GOVERNMENT OF INDIA(BHARAT SARKAR)
MINISTRY OF TRANSPORT (PARIWAHAN MANTRALAYA)
DEPARTMENT OF RAILWAYS (RAIL VIBHAG)
(RAILWAY BOARD)

Machine No.
PC-IV/86/02/21/1

4/86

RBE/S.No.172/86

No.PC-IV-86/DA-1

New Delhi, dated 24th September, 1986.

The General Managers,
All Indian Railways, CLW, DLW, ICF, Metro Railway, Calcutta and
Wheel & Axle Plant, Bangalore.

The General Managers(Construction),
Northeast Frontier Railway, Maligaon and Southern Railway, Bangalore.

The Chief Administrative Officer(Construction),
Central Railway, Bombay.

The Director General, R.D.S.O., Lucknow.

The Officer on Special Duty,
Rail Coach Factory(Kapurthala), BMC Chowk, Mahay Market,
Jalandhar City (Punjab).

The Chairmen, Railway Recruitment Boards,
Allahabad, Bombay, Calcutta, Madras, Muzaffarpur, Secunderabad, Gauhati,
Bangalore, Patna, Trivandrum, Bhopal, Bhubaneswar, Chandigarh, Ajmer,
Ahmedabad, Jammu, Malda, Ranchi & Gorakhpur.

The Chief Administrative Officer(R), COFMOW, New Delhi.

The Additional General Manager, Central Organisation for Railway Electrification, Allahabad.

The Chief Project Managers, Railway Electrification,
Kota, Mathura, Vadodra, Nagpur & Ranchi.

The Chief Administrative Officer(R), M.T.P.(Railways), Delhi, Bombay &
Madras.

The Principal, I.R.I.S.E. & T., Secunderabad.

The Principal, I.R.I.A.T.T., Pune.

The Principal, I.R.I.M. & E.E., Jamalpur.

The Principal, Railway Staff College, Vadodra.

The Secretary, Railway Rates Tribunal, Madras -28.

The Railway Liaison Officer, New Delhi.

The Director(Movement) Railways, 17-N.S.Road, Calcutta.

The Joint Director, Rail Movement, Mughalsarai.

The Chief Administrative Officer(R), D.C.W., Patiala.

The Joint Director, Iron & Steel, 3- Koilaghat Street, Calcutta.

The Chief Project Administrator, Central Organisation for Operation
Information System, Delhi Safdarjung Railway Station, Chanakyapuri,
New Delhi-110021.

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Sub:- Recommendations of the Fourth Pay Commission - Decisions relating to grant of Dearness Allowance to Railway Employees.

...

In this connection attention is invited to the decisions of the Government on the recommendations of the Fourth Pay Commission relating to Dearness Allowance vide Serial No.4 of the Annexure to Ministry of Finance Resolution No.14(1)/IC/86 dated 13.9.1986(extract reproduced below) and to say that the President is pleased to decide that one instalment of Additional Dearness Allowance sanctioned and paid to Railway employees belonging to Groups B,C&D category and drawing pay upto Rs.1030/- in the pre-revised scales, with effect from 1.4.1986 vide para 1 of this Department's letter No.PC III/86/DA1 dated 27.6.1986 for the months of April, May and June, 1986 shall be adjusted against the arrears of pay on account of the revision of pay scales.

"COMPENSATION FOR PRICE RISE: Recommendations of the IVth Pay Commsn.	Decisions of Govt.
4(i) Till a new index is approved by Government, the All India Average Consumer Price Index Numbers for Industrial Workers(General)(Base 1960=100) may continue to be used for grant of compensation to employees for price rise.	Accepted subject to the modification that compensation fhr price rise would be paid from 1st July with salary for September and from 1st January with salary for March.
(ii) Compensation may be paid for the price increase above the 12 monthly index average of 608 (1960=100), to which the pay scales recommended are related.	Note: The instalment of Additional Dearness Allowance sanctioned from 1.4.1986 vide Ministry of Finance O.M.No.13017/1/86-E.II(B) dated 24.6.1986 and the amounts paid pursuant thereof for April, May & June, 1986, will be adjusted against the DA payable under revised formula/Arrears on account of revision of pay scales. "
(iii) Compensation may be sanctioned twice a year payable with the salary for March and September.	
(iv) The percentage increase in the 12 monthly average of the above index for the periods ending December and June each year over index average 608 may be taken in whole numbers only with fractions carried forward.	
(v) The rate of compensation to the employees over the basic pay at index average 608 may also be in whole numbers with fractions carried forward.	
(vi) Employees drawing basic pay upto Rs.3500/-may be allowed 100% neutralisation.	
(vii) The Compensation may continue to be shown as a distinct element of remuneration. (Chapter 13, paragraph 13.20)	

