

No. 10(55)/98/D(Q&C)
Government of India
Ministry of Defence

New Delhi, the 18th November, 2008

To

The Chief of the Army Staff
The Chief of the Naval Staff
The Chief of the Air Staff

Subject : **EXTENSION OF HOUSE RENT ALLOWANCE
TO PERSONNEL BELOW OFFICER RANK**

Sir,

I am directed to say that consequent upon the decision taken by the Government on the recommendations of Sixth Pay Commission, the President is pleased to sanction House Rent Allowance (HRA) to Armed Forces Personnel below Officer Rank. A PBOR will have the option to claim Compensation In Lieu of Quarter (CILQ) or HRA, whichever is more beneficial, when not provided with rent free accommodation while being entitled to the same as per existing rules on the subject. The classification of cities and towns will be as notified in GoI, MoF (Deptt of Expenditure) O.M. No. 2 (13)/2008-E.II (B) dated 29th August, 2008 for HRA on the civil side.

2. The payment of HRA in lieu of CILQ will be regulated in the following manner:-

(a) The classification of cities shall be as applicable to civilian employees. In determining the revised classification, the population of Urban Agglomeration area of the city has been taken into consideration. Accordingly, the rates of House Rent Allowance shall be as under:-

Classification of Cities/Towns	Rate of House Rent Allowance as a percentage of (Pay in the Pay Band+Grade Pay+MSP)
X (Earlier as A-1)	30%
Y (Earlier as A, B-1 & B-2)	20%
Z (Earlier as C & Unclassified)	10%

(b) The term "basic pay" in the revised pay structure means the pay drawn in the prescribed pay band plus the applicable grade pay, and Military Service Pay but does not include any other type of pay like special pay, etc.

(c) HRA shall be payable to PBOR who are borne on the Authorised Married Establishment of the Unit/Establishment/Station.

(d) In respect of those PBOR who opt to retain their pre-revised scales of pay, the pay for the purpose of these orders shall also include, in addition to the basic pay in the applicable pre-revised scales, Stagnation Increment(s), Dearness Pay as per orders in force on 1.1.2006.

(e) The list of cities/towns classified as "X", "Y" and "Z" for the purpose of grant of House Rent Allowance is enclosed as Annexure 'A' to these orders. The list of cities/towns classified as X, Y & Z for the purpose of HRA will be on the basis of classification issued by the Ministry of Finance for employees on civil side. However, due to inclusion of Navi Mumbai within the UA of Greater Mumbai as per 2001 census, placement of existing 'C' class cities/towns as well as Unclassified places under new category "Z", abolition of CCA and upgradation of Jammu, Kolkata & Chennai on account of inclusion of UA, the special dispensation shall continue to be extended only to the following cities:-

(i) Faridabad, Ghaziabad, NOIDA and Gurgaon at "X" class city rates.

(ii) Jalandhar Cantt, Shillong, Goa & Port Blair at "Y" class city rates.

(f) PBOR whose place of duty falls within the qualifying limits of a city or within contiguous and urban agglomeration of that shall be eligible for HRA irrespective of whether his place of residence is within such limit or outside.

(g) The allowance is not admissible if PBOR or their family has been allotted any type of married accommodation, such as regular Married Accommodation, Separated Family Accommodation (SFA), Hired Married Accommodation, married accommodation on rent re-imbursement basis including own accommodation.

(h) HRA will be governed by the place of posting of the PBOR including Non-Military Station. However, in respect of PBORs posted to Ops/field area/modified field area, HRA may be allowed at the rates applicable at last duty station/separated family station/selected place of residence (SPR) provided the PBOR has not been allotted separated family (SF) accommodation. HRA will cease to be drawn from the date from which an accommodation has been allotted for the family of the PBOR. HRA for the family at the rate applicable for selected place of residence, if otherwise admissible may be allowed if the family actually resides at that place and the factual position is verified periodically by the competent authority and no accommodation certificate is granted by the competent authority about the availability of accommodation for the family at that place.

(j) The PBOR would be entitled to HRA so long as no Govt married accommodation remains vacant in his place of posting.

(k) Every PBOR, shall furnish alongwith his first claim for HRA a certificate in the form given in Annexure 'B' to the Paying Authority.

(l) The PBOR shall also submit an application to the Stn Cdr for issue of NAC for claiming HRA as in the Annexure 'C'. NAC as at Annexure 'D' will be issued by the Stn Authorities.

(m) PBOR whose families are residing at selected place of residence in non-military Stations under own arrangements would be required to submit a certificate as per Annexure 'B' and Annexure 'E' alongwith their initial claim.

