

22.THE ALL INDIA SERVICES (HOUSE RENT ALLOWANCE) RULES, 1977.

In exercise of the powers conferred by sub-section (1) of Section 3 of the All India Services Act, 1951 (61 of 1951), the Central Government, after consultation with the Governments of the States concerned, hereby makes the following rules, namely:-

1. Short title and commencement-

(1) These rules may be called the All India Services (House Rent Allowance) Rules, 1977.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. **Definition-** In these rules, unless the context otherwise requires, "member of the Service" means a member of an All India Service, as defined in section 2 of the All India Services Act, 1951 (61 of 1951).

3. Regulation of House Rent Allowance -

(1) A member of the Service, serving in connection with the affairs of the Union, shall be entitled to draw House Rent Allowance at such rates, and subject to such conditions as may be specified by the Central Government from time to time, in respect of officers of the Central Civil Services, Group 'A'.

Provided that where any special orders have been issued by the Central Government to regulate the grant of House Rent Allowance to the members of the Service serving in connection with the affairs of the Union, such members shall be entitled to draw House Rent Allowance under such special orders.

(2) A member of the Service, serving in connection with the affairs of a State, shall be entitled to draw House Rent Allowance at such rates, and subject to such conditions, as may be specified by the State Government concerned, from time to time, in respect of officers of the State Services, Class I:

Provided that the House Rent Allowance allowed to a member of the Service under this sub rule shall not at any time be less than what he would have drawn under sub rule (1), had he been appointed to serve in connection with the affairs of the Union at the same station.

(3) Every officer whose initial pay is fixed in accordance with sub-rule (5) or sub-rule (6A) of Rule 4 of the Indian Administrative Service (Pay) Rules, 1954 or sub-rule (5) or sub-rule (5A) of the Indian Police Service (Pay) Rules, 1954 or sub-rule (6) of Rule (4) of the Indian Forest Service (Pay) Rules, 1968, shall be entitled to draw House Rent Allowance in the same manner as a member of the Service under sub-rule (2).

4. **Interpretation-**If any question arises as to the interpretation of these rules, it shall be referred to the Central Government, who shall decide the same.

(D P & AR Notification No. 20019/1/75-AIS(II) dated 4.1.1977).

GOVERNMENT OF INDIA'S DECISION

1. An officer owns a house, but living in a rented house, which has been leased in the name of his wife. The rent of the house is, however, reported to be paid by the officer. Since the house has been leased in the name of wife of the officer, a question has been raised whether in view of Note 2 below Rule 4 of the House Rent Allowance Rules applicable to the Central Governments servants, the officer can be granted HRA or is it necessary that he should first get the lease of the house transferred in his own name to get the HRA. It has been decided in consultation with the Ministry of Finance that the officer concerned cannot claim House Rent Allowance on the basis of the rent paid by his wife. However, as a co-sharer of the accommodation, he can claim HRA in respect of 40% of the rent actually paid by his wife. Alternatively, he can claim HRA in terms of the provisions of para 1(5) of OM No. 11011/1/E-II-B/75, dated the 25th February, 1977 if this would be more favourable to him. He will of course, have to give the appropriate certificate as required in the instructions contained in the Ministry of Finance OM No. 2(37)/E-II.B/64, dated the 27th November, 1965 as amended from time to time.

[DP&AR File No. 20019/114/77-AIS(II)]

2. Acceptance of Recommendations of 6th Central Pay Commission regarding grant of House Rent Allowance(HRA) and Compensatory(City) Allowance (CCA) to All India Services officers:

1. I am directed to enclose herewith a copy of latest instructions of the Government regarding House Rent Allowance(HRA) and Compensatory(City) Allowance on the recommendations of 6th Central Pay Commission to Central Government employees and to state that the matter regarding extension of these instructions to the All India Services officers had been under consideration in this Department.

