

INDIAN RAILWAYS TECHNICAL SUPERVISORS ASSOCIATION

(Estd. 1965, Regd. No.1329) Website <http://irtsa.net>

C.Hq. 32, Phase 6, Mohali, Chandigarh-160055.

No:IRTSA/CHQ/Memo. 2021-1

Date:29.01.2021

Hon'ble Minister for Finance,
Government of India,
North Block, New Delhi-110001.

Respected Madam,

**Subject: Freezing of Dearness Allowance to Central Government employees and Dearness Relief to Central Government pensioners at the current rates till July 2021
– Appeal for review of decision;**

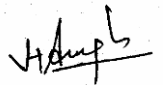
**Ref: 1) Ministry of Finance, Department of Expenditure OM No.1/1/2020-E-II (B), dated 23-04-2020.
2) Our earlier memorandum No:IRTSA/CHQ/Memo/2020-3, dated 30.04.2021.**

- 1) Indian Railways Technical Supervisors Association (IRTSA) is grateful for proper planning and execution of preventive measures to overcome the pandemic during major part of 2020 by Government of India & State Governments.
- 2) Central & State Governments are able to implement corona preventive measures seamlessly, keeping the Government machinery with full efficiency, more particularly implementation of major infrastructure improvement works, etc successfully because of untiring effort put up by Central & State Government employees.
- 3) Railwaymen are working on the forefront risking their lives to keep passenger, freight & parcel services operational for ensuring transport of passengers and uninterrupted supply of essential commodities across the country. Indian Railways have taken up many special tasks to fight against COVID-19 pandemic.
- 4) It is, however, very disheartening that the Government has decided to freeze rates of DA and DR and the same would not be revised upto July 2021; and that no arrears will be paid. This has adversely affected financial condition as well as morale of the employees.
- 5) IRTSA reiterates the following points and appeal for de-freezing of rates of DA and DR.
 - a) DA is a part of Pay, compensating for the erosion in the real value of the salary. DA can only be deducted either as a punitive measure or with the consent of the employees.
 - b) Total loss for employees and pensioners on account of freezing of DA and DR would be over 1.5 months of Pay & Pension and possibly even more than that.
 - c) Freezing the DA & DR proved to be counter-productive, as freezing of DA and DR has given further blow to the market as well as to the employees and the pensioners since the amount paid as DA and DR will actually flow out to the market.
 - d) Lower and middle class employees and pensioners are hard pressed to meet their liabilities due to heavy inflation which is bound to increase in the post-COVID-19 scenario especially in respect of cost of Medicines and household requirements.
 - e) Central Pay Commissions had recommended for revision of DA and DR every six months.
 - f) In its recommendations, vide Para 8.17.37, the 7th CPC continued the same formula of revision of DA and DR every 6 months from 1st January and 1st July. The recommendations of the 7th Pay Commission were accepted by the Union Cabinet. The same cannot be changed or taken away unilaterally through an executive order.
 - g) Fair Wages Committee recommended that, "It is clearly necessary for this country to continue to pay dearness allowance to neutralize wholly or atleast substantially the increase in the cost of living".
 - h) Payment of Salary/Pension and DA or DR thereon to an employee and Pensioner are not a matter of bounty. It is a vested right of an employee and a Pensioner to receive the salary and pension (Pension is a deferred wage as held by the Apex Court in DS Nakara's Case and Major General SPS Bain's case). DA and DR are part of Salary and Pension. It is also a statutory right as it flows from the Service Rules. Right to receive Salary and Pension every month is part of the service conditions emanating from Article 309 of the Constitution of India.

- i) In the case of State of MP Vs. Ranojirao Shinde [AIR (1968) SC 1053], it has been held that, right to asum of money is 'property'. In the decision in Deokinandan Prasad Vs. State of Bihar & Others [AIR1971 SC 1409], it has been held that, right to receive pension is a property and the same cannot betaken away or withheld by a mere executive order.
 - j) Freezing of Dearness Allowance and Dearness Relief is a blatant violation of the provision of Article 360 of the Constitution of India.
 - k) Article 300A of the Constitution of India, which confers a Constitutional Right to Property, includes within its purview, salary as a right to property and as a sequel thereof, it applies to Pension and the DA and DR thereon.
 - l) It is pertinent to mention that, neither Epidemic Diseases Act 1897 nor Disaster Management Act 2005 specify or confer any power upon any Government to defer the Salary or Allowances due to its Employees and Pensioners. DA and DR cannot be denied under any circumstances.
 - m) As per Settled Law, financial difficulty is not a ground for the Government to defer or freeze the Payment of Salary/Allowances or Pension by an executive order.
 - n) In the past,when funds were required for a National calamity like War, Floods or Cyclones etc., DA installments were deposited in the Provident Fund with the consent of the employees. It was never frozen as of now.
 - o) De-freezing of rates of DA and DR will incentivize consumer spending to help boosting of economy in post-COVID times.
- 6) As Covid Pandemic situation is under control and many economic indices shown good recovery including record GST collection of Rs.1.15 lakh crore in the month of December 2020, Government can de-freeze the rates of DA and DR to boost the morale of Government employees atleast in recognition of their selfless service during pandemic period.
- 7) It is, therefore, requested that, keeping in consideration all the above aspects, orders for freezing of Dearness Allowance and Dearness Relief may please be withdrawn and eligible arrears may please be paid from 01.01.2020.

Thanking you

Yours' faithfully,



HARCHANDAN SINGH,
General Secretary.

Copy for Information with a request to please consider and recommend our submissions:

- i) Hon'ble Minister for Railways, Rail Bhawan, New Delhi- 110001
- ii) Dr. Jitendra Singh, MOS PP&PG, North Block, New Delhi- 110001
- iii) Cabinet Secretary, South Block , New Delhi - 110001
- iv) Secretary Finance (Expenditure) North Block. New Delhi - 110001
- v) Leader JCM (Staff Side) & General Secretary/NFIR, 3,Chelms Ford Road, New Delhi-110055
- vi) Secretary JCM (Staff Side)& General Secretary/AIRF, 13-D Feroz Shah Road, New Delhi-110001.