CHAPTER IV
WAGE POLICY & RELATED MATTERS

(c) Allowances & Perquisites

2. Payment of HRA to the employees of Central PSEs.

It has been brought to the notice of this Deptt, that some of the PSEs are not following the rules/instructions issued by the Government regarding the payment of HRA to their employees. In this connection the attention of all concerned is invited to DPE's OM No.2(8)/91-DPE(WC) dated 3.3.1992 and OM No.2(50)/86-DPE(WC) dated 19th July, 1995 vide which it was clarified to the PSUs the rates of HRA that could be paid to their employees i.e. workers and executives depending on the station of posting. These rates are again being indicated below for ready reference.

Delhi, Bombay (now Mumbai): 30% of basic pay

Other ‘A’ Class Cities: 25% of basic pay

B1, B2 class Cities: 15% of basic pay

‘C’ Class & other unclassified cities: 10% of basic pay

2. 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 compliance.

(DPE O.M. No. M-13/93-DPE(WC) dated 1st October, 1996)

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