

No.1 (3)/2008-E-II(B)
Government of India
Ministry of Finance
Department of Expenditure

New Delhi, the 29 August, 2008

OFFICE MEMORANDUM

Subject: - Recommendations of the Sixth Central Pay Commission-Decision of Government relating to grant of Dearness Allowance to Central Government servants-Revised rates effective from 1.1.2006, 1.7.2006, 1.1.2007, 1.7.2007, 1.1.2008 and 1.7.2008

The undersigned is directed to say that consequent upon the decisions taken by the Government on the recommendations of the Sixth Central Pay Commission relating to Dearness Allowance, the President is pleased to decide that the Dearness Allowance admissible to all categories of Central Government employees shall be admissible from the dates mentioned below at the following rates:-

Date from which payable	Rate of Dearness Allowance per mensem
From 1.1.2006	No Dearness Allowance
From 1.7.2006	2% of basic pay + NPA, where applicable
From 1.1.2007	6% of basic pay + NPA, where applicable
From 1.7.2007	9% of basic pay + NPA, where applicable
From 1.1.2008	12% of basic pay + NPA, where applicable
From 1.7.2008	16% of basic pay + NPA, where applicable

2. The payment of Dearness Allowance under these orders from the dates indicated above shall be made after adjusting the instalments of Dearness Allowance already sanctioned and paid to Central Government employees w.e.f. 1.1.2006 vide OM No.1(2)/2006-E-II(B)/166 dated 29.3.2006, 1.7.2006 vide OM No. 1(13)/2006-E-II(B)/523 dated 11.9.2006, 1.1.2007 vide OM No.1(2)/2007-E.II(B)/64 dated 22.3.2007, 1.7.2007 vide OM No.1(8)/2007-E-II(B)/212 dated 11.9.2007 and 1.1.2008 vide OM No.1(1)/2008-E-II(B) dated 17.3.2008.
3. The term 'basic pay' in the revised pay structure means the pay drawn in the prescribed pay band plus the applicable grade pay but does not include any other type of pay like special pay, etc. In the case of Government servants in the pay scales of HAG+, apex scale and the Cabinet Secretary's scale, basic pay means the pay in the prescribed scale. For the purpose of calculation of dearness allowance, non-practising allowance, where applicable, shall be taken into account as at present.
4. 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).
5. The payment on account of Dearness Allowance involving fractions of 50 paise and above may be rounded off to the next higher rupee and the fractions of less than 50 paise may be ignored.
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 regard to 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 persons serving in the Indian Audit and Accounts Department are concerned, these orders issue in consultation with the Comptroller and Auditor General of India.
8. Hindi version will follow.

Madhulika Prasad

(Madhulika P. Sukul)
Joint Secretary to the Govt. of India

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