

**Government of West Bengal**  
**Finance Department**  
**Pension Branch**  
**Writers' Building, Block -IV, 2nd floor, Kolkata - 1**

**Memorandum**

No. 371-F (Pen)

Dated, the 23rd April, 2007

*Sub: Extension of the benefit of the merger of D. A. equal to 50% of Basic Pay w.e.f. 01.04.2007 for computing pensionary benefits.*

Dearness Allowance equal to 50% of Basic Pay has already been merged with Basic Pay for the purpose of payment of Dearness Allowance only w.e.f. 01.04.07 in terms of Finance Department Memo No. 2415-F dt. 27.03.07.

Since D.A. equal to 50% of the Basic Pay is converted to Dearness Pay, a question arises whether this element, i.e. Dearness Pay will be considered for the purpose of computation of pension, Gratuity and Commutation of Pension.

After Careful consideration of the matter, the Governor, has now been pleased to decide that:

- i) the employee retiring on or after 01.04.07 his Dearness pay to the extent of 50% of Basic Pension will be converted to dearness Pension and in such cases, Dearness Relief will be computed on the Basic Pension and Dearness Pension taken together;
- ii) Such Pensioners (retiring on or after 01.04.07) will be entitled to Leave Salary and Gratuity on the basis of Basic Pay. Dearness Pay as extended in terms of Memo No. 2415-F dt. 27.03.07 and Dearness Allowance as has been allowed in terms of Memo No. 2416-F dt.27.03.07 or will be allowed from time to time;
- iii) for those pensioners (retiring on or after 01.04.07) commuted value of pension will be calculated on the basis of Basic Pension only. In this case, Dearness Pay as extended in terms of Memo No. 2415-F dt. 27.03.07 will not be taken into consideration.

Joint Secretary to the  
Government of West Bengal