

Cabinet approves increase in Dearness Allowance and Dearness Relief

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The Cabinet Committee chaired by the Hon'ble Prime Minister Shri Narendra Modi today has approved increase the Dearness Allowance to Central Government employees and Dearness Relief to pensioners with effect from 01.07.2021 to 28% representing an increase of 11% over the existing rate of 17% of the Basic Pay/Pension.

In view of the unprecedented situation which arose due to the COVID-19 pandemic, three additional instalments of Dearness Allowance (DA) to Central Government employees and Dearness Relief (DR) to pensioners, which were due from 01.01.2020, 01.07.2020 and 01.01.2021, had been frozen.

Now, the Government has decided to increase the Dearness Allowance to Central Government employees and Dearness Relief to pensioners with effect from 01.07.2021 to 28% representing an increase of 11% over the existing rate of 17% of the Basic Pay/Pension. The increase reflects the additional instalments arising on 01.01.2020, 01.07.2020 and 01.01.2021. The rate of Dearness Allowance/Dearness Relief for the period 01.01.2020 to 30.06.2021 shall remain at 17%

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