

Expected rise in DA(Dearness Allowance) 8%
- Raising Dearness Allowance to 35% from January, 2010

Calculation based on All India Consumer Price Index Number for Industrial Workers (CPI-IW) on base 2001=100

For all the Central Government Employees there would be a rise in DA (Dearness Allowance) to 8%, which would result in the overall rise to 35% from 1.1.2010.

HOW IS DEARNESS ALLOWANCE CALCULATED?

Every month government has announced All India Consumer Price Index, according to the price of commodities. For example, for the month of October 2009, government has published in PIB Website as given below...

All India Consumer Price Index Number for Industrial Workers (CPI-IW) on base 2001=100 for the month of October, 2009 increased by 2 points and stood at 165 (one hundred and sixtyfive).

With effect from 01.01.2006, Dearness allowance is granted to compensate the price increase above 536 points Base Year 1982=100),(115.763 points Base Year 2001=100).

Calculate the total of twelve month average price index

Calculate the twelve month average price index

Minus with 115.76

Calculate the percentage difference (multiple with 100 / 115.76)

Taken in whole number only (fraction ignored)

M & Y	B.Y.2001=100	12 M.Tot	12 M.Ave	%Inc.	App.DA	DA %
JUN-08	140	1623	135.25	19.49	16.84	16
JUL-08	143	1634	136.17	20.41	17.63	17
AUG-08	145	1646	137.17	21.41	18.49	18
SEP-08	146	1659	138.25	22.49	19.43	19
OCT-08	148	1673	139.42	23.66	20.44	20
NOV-08	148	1987	140.58	24.82	21.44	21
DEC-08	147	1700	141.67	25.91	22.38	22
JAN-09	148	1714	142.83	27.07	23.39	23
FEB-09	148	1727	143.92	28.16	24.32	24
MAR-09	148	1738	144.83	29.07	25.11	25
APR-09	150	1750	145.83	30.07	25.98	25
MAY-09	151	1792	146.83	31.07	26.84	26
JUN-09	153	1775	147.92	32.16	27.78	27
JUL-09	160	1792	149.33	33.57	29.00	29
AUG-09	162	1809	150.75	34.99	30.23	30
SEP-09	163	1826	152.17	36.41	31.45	31
OCT-09	165	1843	153.58	37.82	32.67	32
NOV-09	-	-	-	-	-	-
DEC-09	-	-	-	-	-	-