2. It is conveyed that the instructions contained in Ministry of Finance, Department of Expenditure's Office Memorandum No.2(13)/2008-E.II(B) dated 29th August, 2008 are applicable to the All India Services officers. However, in the States where CCA continues to exist, after its abolition at the Centre w.e.f. 1.9.2008, this allowance becomes an allowance specified to those States.

[DOPT letter No. 11016/2/2008-AIS-II dated 19th January, 2009]

Copy of Ministry of Finance OM No.. 2(13)/2008-E.II(B) dated 29th August, 2008 regarding decision of the Government on the recommendations of the Sixth Central Pay Commission relating to grant of House Rent Allowance(HRA) and Compensatory(City) Allowance(CCA):

1. The undersigned is directed to say that, consequent upon the decisions taken by the Government on the recommendations of the Sixth Central Pay Commission, the President is pleased to decide that, in modification of this Ministry's O.M.No.2(27)-E.II(B)/64 dated 27.11.1965 as amended from time to time, O.M.No.2(23)/97-E.II(B) dated 3.10.1997 and O.M.No.2(21)/E.II(B)/2004 dated 18.11.2004, the admissibility of these allowances shall be as under:-

(i) **COMPENSATORY(CITY) ALLOWANCE:**

The Compensatory(City) Allowance(CCA) stands **ABOLISHED**.

(ii) **HOUSE RENT ALLOWANCE:**

2. Based on the recommendations of the Sixth Central Pay Commission, the earlier classification of cities has been revised **viz.** A-1 to "X", A, B-1 & B-2 to "Y" and C & Unclassified to "Z". In determining the revised classification 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	Rates of House Rent Allowance As a percentage of (Basic pay + NPA where applicable)
X	30%
Y	20%
Z	10%

3. The term "basic pay" in the revised pay structure means the pay drawn in the prescribed pay band plus the applicable grade pay but does not include any other type of pay like special pay, etc. In the case of Government servants in the pay scales of HAG+ and above, basic pay means the pay in the prescribed scale.
4. In respect of those employees 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 and Non-Practising Allowance as per orders in force on 1.1.2006.
5. The list of cities/towns classified as 'X', 'Y', and 'Z' for the purpose of grant of House Rent Allowance is enclosed as Annexure to these orders.
6. The following orders have been issued by this Ministry in the past for grant of HRA/CCA at higher rates to the Central Government employees posted within the municipal area:-
 - (i) O.M.No.2(4)-E.II(B)/65 dt. 5.11.74 (HRA/CCA at Delhi rates in Faridabad Complex).
 - (ii) O.M.No.11023/9/E.II(B)/78 dt. 26.5.79 (HRA/CCA at Delhi rates in Ghaziabad municipal area).
 - (iii) O.M.No.21011/20/89-E.II(B)-Vol.II dt. 31.1.90 (HRA/CCA at Delhi rates in NOIDA).
 - (iv) O.M.No.11013/2/81-E.II(B) dt. 3.8.82 (HRA at Mumbai rates in Navi Mumbai).
 - (v) O.M.No.11013/1/87-E.II(B) dt. 12.10.87 (HRA/CCA at Jalandhar rates in Jalandhar Cantt.).
 - (vi) O.M.No.11023/1/86-E.II(B) dt. 9.12.86 (HRA/CCA at Delhi rates in Gurgaon).
 - (vii) O.M.No.11018/6/87-E.II(B) dt. 29.12.88 (CCA at 'B-2' class rates in Jamnagar).
 - (viii) O.M.No.11018/2/93-E.II(B) dt. 14.11.86 (HRA a 'C' class in Mahe).
 - (ix) O.M.No.2(13)-E.II(B)/74-Vol.II dt. 16.4.92 (HRA at 'C' class rates in Goa and UT of Daman & Diu).
 - (x) O.M.No.2(27)-E.II(B)/65 dt. 9.8.65 (HRA at 'C' class rates in Coonoor).
 - (xi) O.M.No.2(54)-E.II(B)/73 dt. 29.8.79 and O.M.No.11016/2/81-E.II(B) dt. 30.4.81 (CCA in cities mentioned in these orders on the basis of costiness).
 - (xii) O.M.No.11014/1/E.II(B)/84 dt. 5.2.90 (HRA at 'A', 'B-1' & 'B-2' class rates in Shillong).
 - (xii) O.M.No.11021/1/77-E.II(B) dt. 6.4.78 (HRA at 'C' class rates in hill stations).
 - (xiv) O.M.No.2(10)/91-E.II(B) dt. 5.2.98 (HRA at 'B-2' class rates in Jammu).
 - (xv) O.M.No.2(30)/97-E.II(B) dt. 18.5.98 (classification of Kolkata and Chennai as 'A-1' class cities).

