


North Block, New Delhi
Dated the 30th March, 2017.

OFFICE MEMORANDUM

Subject: Grant of Dearness Allowance to Central Government employees - Revised Rates effective from 1.1.2017.

The undersigned is directed to refer to this Ministry's Office Memorandum No. 1/2/2016-E-II (B) dated 4th November, 2016 on the subject mentioned above 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 2% to 4% of the basic pay with effect from 1st January, 2017.

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. The payment of arrears of Dearness Allowance shall not be made before the date of disbursement of salary of March, 2017.
6. 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.
7. In so far as the employees working in the Indian Audit and Accounts Department are concerned, these orders are issued with the concurrence of the Comptroller and Auditor General of India.


30/03/2017
(Nirjala Dev)

Deputy 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.