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LABOUR & EMPLOYMENT DEPARTMENT

NOTIFICATION

The 14th May 2010

No. 3970-li/1(SS)-11/2000-L.E.—In pursuance of Section 17 of the Industrial Disputes Act, 1947 (14 of 1947), the award dated the 30th December 2009 in I.D. Case No. 1 of 2001 of the Presiding Officer, Labour Court, Sambalpur to whom the Industrial Dispute between the Management of SAIL, Rourkela Steel Plant, Rourkela and its workman Shri Kumaresh Barik represented through Rourkela Mazdoor Sabha, Rourkela was referred to for adjudication is hereby published as in the Schedule below :—

SCHEDULE

IN THE COURT OF THE PRESIDING OFFICER, LABOUR COURT, SAMBALPUR
INDUSTRIAL DISPUTE CASE No. 1 OF 2001
Dated the 30th December 2009

Present :

Miss Sarojini Mahapatra, M.A., LL.B.,
Presiding Officer,
Labour Court, Sambalpur.

Between :

The Management of SAIL .. First-party Management
through the General Manager (P. & A.),
Rourkela Steel Plant, Rourkela.

And

Its Workman .. Second-party Workman
Shri Kumaresh Barik represented
through General Secretary,
Rourkela Mazdoor Sabha,
Bisra Road, Rourkela,
Dist. Sundargarh.

Appearances :

Shri L. K. Nayak, Dy, Manager, (Law) .. For First-party Management
R. S. P., Rourkela.

Shri B. B. Sahoo, Dy. General Secretary, .. For Second-party Workman
Rourkela Mazdoor Sabha, Rourkela.

AWARD

1. This case arises out of a reference made by the Government of Orissa, Labour & Employment Department Under sub-section (5) of Section 12, read with Clause C of sub-section (1) of Section 10 of the Industrial Disputes Act, 1947 (14 of 1947), vide Memo. No. 8167 (5), dated 8-6-2001 for adjudication of the dispute as per the Schedule :

“Whether action of the management of the SAIL, Rourkela Steel Plant, Rourkela in cancelling the allotment of Qr. No. H/62, Sector-19, Rourkela made in favour of Shri K. Barik, Plot No. 45057, Senior Laboratory Technologist, Ispat General Hospital and charging him penal rent from the date of cancellation of allotment is legal and/or justified ? If not, to what relief Shri Barik is entitled ?”

2. The case of the second-party workman stated as follows :—

The workman Shri Kumaresh Barik was working as a Senior Laboratory Technician in Pathology Department in Ispat General Hospital as per his Appointment Order, dated 3-2-1983. He was allotted Qr. No. H/62 in Sector -19, vide Allotment Order No. 444-SC, dated 26-10-1993. He was residing in that quarter. He received a letter dated 27-5-1997 from Junior Executive of Town Service Department, I. & E. Section with allegation that Qr. No. H/62 in Sector-19 allotted in his favour being used by other persons. Thereafter the Second-party replied on dated 9-6-1997 stating that one of his friend being an employee of Rourkela Steel Plant was badly needed a quarters to stay near to I. G. H. for the treatment of his mother as his mother was suffering from kidney problem, Hypertension etc. The workman permitted his friend to stay with him. The first-party without considering his case and without enquiring the matter, cancelled the allotment of Qr. No. H/62 in favour of second-party Vide Order dated 10-12-1997. Then the first-party directed the second-party to pay the market rent for the said quarter No. H/62 in Sector-19 from the date of the issue of this letter on dated 10-12-1997. The first-party management has not considered the case and deducted the market rent and electricity charges of the alleged quarter from his salary. Thereafter the second-party was forced to hand over the said quarter for which the second-party intimated the first-party to take over the charge from him on dated 17-4-1998, but the quarter was taken over from him on dated 9-5-1998. The first-party recovered penal rent of Rs. 800 per month from the workman as against Rs. 31 normal electricity charges of Rs. 287 per month as against Rs. 76.50 paise per month. The first-party management has deducted total amount of Rs. 4,000 towards house rent as well as Rs. 1,435 toward electricity charges from his salary. The second-party also claimed the guarding charges of the quarter from the management from dated 8-12-1997 till the dated 9-5-1998. So the workman prayed for an order in his favour to get back his money recovered by the first-party management from his salary alongwith the guarding charges as per his claim.

