

No. 1/1/2020-E-II (B)
Government of India
Ministry of Finance
Department of Expenditure

North Block, New Delhi
Dated the 20th July, 2021

OFFICE MEMORANDUM

Subject: Revised rates of Dearness Allowance to Central Government employees w.e.f. 01.07.2021.

The undersigned is directed to refer to this Ministry's Office Memorandum No. 1/1/2020-E-II (B) dated 23.04.2020 vide which instalments of Dearness Allowance to Central Government employees due from 01.01.2020, 01.07.2020 and 01.01.2021, were frozen and to say that the President is pleased to decide that the Dearness Allowance payable to Central Government employees shall be enhanced from the existing rate of **17% to 28%** of the basic pay **with effect from 1st July, 2021**. The increase subsumes the additional instalments arising on 01.01.2020, 01.07.2020 and 01.01.2021. The rate of Dearness Allowance for the period from 01.01.2020 till 30.06.2021 shall remain at 17%.


2. The term 'basic pay' in the revised pay structure means the pay drawn in the prescribed Level in the Pay Matrix as per 7th CPC recommendations accepted by the Government, but does not include any other type of pay like special pay, etc.

3. The Dearness Allowance will continue to be a distinct element of remuneration and will not be treated as pay within the ambit of FR 9(21).

4. The payment on account of Dearness Allowance involving fractions of 50 paise and above may be rounded to the next higher rupee and the fractions of less than 50 paise may be ignored.

5. These orders shall also apply to the civilian employees paid from the Defence Services Estimates and the expenditure will be chargeable to the relevant head of the Defence Services Estimates. In respect of Armed Forces personnel and Railway employees, separate orders will be issued by the Ministry of Defence and Ministry of Railways, respectively.

6. In their application to the persons belonging to Indian Audit and Accounts Department, these orders are issued under Article 148(5) of the Constitution and after consultation with the Comptroller & Auditor General of India.



(Annie George Mathew)
Additional Secretary to the Government of India

To

All Ministries/Departments of the Government of India (as per standard distribution list).

Copy to: C&AG, UPSC, etc. as per standard endorsement list.