

Finance (Allowances) Department,
Chennai.

Letter No. 61569/Fin. (All.)/2008-1, dated 14.10.2008

From
Thiru M. Padmanabhan, B.Com.,
Joint Secretary to Government

To
The District Collector,
Kanniyakumari (w.e.)

Madam,

Sub: HRA - Eligibility of HRA to place in Grade II and places around 8 KMs from
Town Limits - Clarification - Requested - Regarding.

Ref: Your letter No. B3. 50055/2008, dated 22.09.2008 addressed to the Secretary to
Government, Finance Department, Chennai. 9

I am directed to invite attention to the reference cited and to enclose the relevant
portion of the copy of G.O. Ms. No. 162, Finance (Pay Cell) Department, dated 13.04.1998, wherein
under the caption HOUSE RENT ALLOWANCE of the said G.O., it has been stated as follows:-

5. *The existing scheme of House Rent Allowance followed in the State with slab rates and present classification of cities and town will be continued. The existing slab rates will be doubled. The revised rates of House Rent Allowance in the revised pay scales will be as indicated in the statements (1) and (2) in Appendix. III. The revised rates of House Rent Allowance shall take effect from 1st April 1998.*

As per the above, the orders issued in G.O. Ms. No. 371, Finance (Allowances) Department, dated
02.05.1994, holds good.

2. Further, it is confirmed that the upgradation of Municipalities from Grade III
to Grade II or forms Grade II to Grade I, etc., has nothing to do with the classification of the places for
payment of House Rent Allowance, unless the Government issues specific orders for payment of House
Rent Allowance by reclassifying the towns in another Grade for House Rent Allowance.

Yours faithfully,
(Sd.) P. Joseph Jeyaraj
for Joint Secretary to Government