

Cabinet approves additional instalment of three per cent Dearness Allowance to Central Government employees and Dearness Relief to Pensioners

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The Union Cabinet chaired by the Prime Minister Shri Narendra Modi today has approved to release an additional instalment of Dearness Allowance (DA) to Central Government employees and Dearness Relief (DR) to pensioners w.e.f 01.07.2025 representing an increase of 3% over the existing rate of 55% of the Basic Pay/Pension, to compensate against price rise.

The combined impact on the exchequer on account of increase in both Dearness Allowance and Dearness Relief would be Rs.10083.96 crore per annum. This will benefit about 49.19 lakh Central Government employees and 68.72 lakh pensioners.

This increase is in accordance with the accepted formula, which is based on the recommendations of the 7th Central Pay Commission.

MJPS/SKS

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