

Expected rise in DA(Dearness Allowance) 8%
- Raising Dearness Allowance to 35% from January, 2010

Calculation based on All India Consumer Price Index Number for Industrial Workers (CPI-IW) on base 2001=100

For all the Central Government Employees there would be a rise in DA (Dearness Allowance) to 8%, which would result in the overall rise to 35% from 1.1.2010.

HOW IS DEARNESS ALLOWANCE CALCULATED?

Every month government has announced All India Consumer Price Index, according to the price of commodities. For example, for the month of October 2009, government has published in PIB Website as given below...

All India Consumer Price Index Number for Industrial Workers (CPI-IW) on base 2001=100 for the month of October, 2009 increased by 2 points and stood at 165 (one hundred and sixtyfive).

With effect from 01.01.2006, Dearness allowance is granted to compensate the price increase above 536 points Base Year 1982=100), (115.763 points Base Year 2001=100).

Calculate the total of twelve month average price index

Calculate the twelve month average price index

Minus with 115.76

Calculate the percentage difference (multiple with 100 / 115.76)

Taken in whole number only (fraction ignored)

| M & Y | B.Y.2001=100 | 12 M.Tot | 12 M.Ave | %Inc. | App.DA | DA % |
|--------|--------------|----------|----------|-------|--------|------|
| JUN-08 | 140 | 1623 | 135.25 | 19.49 | 16.84 | 16 |
| JUL-08 | 143 | 1634 | 136.17 | 20.41 | 17.63 | 17 |
| AUG-08 | 145 | 1646 | 137.17 | 21.41 | 18.49 | 18 |
| SEP-08 | 146 | 1659 | 138.25 | 22.49 | 19.43 | 19 |
| OCT-08 | 148 | 1673 | 139.42 | 23.66 | 20.44 | 20 |
| NOV-08 | 148 | 1987 | 140.58 | 24.82 | 21.44 | 21 |
| DEC-08 | 147 | 1700 | 141.67 | 25.91 | 22.38 | 22 |
| JAN-09 | 148 | 1714 | 142.83 | 27.07 | 23.39 | 23 |
| FEB-09 | 148 | 1727 | 143.92 | 28.16 | 24.32 | 24 |
| MAR-09 | 148 | 1738 | 144.83 | 29.07 | 25.11 | 25 |
| APR-09 | 150 | 1750 | 145.83 | 30.07 | 25.98 | 25 |
| MAY-09 | 151 | 1792 | 146.83 | 31.07 | 26.84 | 26 |
| JUN-09 | 153 | 1775 | 147.92 | 32.16 | 27.78 | 27 |
| JUL-09 | 160 | 1792 | 149.33 | 33.57 | 29.00 | 29 |
| AUG-09 | 162 | 1809 | 150.75 | 34.99 | 30.23 | 30 |
| SEP-09 | 163 | 1826 | 152.17 | 36.41 | 31.45 | 31 |
| OCT-09 | 165 | 1843 | 153.58 | 37.82 | 32.67 | 32 |
| NOV-09 | - | - | - | - | - | - |
| DEC-09 | - | - | - | - | - | - |