

**Press Information Bureau
Government of India
Ministry of Finance**

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Release of additional instalment of Dearness Allowance and Dearness Relief

The Union Cabinet today gave its approval to release an additional instalment of Dearness Allowance (DA) to central government employees and Dearness Relief (DR) to pensioners w.e.f 1.1.2012 representing an increase of 7% over the existing rate of 58% of the Basic Pay/Pension, to compensate for price rise. The increase is in accordance with the accepted formula, which is based on the recommendations of the 6th Central Pay Commission. The combined impact on the exchequer on account of both dearness allowance and dearness relief would be of the order of Rs.7474.53 crore per annum and Rs.8720.32 crore in the financial year 2012-13 (i.e. for a period of 14 months from January, 2012 to February, 2013).

SH/SK