

**Central Administrative Tribunal  
Principal Bench**

OA No. 4102/2018

MA No. 4554/2018

Order reserved on: 27.05.2019

Order pronounced on : 31.05.2019

***Hon'ble Mr. Pradeep Kumar, Member (A)***

1. Brijpal Singh  
S/o Sh. Tika Ram, Age 52 years  
Group-C, Designation –Postman,  
R/o A-96, Street No.1,  
Pradhan Wali Gali, Ambedkar Colony,  
Johripur, North EAS, Delhi-110094.
2. Pramod Kumar  
S/o Yogendra Pal, Age 44 years,  
Group-C, Designation –Postman,  
R/o WZ-733, Naraina Village, Delhi-110028.
3. Om Prakash  
S/o Jagdish Prasad, Age 38 years,  
Group-C, Designation –Postman,  
R/o 127 Aliganj Kotli,  
Mubarakpur, Lodhi Road, Delhi-110003.

... Applicants

(By Advocate: Sh. Suprabh Kumar Roshan)

Versus

1. Union of India,  
Through  
Chairman of Ministry of Communication,  
Sanchar Bhawan, New Delhi-110001.
2. Department of Post,  
Through the Chairman,  
Dak Bhawan,  
Sansad Marg,  
New Delhi-110001.

... Respondents

(By Advocate: Sh. P.G.Kumar)

### **ORDER**

The applicants are working as Postman in Department of Post and their headquarter lies at Loni, which is an area falling under the Civil District of Ghaziabad of State of U.P. They were earlier being paid House Rent Allowance (HRA) @12.5% of basic pay. This rate has since been revised to the rate applicable for Z-class city, i.e. @8% of basic pay vide Ministry of Finance, Department of Expenditure OM dated 7.7.2017 which has come into effect from 01.07.2017. The relevant part of this OM is reproduced below:

Classification of Cities/Towns	Rate of House Rent Allowance per month as a percentage of Basic Pay only
X	24%
Y	16%
Z	8%

Xxx    xxx    xxx

5. The list of cities classified as 'X', 'Y' and 'Z' vide DoE's O.M. No.2/5/2014-E.II(B) dated 21.07.2015, for the purpose of grant of House Rent Allowance is enclosed as Annexure to these orders.

6. Special orders on continuance of HRA at Delhi ("X" class city) rates to Central Government employees posted at Faridabad, Ghaziabad, NOIDA and Gurgaon, at Jalandhar ("Y" class city) rates to Jalandhar Cantt., at "Y" class city rates to Shillong, Goa & Port Blair and HRA at part with Chandigarh ("Y" class city) to Panchkula, S.A.S. Nagar (Mohali) which have been allowed to continue vide Para '4' of this Ministry's O.M.No.2/5/2004-E.II(B) dated

21.07.2015 and O.M. No.2/2/2016-E.II(B) dated 03.02.2017, shall continue till further orders.

7. All other conditions governing grant of HRA under existing orders, shall continue to apply.

8. These orders shall be effective from 1<sup>st</sup> July, 2017.

9. 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.

Xxx xxx xxx

Sl. No.	STATES/UNION TERRITORIES	Cities Classified As "X"	Cities Classified As "Y"
33.	Uttar Pradesh	-	Moradabad (M.Corp.), Meerut (UA), Ghaziabad* (UA), Aligarh (UA), Agra (UA), Bareilly (UA), Allahabad (UA), Gorakhpur (UA), Varanasi (UA), Saharanpur (M.Corp.), Noida*(CT), Firozabad (NPP), Jhansi (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."

2. Loni is now being covered under Z-class city, accordingly, 8% HRA is being paid.

3. Applicants are aggrieved and they plead that Loni is an area, which is within 8 km. of the periphery of Delhi as well as Ghaziabad and accordingly it is required to be covered under X-class and they need to be paid HRA @30% as per 6<sup>th</sup> CPC and @24% as per 7<sup>th</sup> CPC. Since this request has not

been agreed, despite their representation dated 28.06.2016, the instant OA has been preferred. The applicants have sought following relief:

“a) The Office Memorandum dated 01.07.2013 be implemented to the applicants and Tribunal for providing the employees of postal department the HRA @30% at par with the other central department of Bus depot and LPG and CWC as per the O.M. issued by the Govt. of India in regards to the NCR and city ‘x’ and for grant of all consequential benefits after declaring the same and the pending and legally due HRA since 2013 with an interest rate of 12%.”

4. Applicants have relied upon certain information which they had gathered as under:

4.1 Central Warehousing Corporation, which is a Central Public Sector Undertaking (PSU) vide their certificate dated 29.01.2005, have advised that their staff at Central Store Depot, Loni, is being paid HRA @ 30% as per the rates applicable for Delhi. It is, however, also noted from this letter that their staff is not being paid City Compensatory Allowance.

Further, vide their letter dated 05.11.2014 addressed to instant applicant, they have again indicated that the staff at ICD-Loni is being paid HRA @30% of basic pay.

4.2 Bharat Petroleum Corporation Limited, which is another Central PSU vide their RTI reply in letter dated 28.06.2016 addressed to one Shri Amit Kumar, have advised that their

employees posted at Loni LPG plant are being paid HRA @30% of basic pay.

4.3 The applicants have also annexed a letter in relation to HRA, issued by District Magistrate, Ghaziabad dated 17.05.2004 which indicates that Loni is at a distance of 6.3 km. from Ghaziabad Nagar Palika.

