

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: HOUSE RENT ALLOWANCE IN RESPECT OF ARMED FORCES OFFICERS

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 extend revised classification of Cities and Towns for grant of House Rent Allowance (HRA), to Armed Forces Officers in partial modification of MoD letter No. 10 (55)/98/D(Q&C) dated 29 September 1999. Other terms and conditions governing House Rent Allowance to Officers of Armed Forces will remain unchanged.

2. 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:-

<u>Revised Classification of Cities/towns</u>	<u>Rate of HRA as a percentage of Pay in the Pay Band + Grade Pay + MSP + NPA*</u>
X (Earlier as A-1)	30%
Y (Earlier as A, B-1 & B-2)	20%
Z (Earlier as C & Unclassified)	10%

* where applicable

The list of cities/towns classified as X, Y & Z for the purpose of HRA will be on the basis of classification notified vide Ministry of Finance, Dept of Expenditure OM No. 2(13)/2008-E.II(B) dated 29 August 2008 for employees on civil side.

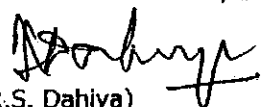
3. Pay for the purpose of these orders will be the pay drawn in the prescribed Pay Band + Grade Pay + MSP and NPA (where applicable).

4. In respect of those officers 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.

5. The provision of this letter will be effective from 01 September, 2008.

6. 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