(n) Annexure 'D' or 'E' as applicable would be submitted to the paying authority on six monthly basis by the affected PBOR.

3. Since PBOR are entitled to rent free accommodation, in addition to HRA, they will be entitled to following amounts of compensation in lieu of rent free accommodation as under:-

The lowest amount charged as licence fee for the entitled type of accommodation.

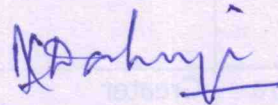
4. All PBOR not held on authorised married establishment will be entitled to Family Accommodation Allowance. The rate of Family Accommodation Allowance shall be the minimum of HRA rate applicable. The pay for this purpose will include Pay in Pay Band, Grade Pay & MSP.

5. All other provisions not covered in this letter as applicable to Civilian Govt employees will be applicable to PBOR also.

6. **The provision of this letter will be effective from 1st September, 2008.**

7. This issues with the concurrence of the Ministry of Defence (Finance/Works) vide their ID No. 450/F/W-III/Dir (Fin/Works) dated 17 November, 2008.

Yours faithfully,



(R.S. Dahiya)

Under Secretary to the Govt of India

Copy to:-

- The MoD/Fin Div (W-III), Kashmir House
- Ministry of Finance, Deptt of Expenditure, E-II (B) Branch
- The CGDA, New Delhi
- The Dte of Audit, Def Ser, New Delhi
- Dy Dir of Audit, Def Ser, All Commands
- The CDA (All Commands / Air Force / Navy)
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ANNEXURE 'A' TO GOVT OF INDIA, MIN OF DEF LETTER
No. 10(55)/98/D(Q&C) dated 18 November, 2008

**LIST OF CITIES/TOWNS WHERE HOUSE RENT ALLOWANCE
IS ADMISSIBLE TO CENTRAL GOVERNMENT EMPLOYEES**

Sl. No.	STATES	CITIES CLASSIFIED AS "X"	CITIES CLASSIFIED AS "Y"
1.	Andhra Pradesh	Hyderabad (UA)	Vijayawada(UA), Warangal(UA), Visakhapatnam (UA), Guntur
2.	Assam		Guwahati (UA)
3.	Bihar		Patna (UA)
4.	Chandigarh		Chandigarh (UA)
5.	Chhattisgarh		Durg-Bhilai Nagar(UA), Raipur(UA)
6.	Delhi	Delhi (UA)	
7.	Gujrat		Ahmedabad(UA), Rajkot(UA), Jamnagar(UA), Bhavnagar(UA), Vadodara (UA), Surat (UA)
8.	Haryana		Faridabad*
9.	Jammu & Kashmir		Srinagar (UA), Jammu (UA)
10.	Jharkhand		Jamshedpur(UA), Dhanbad(UA), Ranchi (UA)
11.	Karnataka	Bengaluru (UA)	Belgaum(UA), Hubli-Dharwad, Mangalore (UA), Mysore (UA)
12.	Kerala		Kozhikode(UA), Kochi(UA), Thiruvananthapuram(UA)
13.	Madhya Pradesh		Gwalior(UA), Indore(UA), Bhopal(UA), Jabalpur(UA)
14.	Maharashtra	Greater Mumbai (UA)	Amravati, Nagpur(UA), Aurangabad(UA), Nashik(UA), Bhiwandi(UA), Pune(UA), Solapur, Kolhapur(UA)
15.	Orissa		Cuttack(UA), Bhubaneswar(UA)
16.	Punjab		Amritsar(UA), Jalandhar(UA), Ludhiana.
17.	Pondicherry		Pondicherry(UA)
18.	Rajasthan		Bikaner, Jaipur, Jodhpur(UA), Kota(UA)
19.	Tamil Nadu	Chennai(UA)	Salem(UA), Tiruppur(UA), Coimbatore(UA), Tiruchirappalli(UA), Madurai(UA)
20.	Uttarakhand		Dehradun(UA)
21.	Uttar Pradesh		Moradabad(UA), Ghaziabad*, Aligarh, Agra(UA), Bareilly(UA), Lucknow(UA), Kanpur(UA), Allahabad(UA), Gorakhpur, Varanasi(UA)
22.	West Bengal	Kolkata(UA)	Asansol(UA)

* Only for the purpose of extending HRA on the basis of dependency.

NOTE

The remaining cities/towns in various States/UTs which are not covered by classification as "X" or "Y" are classified as "Z" for the purpose of HRA.