

08.10.2026
Item No.38
Court No. 30
skg

WPA/26267/2026

**EASTERN COALFIELDS LIMITED
VS
UNION OF INDIA AND ORS.**

Mr. Manik Das, Adv.

...for the petitioner

Mr. Subrata Roy, Adv.

Mr. Pradip Paul, Adv.

...for Union of India

Mr. Swarup Banerjee, Adv.

Mr. Sajal Kumar Ghosh, Adv.

Mr. Subham Biswas, Adv.

Mr. Atik Masud Molla, Adv.

Mr. Bishal Mondal, Adv.

...for private respondent

1. The writ application has been preferred being aggrieved by an award dated 12.12.2025 passed by the learned Central Government Industrial Tribunal cum Labour Court, Asansol, in reference case no.14 of 2022.

2. Vide the impugned award the learned Tribunal passed an award as follows:

“that the Industrial Dispute is allowed on contest against the management of Central Hospital, Kalla with a direction to pay House Rent Allowance to Tanmay Ruídas at the prevailing rates w.e.f. 12/07/2019 till date. Arrear of House Rent Allowance shall be paid to the workman within two months from the date of communication of the Award. Let an Award be drawn up in the light of my above discussion. Let copies of Award be communicated to the Ministry for information and Notification.”

3. Mr. Das, learned Counsel for the petitioner submits that the impugned award is not in accordance with law and thus liable to be set aside.

4. On the other hand the learned Counsel for the employee submits that the impugned award being a well reasoned order is not to be interfered with.
5. The petitioner herein has relied upon the judgment of this Court dated 10.07.2026 passed in **WPA 27637 of 2025 (Eastern Coalfields Limited v. Union of India & Ors.)** wherein the Court held as follows:

“12. National Coal wage agreement-VII, provides clause:-

“8.1.0 HOUSE RENT ALLOWANCE

8.1.1 The existing House Rent Allowance of Rs.75/- per month will be increased to Rs.100/-per month with effect from 1.7.2004 and will be paid to those employees who have not been provided with residential accommodation.

8.1.2 Payment of House Rent Allowance will be regulated as indicated below:

(a) Employees excepting those who have been allotted the following types of house individually will be eligible for House Rent Allowance at the rate of Rs.100/- per month.

(i) Any pucca house consisting of one or more rooms with common or separate latrine and bath.

(ii) House under New Housing Scheme, Low Cost Housing Scheme or single room, arch type tenements with latrine and bath.

(b) If a double roomed house has been allotted to two workmen, both the allottees shall be entitled to 50% of house rent allowance each i.e., Rs.50/- per month per head.

(c) If single roomed house is allotted to more than one person or if a double roomed house is allotted to more than two persons, all 6 2026:CHC-AS:1009 the allottees

shall be eligible for House Rent Allowance at the rate of Rs.100/- per month.

(d) Employees who have been allotted a seat in the barracks or mess or hostel shall be eligible for House Rent Allowance at the rate of Rs. 100/- per month.

(e) Where husband and wife both happen to be employees and where any one of them is allotted the same house of the type referred to in Clause (a) above, they shall not be entitled to House Rent Allowance.

(f) Employees who have been allotted single room or Arch type tenement however will be entitled to House Rent Allowance if the house is not latrine/bathroom.” provided with separate

13. National Coal Wage agreement VIII provides:-

“8.1.0 HOUSE RENT ALLOWANCE

8.1.1 The existing House Rent Allowance of Rs.100/- per month will be increased to Rs.150/-per month with effect from 1.1.2009 and will be paid to those employees who have not been provided with residential accommodation.

8.1.2 Payment of House Rent Allowance will be regulated as indicated below:

(a) Employees excepting those who have been allotted the following types of house individually will be eligible for House Rent Allowance at the rate of Rs.150/- per month.

(i) Any pucca house consisting of one or more rooms with common or separate latrine and bath.

(ii) House under New Housing Scheme, Low Cost Housing Scheme or single room, arch type tenements with latrine and bath.

14. Vide an officer order dated 28.06.2006, it was clarified by the Dy. Chief Personnel Manager (Estd./MP) to the General Manager of the Sodepur/Sripur/Satgram Areas as follows:-

“.....the employees working in the Establishment/Offices situated & falling under Kulti &

Jamuria Municipalities which are the constituents of Asansol Urban Area classified as "C" class cities shall be entitled to get House Rent Allowance as per NCWA-VII on the following terms & conditions.

