

No.1/(5)/2005-E-II(B)/746
Government of India
Ministry of Finance
Department of Expenditure

New Delhi, the 7th October, 2005

OFFICE MEMORANDUM

Subject: Payment of Dearness Allowances to Central Government employees -
Revised rate effective from 01.07.2005.

The undersigned is directed to refer to this Ministry's Office Memorandum No. 1(1)/2005 – E-II (B)/263 dated 31st March, 2005 on the subject mentioned above and to state 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 21% with effect from 1st July, 2005.

2. The provisions contained in Paras. 3, 4 and 5 of this Ministry's O.M. No. 1(13)/97-E. II(B), dated 3.10.1997 shall continue to be applicable while regulating Dearness Allowance under these orders. However, with effect from 1.4.2004, Dearness Allowance will be computed on the basis of Basic Pay, Dearness Pay, Stagnation Increment and NPA. Provisions contained in Para 3 of this Ministry's O.M. No. 1(13)/97-E.II (B), dated 3.10.1997 therefore stand amended to this extent.

3. The additional installment of Dearness Allowance payable under these orders shall be paid in cash to all Central Government employees.

4. 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 regard to Armed Forces Personnel and Railway employees, separate orders will be issued by the Ministry of Defence and Ministry of Railways, respectively.

5. In so far as the persons serving in the Indian Audit and Accounts Department are concerned, these orders issue after consultation with the Comptroller and Auditor General of India.

Sd/-

(N.P. Singh)

Under Secretary to the Government of India

To

All Ministries/Departments to the Government of India as per standard distribution list etc.

Copy (with usual number of spare copies) to C&AG, UPSC etc., as per standard list.