No. 1(2)/2004/D(Pay/Services)
Government of India
Ministry of Defence

New Delhi, the 18th September, 2018

To

The Chief of the Army Staff
The Chief of the Air Staff
The Chief of Naval Staff

Subject: Payment of Dearness Allowance to Armed Forces Officers and Personnel Below Officer Rank including NCs(E) – Revised rates effective from 01.07. 2018.

Sir,

I am directed to refer to this Ministry's letter No. 1(2)/2004-D(Pay/Services) dated 28th March 2018, on the subject cited above and to say that the President is pleased to decide that the Dearness Allowance payable to Armed Forces Officers and Personnel Below Officer Rank, including Non-Combatants (Enrolled), shall be enhanced from the existing rate of 7% to 9% with effect from 01.07. 2018.

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 Pay rules of Defence Force Personnel.

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. This letter issues with the concurrence of Finance Division of this Ministry vide their Dy. No. 257-PA dated 17.09.2018 based on Ministry of Finance (Department of Expenditure) O.M. No. 1/2/2018-E.II(B), dated 7th September 2018.

Yours faithfully,

(Arun Kumar)
Under Secretary to the Government of India

Distribution: As per standard list attached.

Copy to: D(IT) for uploading on the website of Ministry of Defence.