3. As per the case of the first-party management, the second-party workman occupied the allotted quarter No. H/62 on dated 2-11-1993 vide occupation report dated 2-11-1993. At the time of occupation of the said quarter, the workman submitted a declaration dated 1-11-1993 as required

under House Allotment Rules. The said quarter was allotted to the workman for his own use as well as for the use of his family members. But on inspection on dated 18-4-1997, it was found that the said quarter was being occupied by one A. K. Naik. Under House Allotment Rules of the Company if the allottee permits any person other than his family members to use whole or any portion of the allotted quarters, it would amount to improper use of Company's quarter in terms of Clause-2. 10 (III) of House Allotment Rules. The said House Allotment Rules also provides grounds for cancellation of allotment of quarters in terms of Clause-14 and improper use is one of the ground.

4. The second-party was given an opportunity to show cause within seven days but he did not comply the same not reply to the said show cause notice. The spot verification was made by the Estate Staff on dated 1-11-1997 and it was found that A. K. Naik and his family members were in occupation of the quarters of the workman. So the allotment order was cancelled and the workman directed to vacate the quarter within fifteen days from the date of order. Thereafter as the second-party workman was treated to be in unauthorised occupation of the said quarter H/62. The market rent was charged as per Rules. The workman vacated the quarters which was taken over by the Estate Department on dated 9-5-1998 although the schedule date of vacation was dated 17-4-1998 as per the intimation of the second-party workman. Since the second-party has not defaulted for vacating the quarter on dated 17-4-1998, an office order dated 27-4-1998 was issued. The Assistant Manager (F. & A.) Rent Cell was intimated on office order not to deduct market rent from dated 17-4-1998 to dated 8-5-1998, although he (the workman) physically vacated the quarter on dated 9-5-1998. So the management first-party claim that the workman is liable to pay the market rent for the period from dated 10-12-1997 to dated 16-4-1998 for unauthorised occupation of the quarter as per Rules. Rejoinder filed by the 2nd party.

5. Out of the pleadings of the parties the following issues have been framed in this case.

ISSUES

- (i) "Whether the reference is maintainable in its present form ?
- (ii) Whether the action of the management of SAIL, Rourkela Steel Plant, Rourkela in cancelling the allotment of Qr. No. H/62, Sector-19, Rourkela made in favour of Shri K. Barik, PI. No. 45057 Senior Laboratory Technologist, Ispat General Hospital and charging him penal rent from the date of cancellation of allotment is legal and justified ?
- (iii) To what relief, if any, the workman is entitled ?"

6. Both the parties have filed their respective documents in support of their case.

7. On behalf of the first-party management Shri Sanjay Kumar Deo, Dy. Manager, R.S.P. has been examined as M.W. 1. On behalf of the second-party workman, Kumaresh Barik (the second-party) himself has been examined as W.W. 1.

FINDINGS

8. *Issue No. ii* :-The workman is working as Senior Laboratory Technician in Pathology Department in I. G. H., Rourkela, Admittedly, the second-party workman was allotted with the quarter No. H/62 in Sector-19, as the quarter is adjacent to the Hospital, I. G. H. and to facilitate the medical staff to attend to their job as and when required including on emergency call. It is an admitted fact that the second-party workman occupied the said quarter on dated 2-11-1993, vide occupation

Report dated 2-11-1993. At the time of occupation the workman also submitted a declaration dated 1-11-1993 as required under House Allotment Rules. The workman pleaded that he has never committed any wrong disobeying the Rules and Regulations of the management. The second-party admitted that he has permitted Shri A. K. Naik, co-employee of R. S. P. to stay with him as his family members were required to attend medical (I. G. H. frequently). The second-party further pleaded that the mother of A. K. Naik was suffering from kidney problem and Hypertension etc. and he was staying with him in that quarter to get the medical treatment immediately. Admittedly Shri A. K. Naik is a R. S. P. employee.

9. The documents filed by the workman should be scrutinised in a careful manner. Ext. A is the offer of appointment order dated 3-2-1983. Ext. B is the xerox copy of allotment order dated 26-10-1993. Ext. C is the xerox copy of letter dated 27-5-1997 issued by the first-party to the second-party. Ext. D is the reply dated 9-6-1997 by the workman disclosing the fact that his friend was needed medical treatment frequently for his mother and he allowed his friend to stay with him in that quarter to get the medical treatment immediately. Ext. E is the xerox copy of the letter dated 10-12-1997 cancelling the allotment order of the quarter No. H/62, Sector-19 and the workman was directed to hand over the physical possession of the said quarter to the management within fifteen days of the date of the issue of order. Ext. F is the xerox copy of letter dated 20-12-1997. Ext. G is the xerox copy of letter dated 16-12-1997. Ext. H is the application dated 12-1-1998. Ext. J is the application dated 2-2-1998. Ext. K is the document towards deduction of house rent and electric rent. Ext. L is the representation dated 21-4-1998 by the workman requesting the first-party to consider his case. Ext. M is the copy of the representation dated 21-4-1998 regarding stop of the deduction of panel rent, by the workman addressing to the Assistant Executive (T.S.) I. & E. Ext. N is the representation to refund the amount from the management. Ext. P is the application regarding vacation of quarter. Ext. P disclose that the workman intimated the first-party that he had vacated the house/quarter with effect from dated 7-4-1998 and handed over the same on dated 9-5-1998. The workman also claims damage allowance of Rs. 20 with effect from dated 7-4-1998 to dated 9-5-1998. Ext. R is the copy of vacation report.

