

CHAPTER IV

WAGE POLICY & RELATED MATTERS

(c) Allowances & Perquisites

**3. DPE/Guidelines/IV(c)/3
Pay revision of the Central Public Sector employees following CDA pattern in 69 PSEs—Classification of Calcutta and Chennai cities 'A-I' Class for the purpose of grant of HRA and grant of Leased Accommodation regarding.**

The Department of Public Enterprises vide its OM of even number dated 24th October, 1997 and 4th March, 1998 had communicated the decision of the Govt. on pay revision of the public sector employees following CDA pattern along with Dearness Allowance, City Compensatory Allowance, Transport Allowance, etc. consequent to the implementation of the recommendation of Fifth Pay Commission for Central Govt. employees.

The Govt. have now decided that the principal Metropolitan Cities of Calcutta and Chennai will be classified as 'A-I' Class cities for the purpose of grant of HRA to the Central Public Sector employees following CDA pattern, in pursuance of Ministry of Finance, Deptt. of Expenditure OM No.2(30)/97 EII(B) dated 18th May, 1998. A copy of the Ministry of Finance OM is enclosed for ready reference.

It has also been decided by the Government to revise the limit on rental ceilings for leased accommodation in respect of key-officials of the Central Public Sector Enterprises following CDA pattern in 69 PSEs. The details are given at Annexure-II.

All administrative Ministries/Departments of the Government of India are requested to bring the foregoing to the notice of public sector enterprises, under their administrative control, who are following CDA pattern for their information and necessary action.

(DPE OM No. 2(42)/97-DPE(WC) dated 20th July, 1998)

ANNEXURE – I

Copy of Department of Expenditure's O.M. No.2(30)/97-E.II(B) dated 18.5.98 regarding Classification of Calcutta and Chennai cities as 'A-1' class for the purpose of grant of House Rent Allowance to Central Government employees.

The undersigned is directed to refer to this Ministry's OM of even number dated 3rd October, 1997 regarding classification of various cities/towns for the purpose of HRA/CCA as per the recommendations of the Fifth Central Pay Commission (Vth CPC). Based on the population criteria recommended by the Fifth CPC, two principal metropolitan cities of Delhi and Mumbai have been classified as 'A-1', whereas the other two principal metropolitan cities of Calcutta and Chennai were classified as 'A' for the purpose of grant of HRA.

2. A number of representations have been received from different quarters urging restoration of parity between the principal metropolitan cities of Delhi, Mumbai, Calcutta and Chennai in the matter of HRA. The matter has been considered and the President is now pleased to decide that, in partial modification of the above mentioned O.M. dated 3rd October, 1997, the principal metropolitan cities of Calcutta and Chennai will be classified as 'A-1' class cities for the purpose of grant of HRA to the Central Government employees.

3. All other conditions governing grant of HRA under existing orders shall continue to apply.

4. These orders shall be effective from the date of issue of this Office Memorandum.

5. These orders will apply to all civilian employees of the Central Government. The orders will also be applicable to the civilian employees paid from the Defence Services Estimates. In regard to Armed Forces personnel and Railway employees, separate orders will be issued by the Ministry of Defence and Ministry of Railways, respectively.

6. In so far as the persons serving in the Indian Audit and Accounts Department are concerned, these orders issue in consultation with the Comptroller and Auditor General of India.

ANNEXURE – II

CEILING FOR LEASED ACCOMODATION FOR KEY-EXECUTIVES HOLDING POSTS BELOW THE BOARD LEVEL IN CENTRAL PSEs FOLLOWING CDA PATTERN WHICH IS PERSONAL TO THEM

Pay Scale	Plinth Area	Delhi, Bombay, Calcutta & Chennai (A-1)	"A" Class cities, B-1 & B-2	"C" class cities
18400-22400	1500	8960	5600	3920
16400-20000	1200	8000	5000	3500
14300-18300	1200	7320	4575	3200

Rent Recovery of Leased Accomodation:

As per paragraph X to XII of OM No.2(8)/91-DPE(WC) dated 3rd March, 1992.

A-1 (Delhi, Bombay), 'A' Class cities, B-1, B-2 and 'C' Class cities—w.e.f. 1.8.1997.

Calcutta, Chennai – w.e.f. 18.5.1998.