(xvi) O.M.No.2(3)/E.II(B) dt. 18.5.98 (class rates in Goa and Port Blair and 'C' class rates in the rural areas of A&N and Lakshadweep Islands).

However, due to (i) inclusion of Navi Mumbai within the UA of Greater Mumbai as per 2001 census (ii) placement of existing 'C' class cities/towns as well as Unclassified places under new category "Z", (iii) abolition of CCA and (iv) 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.

7. All other conditions governing grant of HRA under existing orders shall continue to apply.
8. Special Compensatory Allowance @ 2.5% of basic pay admissible w.e.f. 1.8.97 to Group 'C', 'D' and Group 'B' non-gazetted employees whose pay scales correspond to or are lower than the pay scales of Group 'C' employees posted at Gandhinagar as per this Ministry's O.M.No.2(64)/97-E.II(B) dated 4.7.2001, also stands **ABOLISHED**.
9. These orders shall be effective from September 1, 2008.
10. The 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 respect of Armed Forces personnel and Railway employees, separate orders will be issued by the Ministry of Defence and the Ministry of Railways, respectively.
11. In so far as the persons serving in the Indian Audit and Accounts Department are concerned, these orders issued in consultation with Comptroller & Auditor General of India.
12. Hindi version will follow.

Annexure
to O.M. no. 2(13)/2008-E.II(B) dated 29th August, 2008

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

S.No.	STATES	CITIES CLASSIFIED AS "X"	CITIES CLASSIFIED AS "Y"
1.	Andhra Pradesh	Hyderabad (UA)	Vijawada(UA), Warangal(UA), Visakhapatnam(UA), Guntur
2.	Assam		Guwahati(UA)
3.	Bihar		Patna(UA)
4.	Chandigarh		Chandigarh
5.	Chhattisgarh		Durg-Bhilai Nagar(UA), Raipur(UA)

6.	Delhi	Delhi(UA)	
7.	Gujarat		Ahmedabad(UA), Rajkot(UA), Jamnagar(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	Bangaluru (UA)	Bengaluru(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	Salem(UA), Tiruppur (UA), Coimbatore(UA), Tiruchirappalli (UA), Madurai(UA)
20.	Uttarakhand		Dehradun(UA)
21.	Uttar Pradesh		Moradabad, Meerut(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.

Copy of Ministry of Finance OM No.. 2(13)/2008-E.II(B) dated 7th January, 2009 regarding re-classification of cities/towns for grant of House Rent Allowance (HRA) :

1. The undersigned is directed to refer to this Ministry's O.M. of even number dated 29/8/2008 on the above mentioned subject and to state that the cities/towns to which the protection of retaining their higher classification was provided vide this Ministry's O.M. No. 2(21)/E.II(B)/2004 dated 16/3/2005 (though placed in lower classification under revised classification) for grant of HRA/CCA, shall continue to retain their higher status/classification, corresponding/equating to their revised classification viz. 'X', 'Y' or 'Z' as per O.M. dated 29/8/2008, until further orders and the Central Government employees working therein will be entitled to draw the rates of HRA accordingly.
2. These orders shall be effective from **1st September, 2008.**
3. All other conditions governing grant of HRA under existing orders shall continue to apply.
4. In so far as the persons serving in the Indian Audit and Accounts Departments are concerned, these orders issue in consultation with the Comptroller & Auditor General of India.
5. Hindi version is also attached.