On this basis, the applicants plead that dependency as per OM dated 07.07.2017 (para 1 supra) is satisfied in respect of Loni, and hence they be paid HRA at X-class city.

5. In view of the foregoing rates of HRA, being paid by Central PSUs, the applicants plead that they being Central Government employees should also be paid HRA at X-class city rates, namely, 30%, as per 6<sup>th</sup> CPC and 24% as per 7<sup>th</sup> CPC.

6. The applicants have also preferred MA No.4554/2018 seeking joining together. Since the grievance of all the applicants is same and they all are working in the same department at Loni, this MA is allowed.

7. The respondents opposed the OA. It is pleaded that the instructions in respect of payment of HRA as per 7<sup>th</sup> CPC have been issued by Ministry of Finance vide their OM dated 07.07.2017 (para 1 supra). In accordance with this the Ghaziabad city (Urban Area) falls under Y-class cities. It is

pleaded that even though Ghaziabad District falls under National Capital Region, however, entire National Capital Region is not classified as X-class. While Delhi (Urban Area) falls under X-class, the Ghaziabad (Urban Area) falls under Y-class city. The areas other than “Urban Area”, are not classified as ‘X’ or ‘Y’.

8. It is also pleaded that Ghaziabad has a separate Nagar Nigam while Loni has a separate Nagar Palika and as such, Loni does not fall in Ghaziabad Nagar Nigam or Ghaziabad (Urban Area), even though it lies in Ghaziabad Civil District of Uttar Pradesh.

9. However, once the issue has been raised by the employees, a staff was deputed by respondents to Loni to collect the rates of HRA being paid. As per the report submitted on 26.12.2018, following position emerges:

- |  |                   |
|--|-------------------|
| 1. स्टेशन अधीक्षक नोली (उत्तर रेलवे, केन्द्रीय सरकार वभाग)   | □ □ □ 8% वर्तमान  |
| 2. सेंट्रल वेयर हाउस कॉर्पोरेशन (भारत सरकार के अधीन उपक्रम)  | □ □ □ 8% वर्तमान  |
| 3. इन्लैंड कंटेनर डपो (भारत सरकार के अधीन उपक्रम)            | □ □ □ 8% वर्तमान  |
| 4. इंडियन ऑयल कॉर्पोरेशन (भारत सरकार के अधीन उपक्रम)         | □ □ □ 24% वर्तमान |
| 5. भारत पेट्रो लयम कॉर्पोरेशन ल० (भारत सरकार के अधीन उपक्रम) | □ □ □ 24% वर्तमान |

Note: “Loni and “Noli” is one and same. “Loni” is pronounced “Noli” in local dialect.

10. From this it is clear that the Railway Department which is a Central Government department is paying HRA at 8% rate at Loni. Some of the other Central PSUs are paying HRA at different rates to their staff at Loni, however, the same cannot be taken to be applicable in respect of Central Government employees also.

11. In view of the foregoing, Loni is presently falling under Z-class cities and accordingly 8% HRA is being paid. Hence, OA is without any merit and is required to be dismissed.

12. Matter has been heard at length. Sh. Suprabh Kumar Roshan, learned counsel represented the applicants and Sh. P.G.Kumar, learned counsel represented the respondents.

13. There is nothing much which needs adjudication in this case. The instant case is required to be decided as per the notifications issued. The currently applicable notification was issued by Ministry of Finance vide their OM dated 07.07.2017 (para 1 supra). It has given a list of the cities and areas which are to be covered under X-class, Y-class and Z-class. As per this notification, Delhi (Urban Area) falls under X-class making the Central Government employees eligible for 24% HRA, the Ghaziabad (Urban Area) is classified as Y-class city making the Central Government staff posted there eligible for

16% HRA and all other remaining areas are classified as Z-class cities making the staff posted there at 8% HRA.

14. Loni or Loni (Urban Area) is not defined either as a X-class area or as a Y-class city and accordingly it has to necessarily fall under Z-class city for the purpose of HRA as per Note given in OM dated 07.07.2017 (para 1 supra). Accordingly, payment of HRA at 8%, as is applicable for Z-class city, cannot be faulted.

15. The factual position, as ascertained (para 9 supra), also indicates that Railway who are a Central Government department, are paying HRA at 8% rate to their staff posted at Loni (It is same as Noli as per local dialect). The salary scales etc. in respect of Central Government and Central PSUs are covered by different set of instructions and the same cannot be compared.

16. Certain areas under Ghaziabad (Urban Area) are required to be defined on the basis of dependency as per OM dated 07.07.2017. Applicants have not been able to produce the requisite parameters for such dependency or the certificates in this regard except for the distance chart issued by District Magistrate (para 4.3 supra). Even though this distance chart is in the context of payment of HRA, this is at best in the context of State Govt. organisations. Therefore,



this chart alone is of no help to the pleas being made by the applicants in regard to HRA to Central Government employees.

17. In view of the foregoing, the pleas being put forth by the applicants are not gaining acceptability. OA is dismissed being devoid of merit. No order as to costs.

18. This, however, does not preclude the respondents from clarifying or amplifying on the list of cities to be covered under various classifications as per the OM dated 07.07.2017 for the purpose of HRA, taking into account relevant factors, either on their own or on receipt of representation.

**( Pradeep Kumar )**  
**Member (A)**

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