

Reserved

CENTRAL ADMINISTRATIVE TRIBUNAL, JABALPUR BENCH
CIRCUIT SITTING : BILASPUR

Original Application No.203/00794/2017

Jabalpur, this Thursday, the 13th day of December, 2018

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

P.K. Mohanan, aged about 61 years, S/o Late P.K. Krishnan,
Ex- Sr. Private Secretary, P. No. 136231
Steel Authority of India Limited, Bhilai Steel Plant, Bhilai,
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. The Chairman, Steel Authority of India Limited,
Ispat Bhavan, Lodhi Road, New Delhi – 110003.

2. Chief Executive Officer,
Steel Authority of India Limited, Bhilai Steel Plant, Bhilai –
490001 Distt: Durg, Chhattisgarh State.

3. The President, Hindustan Steel Employees Union (CITU)
Bhilai Steel Plant, Qtr. No. 1-A, Street No.16,
Sector-4, Bhilai-490004, Chhattisgarh

- Respondents

(By Advocate – Dr. S.K. Pande)

(Date of reserving order: 06.12.2018)

ORDER

By Navin Tandon, AM.

The applicant in this Original Application has sought for a direction to the respondents to grant him prevailing rate of interest on accrued amount in his Steel Employees Superannuation Benefit

Fund (for brevity '**SESBF**') SESBF/Pension account at par with the existing employees of the company till the amount is held with the SESBF/Pension Trust. He has also sought a direction to the respondents to modify prescribed application form for withdrawal of the SESBF amount, so as to withdraw the SESBF amount unconditionally and reserving the right of the applicant to rejoin the Pension Scheme as and when finalised by depositing the amount in the Pension Account.

2. The applicant has submitted as follows:-

2.1 He joined Bhilai Steel Plant (for brevity '**BSP**') as an Assistant (Steno-Typist) and retired from service on 31.10.2016 while he was working as Senior Private Secretary BSP.

2.2 Steel Authority of India Limited BSP introduced a scheme known SESBF for welfare of its employees in 1984 and employees contribution @ 2% of Basic + DA were being deducted by the company from 01.01.1989. Further a Performance Linked Bonus Scheme (for brevity '**PLBS**') was introduced by the company management and earnings from the scheme was directed to SESBF to strengthen the scheme.

2.3 Superannuating employees were paid the amount accrued in the SESBF account with interest along with last payment and no interest is payable from the date of separation.

2.4 In the meanwhile in the National Joint Committee for Steel (NJCS) meeting of SAIL held at New Delhi on 14.07.2014, management agreed to introduce a Pension Scheme for SAIL employees retrospectively from 01.01.2012 and agreed for management contribution @ 6% of Basic Pay + DA. A sub-group was also formed to finalise the Pension Scheme by December, 2014. The sub-group finalized the Pension Scheme in the meeting held on 22.11.2016. As per the scheme, existing SESBF accumulation in the employees account will be converted to Pension Fund and contribution of employees will continue @ 2% of pay till retirement.

2.5 The accumulated amount in the applicant's account as on 31.10.2016 is Rs.4,28,151/-.

2.6 As per the provisions of SESBF, interest is payable to the applicant till superannuation month.

2.7 The format of application prescribed by the management states thus:

“I am not interested in the Pension Scheme and hence my contribution with interest may be refunded”.

The applicant submits that above clause in the application from will deprive and debar him from SAIL Pension Scheme proposed to be implemented retrospectively from 01.01.2012 and at the same time no interest is payable from 01.11.2016 in case he opts for withdrawal of the amount by filling the prescribed application form.

2.8 In view of the above applicant prays for grant of interest at the prevailing rate on the amount in his SESBF/Pension Account at par with existing employees of the company till the amount is held by the SESBF Trust or till such time the prescribed application form is modified to delete the contradictory stipulation debarring the applicant from the benefit of Pension Scheme of the company once the accrued amount is withdrawn from the fund.

