

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:2923  
ANSWERED ON:17.12.2004  
UPGRADATION OF CITIES FOR HRA  
Majhi Shri Parsuram

**Will the Minister of FINANCE be pleased to state:**

- (a) whether the Government have a proposal to upgrade some cities and towns to a higher grade for the purpose of grant of House Rent Allowance and City Compensatory Allowance for Central Government Employees;
- (b) if so, the details thereof;
- (c) the classifications made in respect of cities and towns in every State; and
- (d) the additional financial implication when the proposal is finally implemented?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI.S. PALANIMANICKAM)

(a),(b)&(c): The upgradation of some cities and towns to a higher grade for the purpose of HRA and CCA for Central Government employees, on the basis of 2001 census, has been approved by the Government and orders classifying different cities/towns in each of the State have been issued vide this Ministry's OM No.2(21)/04-E.n.(B)dt. 18.11.2004.

(d): The additional financial implication in upgrading the cities/towns for HRA and CCA is estimated at Rs. 144/- crores per annum.