

CHAPTER IV

WAGE POLICY & RELATED MATTERS

(b) Dearness Allowance/Interim Relief

DPE/Guidelines/IV(b)/5

Treatment of Personal Pay for fixation of pay and DA

The undersigned is directed to refer to Deptt. Of Public Enterprises two OMs of even number dated 19th July 1995 regarding revision of scales of pay of the executives holding Board Level and below Board Level posts and non-unionised supervisors w.e.f.1.1.1992. These O.M.s are also indicated the method of fixation of pay in the revised scale.

2. Some clarifications have been sought by some of the PSUs as to whether the 'personal pay', granted to some of the executives while fixing their pay in the revised scales, shall be counted for purpose of computation of DA and other allowances. It has now been decided by the Government that 'personal pay' granted after fixation of pay at three stages below the maximum of the scale as per Annexure shall also be counted as 'pay' for the purpose of computation of dearness allowance on percentage basis of neutralisation.

3. The 'personal pay' shall also be counted for purpose of recovery of license fee in case of executives living in company's leased accommodation.

4. The above decision may please be brought to the notice of enterprises under the control of the administrative Ministries.

(DPE O.M. No.2(50)/86-DPE(WC) dated 6th February, 1996)

ANNEXURE

1.	Existing Scale of Pay	Rs.6500-175-7725
2.	Proposed Scale of Pay	Rs.8500-300-10300
3.	Existing Basic Pay	Rs.7725.00
4.	IDA as on 1.1.1992 related to AICPI 1099	Rs.787.75
5.	Fitment @ 20% of Basic Pay	Rs.1545.00
		Rs.10057.75
7.	Pay to be fixed under normal rules	Rs.10,300.00

Since he does not get 3 increments in the revised scale even from 1.1.1992, his pay is to be fixed 3 stages below the maximum.

8.	Maximum of the revised scale	Rs.10300/-
	Less amount equivalent to 3 increments below the maximum	Rs.900/-
9.	Pay would be fixed at	Rs.9,400/-
10.	Total emoluments admissible as on 1.1.1992	Rs.10,057.75
11.	Less basic pay fixed as per "9" above	Rs.9,400.00
12.	Personal pay granted at the time of fixation of pay as on 1.1.1992	Rs.657.75