

Government of Punjab
Department of Finance
(Finance Personnel-1 Branch)Dated, Chandigarh, the 19th June , 2012

To

All Heads of the Department,
Registrar, High Court of Punjab and Haryana,
District and Session Judges and
Deputy Commissioners in the State.

Subject: Payment of enhanced dearness allowance of Punjab Government employees and pensioners (from 58% to 65%) w.e.f. 01.01.2012.

Sir,

I am directed to refer to this department circular letter No. 3/2/97-1FP1/742, dated 24/10/2011 on the subject cited above and to convey that the Governor of Punjab is pleased to enhance the dearness allowance payable to Punjab Government employees and Pensioners from the existing rate of 58% to 65% of the revised basic pay w.e.f. 01.01.2012.

2. The whole amount on account of enhanced dearness allowance due for the period from 1.1.2012 to 30.6.2012 will be credited to the general provident fund account of the employees and shall be treated as additional subscription and interest thereon shall accrue from the first day of the month next to the month in which the amount is drawn and credited to the accounts of the employees. For the period from 01.7.2012 enhanced dearness allowance will be paid in cash.

3. In case of such employees who have been appointed on or after 1.1.2004 under the new restructured Defined Contributory Pension scheme as issued vide No:3/72/2003-3FPPC/7280, dated 12.12.2006 and have not yet opened their accounts under Tier-II of the scheme, the Departments are advised to purchase National Saving Certificates/Kisan Vikas patras from the post offices in the State of Punjab with the amount of arrears on account of enhanced Dearness Allowance in the names of such employees.

4. In case of employees joining Punjab Government Service on or after 1-1-2004 and covered under the New Defined Contribution Pension Scheme Issued vide No. 3/72/2003-3FPPC/7280, dated 12-12-2006 , ten percent (10%) of the arrears of Dearness Allowance is to be deducted under Tier-I as contribution towards New Defined Contribution Pension Scheme and remaining 90% is invested in National Saving Certificate/ Kisan Vikas Patra to be purchased from the Post offices in the State of Punjab in the names of such Employees.

5. In case of pensioners the entire amount on account of enhanced Dearness Allowance shall be paid in cash w.e.f. 01.1.2012.

Yours Faithfully,
Jashir Kaur