

# Cabinet approves release of an additional instalment of Dearness Allowance to Central Government employees and Dearness Relief to Pensioners, due from 01.01.2023

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The Union Cabinet chaired by the Prime Minister, Shri Narendra Modi, today has given its approval to release an additional instalment of Dearness Allowance to Central Governments employees and Dearness Relief to Pensioners with effect from 01.01.2023. The additional instalment will represent an increase of 4% over the existing rate of 38% of the Basic Pay/Pension, to compensate against price rise.

The combine impact on the exchequer on account of both Dearness Allowance and Dearness Relief would be Rs.12,815.60 crore per annum.

This will benefit about 47.58 lakh Central Governments employees and 69.76 lakh pensioners.

This increase is in accordance with the accepted formular which is based on the recommendations of the 7<sup>th</sup> Central Pay Commission.

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