

**Government of Haryana
Finance Department**

Office Memorandum

No. 1/16/2004-3PR(FD)

Dated, the 17th of May, 2004

Subject: Merger of 50% of Dearness Allowance/Dearness Relief with basic pay/pension to Government employees/pensioners w.e.f. 1.4.2004.

Sir,

I am directed to invite your attention on the subject noted above and to say that the matter regarding merger of 50% Dearness Allowance/Dearness Relief with Basic Pay/Pension to Government employees/pensioners on the pattern of Government of India has been under consideration of the State Government and the Governor of Haryana is pleased to decide that, w.e.f. 1.4.2004, DA equal to 50% of the existing basic pay shall be merged with the basic pay and shown distinctly as Dearness Pay (DP) which would be counted for purposes like payment of allowances, transfer grant, retirement benefits, contribution to GPF, License Fee, various advances etc.. The entitlement for LTC, TA/DA while on tour and transfer and government accommodation shall, however, continue to be governed on the basis of the basic pay alone without taking into account Dearness Pay. In case of existing pensioners, Dearness Relief equal to 50% of the present pension will w.e.f. 1.4.2004, be merged with pension and shown distinctly as Dearness Pension. Dearness Allowance/Dearness Relief converted into Dearness pay/Dearness pension respectively would be deducted from the existing rate of Dearness Allowance/Dearness Relief.

2. To ensure that pensioners retiring between 1.4.2004 to 31.1.2005 do not face any loss in fixation of pension, as a special dispensation in their case, DA equal to 50% basic pay would be treated as basic pay for purposes of computation of pension in respect of basic pay received by them prior to 1.4.2004. Consequently, element of dearness pension will exist only for pensioners retired/retiring from Government of Haryana upto 31.3.2004.

Yours faithfully,

Sd/-

(Balwant Singh)

Under Secretary Finance (PR)

for Financial Commissioner & Pr. Secretary
to Government Haryana, Finance Department