1. That the employees who are living in the company's accommodation shall not be granted/sanctioned House Rent allowance even in the event of vacating of company's accommodation.

2. That the employees essential/statutory categories shall not be allowed to stay outside the colliery premises. CGM/GM Area/Establishments in should charge ensure of providing company accommodation within the considerable distance of the Mine/Establishments for such category of employees.

3. That the CGM/GM should also ensure to allot all vacant quarters to the eligible as per House Allotment norms. Furthermore, the employees who have been allotted quarters and not be shifted are not entitled House Rent allowance.....”

*22. In the **Divisional Engineer, G.I.P. Railway vs Mahadeo Raghoo & Anr., 1955 AIR 295, decided on 2nd March, 1955**, the Supreme Court held:- “.....Rule 3(i) of the Statutory Rules framed by the Government and put into effect on 1st November 1947 runs as follows:*

"The house rent allowance will not be admissible to those who occupy accommodation provided by Government or those to whom accommodation has been offered by Government but who have refused"

Held, that the house rent allowance is admissible only so long as an employee is stationed at one of the specified places and has not been offered Government quarters. The rules distinctly provide that the allowance will not be admissible to those who occupy Government quarters or those to whom such quarters have been offered but who have refused to take advantage of the offer. Once an employee of the description given above

has been offered suitable house accommodation and he has refused it, he ceases to be entitled to the house rent allowance and that allowance ceases to be "wages" within the meaning of the definition in s. 2(vi) of the Act because it is no more payable under the terms of the contract. The grant of house rent allowance does not create an indefeasible right in the employee at all places wherever he may be posted and in all circumstances, irrespective of whether or not he has been offered Government quarters."

23. The principles and guidelines as laid down by the Hon'ble Supreme Court in very clear. In cases of entitlement of house rent allowances, the following rules/laws are applicable:-

a) House rent allowance is admissible only so long as an employee is stationed at one of the specified places and has not been offered Government quarters.

b) The allowance will not be admissible to those who occupy Government quarters or those to whom such quarters have been offered but who have refused to take advantage of the offer.

c) Once an employee of the description given above has been offered suitable house accommodation and he has refused it, he ceases to be entitled to the house rent allowance and that allowance ceases to be "wages" within the meaning of the definition in s. 2(vi) of the Act because it is no more payable under the terms of the contract.

d) The grant of house rent allowance does not create an indefeasible right in the employee at all places wherever he may be posted and in all circumstances, irrespective of whether or not he has been offered Government quarters."

6. **On perusal of the impugned** award it appears that the tribunal was of the opinion that the quarter not being habitable, the employee could not be compelled to

accept the same. Admittedly the employee was allotted the quarter and subsequently refusing to accept the quarter he claims house rent allowance.

7. The case of the workman that he was not allotted any quarter but was also not paid House Rent **is not substantiated**. It is on record that the workman was allotted quarter being no. AEQ-4/11, but he refused to accept the same, claiming it to be not habitable. It is his further contention that in spite of several requests, the quarter was not made habitable.
8. Admittedly, the workman received keys of the quarter, but refused to live in the same, claiming it to be not habitable. **The quarter was subsequently allotted to one Smt. Sujata Biswas, staff nurse of Central Hospital Kalna who accepted the same and is also residing in the same.** As such it prima facie appears that the only intention of the workman, not to accept the quarter was, as his personal resident was at a commutable distance and by not accepting the allotted quarter on the ground of it being not habitable his intention was to claim the House Rent Allowance.
9. The finding of the learned tribunal that it was not habitable is not supported in view of the fact that a subsequent allottee has accepted the quarter and is also residing in the same.
10. In view of the said findings this Court finds that the impugned award has not been passed on the basis of proper appreciation of materials on record including

the rules and regulations relating to allotment of quarter and release of House Rent Allowance.

11. Thus, in view of this Court's judgment in ***Eastern Coalfields Limited*** (supra) the impugned award is set aside being not in accordance with law.

12. The writ application being **WPA 26267 of 2026** stands allowed.

13. There shall be no order as to costs.

14. Urgent Photostat certified copy of this order, if applied for, be given to the parties on an usual undertaking.

(Shampa Dutt (Paul), J.