

IMMEDIATE.

No. 12(14)-Est.(Spl.)/60,
GOVERNMENT OF INDIA,
Ministry of Finance,
(Department of Expenditure)

New Delhi, the 9th May, 1961.

OFFICE MEMORANDUM.

Subject:- WAIVER OF OVER-PAYMENTS AS A RESULT OF IMPLEMENTATION OF THE RECOMMENDATIONS OF THE PAY COMMISSION REGARDING THE REVISED SCALES OF PAY AND ALLOWANCES.

The undersigned is directed to say that the revised scales of pay and allowances introduced consequent on the recommendations of the Pay Commission have been given retrospective effect from the 1st July, 1959. The revised rates are on the whole beneficial to a vast majority of Government servants. If, as a measure of the rationalisation of pay and allowances, the revised scales are less favourable to any category of employees, they have been allowed the option to retain the existing scales of pay and dearness allowance. This option is, however, available only to persons who were in service on the 1st July, 1959 and in respect of posts held or which would have been held by them on that date, and not to those who have been appointed to other posts or recruited thereafter. Such persons have necessarily to be brought over to the revised scales, and this may result in reduction in pay in cases where the revised scales are less liberal than the 'existing scales'. Even in the case of other persons, including those who have not exercised the option admissible under the rules to retain the existing scales, the revised scales may be beneficial on the whole, but at certain points there may be a drop in emoluments and recovery may be due in respect of payments made on the old basis after the 1st July, 1959. Recovery may also become due on account of adjustment of leave salary on half pay or subsistence allowance, etc., already paid or drawn after the 1st July, 1959.

2. It has been represented that the recovery of over payments in the circumstances mentioned in paragraph 1 above would cause undue hardship. After careful consideration of all the factors, the President has been pleased to decide that the recovery of 'emoluments' which were overdrawn on or before the date of issue of the formal orders or notifications revising the scales of pay for the posts in question shall be waived. For the purpose of determining over-payments all the items mentioned in paragraph 3 below shall be taken as a whole, and only the recovery of net over-drawal, i.e., after adjusting the amount drawn in respect of all the items shall be waived. In cases where over-payments which would have been waived under these orders have already been recovered, the amounts so recovered should be refunded to the Government servant concerned after making necessary adjustments in respect of the over-payments, if any, made after the date on which the scale of pay was prescribed for the post.

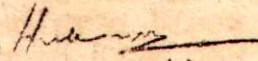
3. Emoluments for the purpose of paragraph 2 will include the following items:-

- i) Pay as defined in Fundamental Rule 9(21);
- ii) dearness allowance and dearness pay;
- iii) interim relief sanctioned with effect from 1st July, 1957
- iv) leave salary;
- v) subsistence allowance;
- vi) house rent allowance;
- vii) compensatory(city) allowance and compensatory (hill) allowance;
- viii) other miscellaneous allowances, and
- ix) deputation allowances.

Compulsory deductions on account of subscription to a Provident Fund will not be taken into consideration for the purpose of calculating over-payments.

4. The President is also pleased to decide that in the case of Government servants who are provided with Government accommodation, the recovery on account of arrears of house rent should be restricted to the net amount of arrears of emoluments payable to them in respect of the period from the 1st July, 1959 to the date of issue of the orders or notifications revising the scales of pay of the posts held by the individual concerned. For this purpose, arrears of emoluments will be determined with reference to the emoluments mentioned in paragraph 2 and 3 above. In cases where no arrears become payable, or where there is a drop in the total emoluments during the period in question, no arrears of house rent shall be recovered. If the arrears of house rent have already been recovered in such cases, refund thereof will be made in the manner indicated in paragraph 2 above.

5. In so far as persons serving in the Indian Audit and Accounts Department are concerned, these orders issue after consultation with the Comptroller and Auditor General of India.



(HOT CHAND)

Under Secretary to the Government of India.

To

All Ministries/Departments of the Government of India, etc.

No.F.12(14)-Est.(Spl.)/60.

Copy forwarded to the Comptroller and Auditor General and all offices under his control.

Copy forwarded to all State Governments and Administrations.

Copy (with 30 spare copies) forwarded to the Pay and Accounts Officer, Madras.

Copy (with a spare copy) forwarded to Shri B. Mehta, Chief Secretary to the Government of Rajasthan, Jaipur.



(Hot Chand)

Under Secretary to the Government of India.

Sethi/9.5.