The management also relied on certain documents similar to the documents filed by the second-party workman. Besides that the first-party management filed certain other documents. Ext. 5 is the copy of quarter. Ext. 6 is the copy of occupation report. Ext. 7 is the copy of declaration. Ext. 8 is the inspection report dated 18-4-1997. Ext. 9 is the copy of the inspection report dated 1-11-1997 from which it is clear that on enquiry it is found from the neighbourers that Shri A. K. Naik was staying with his family member in the disputed quarter. It is further alleged from Ext. 9 that Shri A. K. Naik was also allotted with Qrs. No. D/328 Sector-16. Ext. 10 is the copy of appeal dated 20-12-1997. Ext. 11 is the copy of vacation report, Ext. 12 is the copy of office order dated 27-7-1998. Ext. 13 is the copy of the House Allotment Rules.

10. As alleged from the case of the workman, the workman is not disputing the standing order of the Allotment Rules of the first-party. The workman is disputing on the enquiry report. The learned representative of the first-party submitted that at the time of inspection the first-party management found that A. K. Naik was residing in the disputed quarter alongwith the family members and at the time of inspection the first-party gathered such information from the neighbourers of the second-party. The first-party management has not stated anything nor given the name of any neighbourers from whom the inspecting party collected information regarding the illegal staying of A. K. Naik in that quarter. The workman stated in his evidence that he was residing in his allotted quarters

No. H/62, Sector-19 and permitted his friend, R.S.P. employee and his family member to reside with him in that quarter to get medical facility immediately for the ailing mother of A. K. Naik who was suffering from kidney problem and Hypertension etc. It is a genuine ground for the workman to permit A. K. Naik in his quarter to get immediate hospital facility for his mother. So the management should not have taken such drastic step against the workman. Besides the inspection made by the management, there is no other ground assigned by the management to cancel the quarter allotment order in favour of the workman and subsequently the management also deducted the above amount at the market rent of the quarter from the salary of the workman. However, basing on such ground the action taken by the management against the workman is not legal nor justified. So the workman Shri Barik is entitled to get relief in this case. The management shall refund all the amount deducted from the salary of the workman second-party including the guarding charge. Accordingly issue No. ii is answered.

11. *Issue Nos. i and iii* :-In view of the such facts and circumstances the reference is maintainable in its present form as per the Order dated 5-9-2006. Hence the workman is entitled to get relief in this case and the workman is liable to get back the deduction amount from the management alongwith the guarding charge. The management is directed to refund back the amount of Rs. 5,435 towards market rent charged from dated 10-12-1997 to dated 16-4-1998 and cash of Rs. 460 (As Guarding Charge) with 10% interest on the entire amount to the workman. Accordingly the issues are answered. Hence the Award.

AWARD

The reference is answered on contest against the management but in the circumstances without cost. The action of the management of SAIL, Rourkela Steel Plant, Rourkela in cancelling the allotment of Qrs. No. H/62, Sector-19, Rourkela made in favour of Shri K. Barik, Plot No. 45057, Sr. Laboratory Technologist, Ispat General Hospital and charging him penal rent from the date of cancellation of allotment is not legal nor justified. The management is directed to refund back all the deduction amounts of Rs. 5,435 towards market rent charged from dated 10-12-1997 to dated 16-4-1998 and cash of Rs. 460 (As Guarding Charge) with 10% simple interest on the entire amount to the workman within one month from the date of publication of the award in the *Orissa Gazette*.

Dictated and corrected by me.

SAROJINI MAHAPATRA
30-12-2009
Presiding Officer
Labour Court, Sambalpur.

SAROJINI MAHAPATRA
30-12-2009
Presiding Officer
Labour Court, Sambalpur.

By order of the Governor

K. C. BASKE
Under-Secretary to Government