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

“(8). Relief sought:

In view of the facts mentioned in para 6 above the applicant prays for the following relief(s) :-

8.1 To allow the petition and pass an order/orders directing the management of Bhilai Steel Plant to grant the petitioner interest at the prevailing rate on the accrued amount in his SESSBF/Pension account at par with the existing employees of the company till the amount is held with the SESBF/Pension Trust, Or till such time the

prescribed application format for refund of SESBF amount is modified to delete the contradictory stipulation debarring the petitioner from the benefit of Pension scheme of the company once the accrued amount is withdrawn from the Fund.

8.2 To pass an order directing the management of Bhilai Steel Plant to modify the prescribed application form for withdrawal of the SESBF amount, so as to withdraw the SESBF amount unconditionally and reserving the right of the petitioner to rejoin the Pension Scheme as and when finalised by depositing the amount in the Pension Account.

8.3 Any other relief which this Tribunal deems fit and proper in the interest of justice.”

4. The respondents have submitted as follows:-

4.1 The policy with respect to implementation of ‘Pension’ is yet to be formulated and finalized by SAIL management. At present there is no such policy relating to ‘Pension’ is in existence. Therefore, no present benefit/future benefit deriving out of the same can be claimed as of right by any employee/ex-employee of the respondent-company.

4.2 The service conditions of the employees of the respondent company as well as retiral benefits of the ex-employees of the respondent-company arising out of such service rendered are governed by the rules and regulations framed in relation to the same as per the policy framed by the Board of Directors of SAIL management. Any challenge to the policy can be made before

constitutional courts if the same is dehors the constitutional scheme.

4.3 The applicant cannot raise any claim or demand as of right or seek for directions of this Tribunal against his ex-employer raising such self proclaimed disputes which are related to any non-existent phenomenon.

5. Heard the applicant and learned counsel for the respondents. We have also perused the pleadings of the respective parties.

6. It is an admitted fact that the applicant has already retired from Bhilai Steel Plant on 31.10.2016 and the respondents have specifically averred in their reply that the policy with respect to implementation of 'Pension' is yet to be formulated and finalized by SAIL management, and that at present there is no such policy relating to 'Pension' in existence. The applicant has not controverted this material fact by filing his rejoinder. Therefore, at present no benefit/future benefit deriving out of the same can be claimed as of right by the applicant. Therefore, the relief sought for by the applicant in this Original Application to grant him prevailing rate of interest on accrued amount in his SESBF/Pension account at par with the existing employees of the company till the amount is held with the SESBF/Pension Trust cannot be granted.

7. As regards the relief sought for by the applicant to direct the Bhilai Steel Plant to modify prescribed application form for withdrawal of the SESBF amount, on perusal of the one page document filed as Annexure A-2, we find that it has the opening sentence as under:-

“With reference to your letter No.SESBF/..... Dated.....asking my option to avail LIC annuities plan. I have gone through your letter and I am not interested in joining LIC annuity plan. I also understand that PLBS from 01/04/1997 has not come to the trust. Amount standing to my credit along with interest may be refunded to me to my salary account”.

7.1 The applicant, in Para 4.9.1 of the Original Application has submitted that the management of SAIL, Bhilai Steel Plant/ SESBF Trust and LIC of India has entered into an agreement and finalized the so called LIC Annuity Plan (SAIL Pension). This averment has been denied by the respondents in their reply to Para 4.9 of the Original Application.

7.2 The applicant sought information under the Right to Information Act asking for the scheme of LIC Annuity plan (Annexure A-7). However, neither the Public Information Officer in his reply dated 03.10.2016 nor the First Appellate Authority vide his letter dated 25.10.2016 has furnished any such information.

7.3 During the course of arguments, when a specific query was made by the Bench to the learned counsel for the respondents in this regard, he was unable to explain the scheme of LIC Annuity Plan stated in the prescribed application form (Annexure A-2), except to say that this form has been in use for long.

7.4 In the circumstances, we direct the respondents to review the form of Annexure A-2. In case there is no LIC Annuity Plan in existence, the reference to such a scheme should be deleted from the application form (Annexure A-2). While reviewing the form, the respondents may also consider deleting other redundant items. This exercise may be completed within 60 (sixty) days of the receipt of a copy of this order, and the result of such a review be communicated to the applicant.

8. In the result, with the above directions, the Original Application is disposed of. No costs.

(Ramesh Singh Thakur)
Judicial Member

rkv

(Navin Tandon)
Administrative Member