2. The one instalment of Additional Dearness Allowance paid/payable to categories of railway employees mentioned in para 1, for the months of July, August and September, 1986 in terms of para 1 of the letter dated 27.6.86 referred to above, shall be adjusted against the Dearness Allowance payable under the revised formula on the basis of the recommendations of the Pay Commission and the acceptance by the Govt. thereof, as and when orders for such payment of Dearness Allowance according to Revised Formula are issued by the Government.

3. The one instalment of Additional Dearness Allowance in terms of para 1 of the letter dated 27.6.86 shall continue to be paid until further orders to the categories of railway employees mentioned in para 1 from the month of October, 1986 onwards on the basis of their notional pay in the pre-revised scales. However, such payments shall be adjusted against the Dearness Allowance payable under the revised formula as and when orders for such payment of Dearness Allowance according to revised formula are issued by the Government.

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4. In the case of such of the categories of railway employees referred to in para 1, who opt for pay in pre-revised scales, the one instalment of Additional Dearness Allowance payable with effect from 1.4.1986 in terms of para 1 of the letter dated 27.6.1986, shall continue to be paid subject to adjustment against the payment of arrears of pay on account of revision, if any at a later date or dearness allowance payable under the revised formula as and when the orders for such payment of D.A. according to revised formula are issued.

5. Hindi version will follow.

(AWTAR SINGH)
Deputy Director, Pay Commission, Rly. Board.
New Delhi, dated 25th September, 1986.

No.PC-IV-86/DA/1
Copy (with 25 spares) forwarded to the ADAI, Railways, New Delhi.

For Financial Commissioner, Railways.

No.PC-IV-86/DA1 New Delhi, dated 24th September, 1986.

Copy forwarded to:-

1. The Financial Adviser & Chief Accounts Officers, All Indian Railways, CLW, DLW, ICF, Metro Railway, Calcutta, MTP(R)-Delhi, Bombay and Madras.
2. The Financial Adviser & Chief Accounts Officers,
   (i) Wheel & Axle Plant, Bangalore, and
   (ii) COFMOW, Railway Offices Complex, Tilak Bridge, New Delhi.
3. The Financial Adviser & Chief Accounts Officers (Construction), Northeast Frontier Railway, Maligaon and Southern Railway, Bangalore.
4. The Joint Director Finance, R.D.S.O., Lucknow.
5. The Pay & Accounts Officer, Department of Railways(Railway Board), New Delhi.
6. The General Secretary, IRCA, New Delhi for information.
7. The Commissioner, Railway Safety, Lucknow.

(AWTAR SINGH)
Deputy Director, Pay Commission,
Railway Board
New Delhi, dated 24th September, 1986.

DA: Nil.

No.PC-IV-86/DA-1

Copy (with 25 spares) forwarded to:-

1. The General Secretary, NFIR, 3- Chelmsford Road, New Delhi.
2. The General Secretary, AIRF, 4-State Entry Road, New Delhi.
3. All Members of the National Council, Department Council and Secretary, Staff Side, National Council, 13-C, Ferozeshah Road, New Delhi.

DA: Nil

For Secretary, Railway Board.

Copy to-

1. The Railway Board Class II Officers' Association, RailwBhawan, New Delhi.
2. The Indian Railways Class II Officers' Association, Rail Nilayan, Secunderabad.
3. The Secretary, Ministerial Staff Association, Railway Board.
4. The Secretary, Class IV Staff Association(Group'D'), Railway Board, Rail Bhawan, New Delhi.