

Government of India
Ministry of Finance
Department of Expenditure

Lok Sabha

Un-Starred Question No 3638
To be answered on Monday, 11th August, 2025
Sravana 20, 1947 (Saka)

DA Arrears for Central Government Employees during COVID-19

3638. Shri Anand Bhadauria :

Will the Minister of FINANCE be pleased to state :

- (a) whether the decision to freeze 18 months dearness allowance and dearness relief for Central Government employees and pensioners during COVID-19 were taken due to economic disruption and to ease pressure on Government finances;
- (b) if so, whether fiscal condition of the Government is still under pressure and is on the verge of bankruptcy;
- (c) if so, the details thereof and the reasons for failure of the Government to keep the robust fiscal condition of the country upto the mark which it inherited in legacy in 2014; and
- (d) if not, the time by which the Government would release the arrears of 18 months DA/DR?

Answer

**Minister of State in the Ministry of Finance
(Shri Pankaj Chaudhary)**

- (a) The decision to freeze three instalments of Dearness Allowance (DA) / Dearness Relief (DR) to Central Government employees / pensioners due from 01.01.2020, 01.07.2020 & 01.01.2021 was taken in the context of COVID-19, which caused economic disruption, so as to ease pressure on Government finances.
- (b)& (c) The fiscal deficit of the Government of India has narrowed from 9.2 per cent in the Financial Year (FY) 2020-21 to 4.4 per cent in the FY 2025-26 (Budget Estimates).
- (d) The adverse financial impact of pandemic in 2020 and the financing of welfare measures taken by the Government had a fiscal spill over beyond FY 2020-21. Therefore, arrears of DA/DR were not considered feasible.
