

CHAPTER IV **WAGE POLICY & RELATED MATTERS**

(c) Allowances & Perquisites

**1. DPE/Guidelines/IV(c)/1
High Power Pay Committee—Implementation of its recommendations—payment of House Rent Allowance to the employees posted at Shillong (Meghalaya).**

The undersigned is directed to refer to the Department of Public Enterprises OM of even number dated 12.6.90, on the above subject. In paragraph 9.1.2 thereof, the rates at which HRA could be paid by the PSEs following CDA pattern had been indicated. The HPPC in paragraph 11.15 of their Report had, inter-alia, recommended that DPE may review the orders contained in their OM No. 1(3)/83-BPE(WC) dated 1.7.83 taking into account the proposed revised scales of pay of CDA employees and the future pay scales of IDA employees after revision due in 1987 completed. In pursuance of these recommendations, the matter was reviewed in the Govt. and appropriate orders were issued by the DPE vide its OM No. 2(8)/91-DPE(WC) dated 3.3.92, wherein parameters for regulating payment of HRA to the employees of Central PSEs, both under the CDA pattern as well as under the IDA pattern, had been spelt out. In accordance with these orders, employees of the PSEs posted at Shillong are entitled to payment of HRA at the rate of 10% of basic pay as Shillong has been classified as 'C' class city.

2. Representations have, however, been received from the Administrative Ministries as well as some of the Central PSEs whose offices are located at Shillong, where it has been pointed out that even in respect of Central Govt. employees posted at Shillong, HRA is being paid to the Government servants at the rates applicable to 'A', 'B1' and 'B2' class cities and they, therefore, requested that the employees of the PSEs should also be entitled for payment of HRA at rates not less than the amount admissible to Government servants who are posted at Shillong.

3. The matter has been carefully examined in this Department. In this context, it is relevant to note that in the PSEs, HRA is paid at a specific percentage of the basic pay admissible with reference to the classification of the cities. However, due to the special treatment having already been given to Shillong by the Govt. and the hardship faced by the PSEs employees, it has been decided that the Central PSEs, both following CDA pattern as well as IDA pattern, could regulate payment of HRA to their employees posted at Shillong (Meghalaya), as per details given in the following table:—

Employees who were on CDA pattern as on 1.1.86 and upto 31.12.1988 and continue to draw salary on CDA pattern as personal to them under Supreme Court orders dated 3.5.1990		Employees who are on IDA pattern, including the employees who have been appointed, promoted or absorbed on or after 1.1.89 even in PSEs which followed CDA pattern	
Rupees per month			
Basic pay range	HRA	Basic pay range	HRA
Rs. 750 - 949	150	Upto Rs.1350/-	150

Rs.950 - 1499	250	Rs.1351 & above but below Rs.2000/-	250
Rs.1500 - 2799	450	Rs.2000 & above but below Rs. 3500/-	450
Rs.2800 - 3599	600	Rs.3500 & above but below Rs. 4500/-	600
Rs. 3600 - 4499	800	Rs. 4500 & above but below Rs.6000/-	800
Rs. 4500 & above	1000	Rs. 6000 & above	1000

4.1 The effective date for payment of HRA at the above noted rates for the employees posted at Shillong and who were granted CDA pattern as personal to them under Supreme Court orders dated 3.5.90 would be 1.12.1988. This would be in partial modification of the instructions contained in sub-paragraph (ii) of paragraph 9.1.2 on payment of HRA contained in the DPE's OM of even number dated 12.6.1990. For the period between 1.1.1986 and 30.11.1988, HRA was to be regulated by the PSEs to these employees as per the instructions contained in sub-paragraph (ii) of paragraph 9.1.2 of the DPEs OM dated 12.6.1990.

4.2 In respect of the employees and executives whose scales of pay have been revised by the Government under the 4th round of the wage negotiations and the DPE's orders dated 4.4.90 and who have been or are on IDA pattern and are posted at Shillong, Public Sector Enterprises could regulate HRA as per the rates indicated in column (ii) of the above table. The effective date in their case would be 1.1.1987. These orders supersede the instructions contained in sub-paragraph (i) of paragraph 4 of the DPE's OM No. 2(8)/91-DPE (WC) dated 3.3.1992.

5. All Administrative Ministries/Departments of the Government of India are requested to bring the foregoing to the notice of the Public Enterprises under their administrative control for their information and necessary action.

(DPE O.M. NO. 2(43)/90-DPE(WC) dated 2nd January, 1995)
