007, Dearness Allowance will be computed on the basis of Basic Pay, Dearness Pay, Stagnation Increment and NPA. Provisions contained in para. 3 of the Ministry of Finance's O.M No.1 (13)/97-e-II (B), dated 3-10-1997 had already been amended to this extent with effect from 1-4-2004.

**Sd/-LALPEKSANGA
Financial Commissioner
Government of Mizoram.**

Memo No. G. 14015/3/2001 – F. Est : Aizawl, the 21st February, 2007.

Copy to:-

1. Secretary to the Governor, Mizoram.
2. P.S. to Chief Minister, Mizoram.
3. P.S. to all Ministers/Ministers of State/Speaker/Dy. Speaker, Mizoram.
4. P.P.S. to Chief Secretary, Government of Mizoram.
5. Accountant General (A&E) and (Audit) Mizoram etc., Mizoram.
6. All Administrative Departments.
7. Secretary, Mizoram Legislative Assembly
8. All Heads of Departments.
9. Director, Accounts & Treasury, Mizoram.
10. All Deputy Directors (Accounts/Treasury Officers, Mizoram.
11. Guard File.


 21/2/07
(C. LALPEKSANGA)
 Under Secretary to the Govt. of Mizoram,
 Finance Department (E).

**Extract Copy of paras 3, 4 and 5 of G.I., M.F., O.M. No. 1 (13)/97-E-II (B)
dated 3rd October, 1997**

3. The term 'pay' for the purpose of calculation of Dearness Allowance shall be the pay drawn in the prescribed scale of pay, including stagnation increment (s) and non-practising allowance, but shall not include any other type (s) of pay like special pay or personal pay, etc. In the case of those employees who opt to retain the existing scales of pay, it will include, in addition to pay in the pre-revised scale, dearness allowance and interim relief appropriate to that pay admissible under orders in existence on 1-1-1996.
4. The Dearness Allowance will continue to be a distinct element of remuneration and will not be treated as pay within the ambit of FR.9 (21).
5. The payment on account of dearness allowance involving fractions of 50 paise and may be rounded off to the extent higher rupee and the fractions of less than 50 paise may be ignored.

ILLUSTRATION-I

The pay of Doctors who are in receipt of NPA shall be fixed as shown below:-

a) Existing Basic Pay	- Rs. 12,000.00
b) NPA @ 25 %	- Rs. 3,000.00
	<u>Rs. 15,000.00</u>
c) DP @ 50% of 15,000.00	- Rs. 7,500.00
d) Basic Pay	-Rs. 12,000.00
e) DP	-Rs. 7,500.00
	-Rs. 19,500.00
f) DA @ 29% of B.P+DP	-Rs. 5,655.00
g) NPA @ 25% of 19,500.00	-Rs. 4,875.00
h) HRA @ 7.5 of B.P +DP	-Rs. 1,463.00
i) SCA	-Rs. 750.00
j) Minimum rate of GPF subscription will be computed on the basis of Basic Pay + DP.	

So, Sub-No. d), e) and j) shall not exceed-Rs. 44,250.00

ILLUSTRATION-II

The pay of Assistant will be fixed as shown below:-

a) Existing Basic Pay	-Rs. 5,500.00
b) DP @ 50% of Basic Pay	-Rs. 2,750.00
	-Rs. 8,250.00
c) DA @29% of Rs. 8,250.00	-Rs. 2,393.00
d) HRA @ 7.5% of BP + DP	-Rs. 8,250.00 619.00
e) SCA	-Rs. 600.00
f) Minimum rate of GPF subscription will be computed on the basis of Basic Pay + DP.	