

**Reserved**

**CENTRAL ADMINISTRATIVE TRIBUNAL, JABALPUR BENCH**  
**CIRCUIT SITTING : BILASPUR**

**Original Application No.203/00108/2018**

**Jabalpur, this Wednesday, the 12<sup>th</sup> day of December, 2018**

**HON'BLE MR. NAVIN TANDON, ADMINISTRATIVE MEMBER**  
**HON'BLE MR. RAMESH SINGH THAKUR, JUDICIAL MEMBER**

P.K. Mohanan, aged about 62 years, S/o Late P.K. Krishnan,  
Ex- Sr. Private Secretary, Steel Authority of India Limited  
Bhilai Steel Plant, Bhilai and  
R/o Qr. No.4-A, Street No.10, Sector-10, Bhilai – 490006  
Distt: Durg, Chhattisgarh State.

**-Applicant**

**(Applicant in person)**

**V e r s u s**

**1. Ministry of Steel, Govt. of India through,  
The Secretary, Ministry of Steel, Govt. of India,  
Udyog Bhavan, New Delhi  
Delhi 110107.**

**2. The Chairman, Steel Authority of India Limited,  
Ispat Bhavan, Lodhi Road, New Delhi – 110003.**

**3. Chief Executive Officer,  
Steel Authority of India Limited, Bhilai Steel Plant,  
Bhilai – 490001 Distt: Durg, Chhattisgarh State. -Respondents**

**(By Advocate – Dr. S.K. Pande)**

*(Date of reserving order: 06.12.2018)*

**ORDER**

**By Navin Tandon, AM.**

The applicant is aggrieved by levy of exorbitant market rent on the quarter allotted to him by the Bhilai Steel Plant (for brevity 'BSP').

**2.** The applicant has submitted as follows:

**2.1** He was working as Senior Private Secretary in Bhilai Steel Plant (for brevity 'BSP'). He was allotted Qr.No.4-A Street-10, Sector-10 in July,1992. He retired from service on 31.10.2016.

**2.2** He opted for retention of the quarter for two years after his retirement. The built up area of the house is 825 Sq.Ft and the standard rent of the house fixed by the BSP is Rs.143/- per month. An amount of Rs.3,00,000/- was deposited as security deposit, which is interest free and returnable at the time of vacation of the house.

**2.3** In the case of house retention by ex-employees, the house rent is charged at double the rate from the third month onwards and from seven months it was increased to 4 times the standard rent and on completion of one year the rent has been increased exorbitantly to sixteen time of the standard rent.

**2.4** The BSP vide circular dated 13.05.2017 (Annexure A-5) has also enhanced the penal rent from 32 times the normal rent to 64 times the normal rent for occupation of BSP quarters by ex-employees beyond the period of two years w.e.f. 01.06.2017.

**2.5** After one year, the rent was being charged @ 16 times the standard rent from the applicant which comes to  $16 \times 143 = \text{Rs.}2288/-$ .

**2.6** There is a huge disparity in the matter of rent being charged from ex-employees on retention of house as compared to the third party (non-BSP), licensees and unauthorized occupants.

**3.** The applicant has sought for the following reliefs in this Original Application:-

**“(8.1)** To allow the petition and pass an order/orders directing the management of Bhilai Steel Plant;

**(8.1.1)** to review and reconsider the house rent being charged from the ex-employees on retention of house and bring it to at least at par with the license to avoid any disparity and discrimination in the matter as compared with the licensees/third party rent.

**(8.1.2)** to revoke the Circular No. Rules-16/2017 Dated 13/05/2017 issued by Bhilai Steel Plant management enhancing the penal rent of houses to 64 times the Normal/Standard Rent, which amounts to great harassment to the ex-employees as compared to unauthorised occupants of BSP accommodation who are living in the houses without paying a single rupee to the BSP management.

**(8.1.3)** to review and reconsider the penal rent so as to limit the same to 2 times the third party rent, as 64 times of the normal rent is not at all justifiable particularly in view of the fact that a good number of houses are lying vacant and the vacant houses are gradually going under unauthorised occupation.

**(8.2)** Any other relief which this Tribunal deem fit and proper in the interest of justice.”

**4.** The respondent No.3 have made the following submissions:-

**4.1** The instant Original Application has become infructuous for the reason that the respondents themselves have withdrawn the Circular dated 30.10.2012 vide order dated 27.03.2018 (Annexure R3-3). Further, the scheme of retention of companies quarters by retiring employees has been amended and implemented vide order dated 26.09.2018 (Annexure R3-4) whereby the retiring employees are allowed to retain the company quarters for the period of six months only and maximum rent charged is 2 times of the standard rent during the period of retention.

**4.2** The circular dated 13.05.2017 has been withdrawn vide circular dated 03.07.2018 (Annexure R3-05) thereby reducing the panel rent to be levied @ 48 times the normal rent.

**4.3** The applicant was granted retention of quarter for 24 months w.e.f. 31.10.2016 till 31.10.2018 vide order dated 22.10.2016 (Annexure A-4) wherein it has been specifically mentioned that 'BSP reserves the right to amend the rate of rent and other payable at any given point of time without any further notice and such rate as decided by the management shall be payable to the allottee'.

**4.4** The rent for a third party/private allottee similar to that of the quarter retained by the applicant is Rs.4250/- per month (5x850).

**4.5** Charging 16 times of the standard rent in the 2<sup>nd</sup> year of retention was very well in the knowledge of the applicant as per the agreement entered into by him with the BSP at the time of seeking retention.

**4.6** The security deposit is the sum towards the guarantee for vacation in time which is refundable to the applicant immediately after vacation.

**5.** Heard the learned counsel of both sides and carefully perused the pleadings of the respective parties and the documents annexed therewith.

**6.** As regards the main relief sought for by the applicant to revoke the Circular No. Rules-16/2017 Dated 13/05/2017 (Annexure A-5) issued by Bhilai Steel Plant management enhancing the penal rent of houses to 64 times the Normal/Standard Rent, we find that during the pendency of this Original Application, the said circular dated 13.05.2017 has already been superseded by circular dated 03.07.2018 (Annexure R3-05) whereby the penalty for overstay has been prescribed @ 48 time the normal rent with effect from 01.07.2018. As such the relief sought for by the applicant in this regard has become infructuous.

7. Further, the relief sought for by the applicant to review and reconsider the penal rent so as to limit the same to 2 times the third party rent, since the respondents have already considered the matter and passed the order dated 03.07.2018 (Annexure R3-5) we also find that this relief sought for by the applicant has also become infructuous.

8. Further, we do not find any material to interfere in the orders passed by the respondents towards revision of penal rent towards unauthorized occupation of company quarters by ex-employees.

9. In this view of the matter, the Original Application is dismissed. No costs.

**(Ramesh Singh Thakur)**  
**Judicial Member**

**(Navin Tandon)**  
**Administrative Member**

*rkv*