

F.No. 2(46)/2012-DPE (WC) -GL-I/2013
Government of India
Ministry of Heavy Industries & Public Enterprises
Department of Public Enterprises

Public Enterprises Bhawan
Block 14, CGO Complex,
Lodi Road, New Delhi-110003
Dated : 07th January, 2013

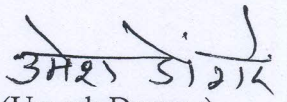
OFFICE MEMORANDUM

Subject:- Issue of HRA in respect of employees of Central Public Sector Enterprises (CPSEs) under 2007 pay scales

The undersigned is directed to refer to Para '7' of DPE O.M. dated 26.11.2008, which provides for the rates of HRA (based on population of a city) to the employees of CPSEs under 2007 pay scales. In this regard para '2' (iii) of DPE O.M. dated 02.04.2009 may also be referred to. The criteria for determining admissibility of, and for calculating HRA is clearly laid down in above said DPE O.Ms. However, as CPSEs and their administrative Ministries/Departments frequently seek clarifications on the issue of classification of cities and the rates of HRA applicable to them, it is clarified that:-

The Department of Expenditure O.M. dated 29.08.2008 relating to grant of HRA to Central Government employees is based on classification of cities/towns as 'X', 'Y' & 'Z', where 'X' stands for cities with population of 50 lakhs and above, 'Y' stands for cities with population of 5 to 50 lakhs, and 'Z' stands for places with population less than 5 lakh. HRA is calculated @ 30%, 20% and 10% of basic pay of individual employees for each of the three categories of cities/towns respectively. The same criteria of classification of cities/towns is also applicable to the employees of CPSEs for admissibility of HRA. The criteria of rates of HRA will be the same for all employees of CPSEs (following 2007 pay scales) posted in a city/town covered under a particular classification, as provided for in DoE O.M. dated 29.08.2008 read with subsequent amendments, and as further extended by DPE to the employees of CPSEs.

2. This issues with the approval of Minister (HI & PE).


(Umesh Dongre)
Director

To
All the administrative Ministries/Departments of the Government of India (Secretary by name)

Copy to:

1. Chief Executives of Central Public Sector Enterprises.
2. Financial Advisers in the Administrative Ministries/ Departments.
3. Department of Expenditure, E-II Branch, North Block, New Delhi
4. The Comptroller & Auditor General of India, 9, Deen Dayal Upadhayay Marg, New Delhi
5. NIC, DPE with the request to upload this OM on to the DPE website.
(guidelines/chapter IV)/wage policy/(c) allowances and perquisites)