

CHAPTER IV

WAGE POLICY & RELATED MATTERS

(b) Dearness Allowance/Interim Relief

DPE/Guidelines/IV(b)/1

Prior approval of the Government [BPE] before release of DA installments

During the early '70's Government had approved certain scales of pay for the Public Enterprises which were similar to those obtaining in the Central Government Departments. These companies had also been informed that DA in respect of their staff and executives would be regulated in accordance with the Central DA formula. Since 1978/79, when DA was made admissible to the senior officers in the Government drawing pay in excess of Rs. 2400/-, BPE has been apprising the Public Enterprises as to the extent to which DA and ADA could be paid by them in respect of their executives and other staff. In March, 1982 one-time ad-hoc DA was sanctioned to the Central Government employees vide Department of Expenditure's O.M. dated 26.3.1982. The said Department had also informed the BPE that the question as to the admissibility or otherwise of the orders contained in their O.M. dated 26.3.82 to the executives of the Public Enterprises is to be decided by the BPE. It was ultimately decided that one-time ad-hoc DA would not be admissible to the executives working in enterprises following the Central DA pattern. This decision was formally communicated to the administrative Ministries and the Public Enterprises vide BPE's O.M. dated 11.8.82 & 1.10.82. These have since been reiterated in our O.Ms dated 2.5.83 & 10.10.83.

2. It is noted that despite clear instructions about the non-admissibility of one-time ad-hoc DA, referred to above, the Public Enterprises have made payment to their executives without awaiting formal instructions on the subject. On inquiry, it has been revealed by these enterprises that they have acted in good faith on the advice given by the administrative Ministries which had earlier forwarded copies of the Department of Expenditure O.M. dated 26.3.1982 for information, guidance and necessary action. From a perusal of copies of the communications made available to the Bureau, it is noted that the orders of the Department of Expenditure are being circulated by the various administrative Ministries under the signature of a Section Officer in a very routine manner. As a result, many enterprises had paid the one-time ad-hoc DA which is clearly irregular and is to be recovered.

3. In order to avoid situations of the type referred to above, it will be appreciated if suitable instructions could be issued to the various sections under your administrative Ministry that they should await issue of formal instructions by the Bureau as to the extent of admissibility or otherwise of the DA and ADA to the employees of Public Enterprises following the Central DA pattern. The copies of the Department of Expenditure's O.M. issued by them on the subject should not, therefore, be circulated to the Public Enterprises even though they may be following the Central DA pattern.

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