

CENTRAL ADMINISTRATIVE TRIBUNAL : PRINCIPAL BENCH

OA 1075/2002

New Delhi, this the 23<sup>rd</sup> day of April, 2004

Hon'ble Sh. Sarweshwar Jha, Member (A)

Shri S.S. Saxena,  
House No.7028, Sector B,  
Pocket 10, Vasant Kunj,  
New Delhi.

(By Advocate Sh. B.S. Mainee)

...Applicant

V E R S U S

Union of India through

1. The Secretary to the  
Government of India,  
Department of Defence Production  
And Supplies,  
South Block, New Delhi.

2. Director General,  
Ordnance Factory Board,  
Ministry of Defence,  
10 A, S.K. Bose Road,  
Kolkata-700001.

(By Advocate Sh. K.R. Sachdeva)

...Respondents

O R D E R

Shri Sarweshwar Jha,

Heard.

2. This OA has been filed by the applicant against the two orders of the respondents dated the 20-8-2001 and the 19-10-2001 (Annexure A-1 & A-2), whereby they have not accepted the claim of the applicant for payment of interest over delayed payment of IOFWP Fund and Gratuity. He has prayed that the said impugned orders be set aside and the respondents be directed to pay him interest @ 12 % compounded annual on the amount of IOFWP Fund amounting to Rs.10,236/- for the period from 1-4-84 to 31-5-97 and also the same rate of interest on the amount of gratuity of Rs.9,975/- for the period from 1-4-84 to 30-9-98.

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*Sarweshwar Jha*

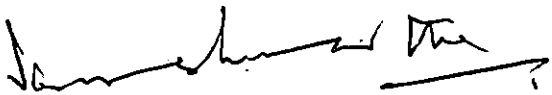
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3. Facts of the matter, briefly, are that the applicant who was initially appointed as a Trainee under the National Trade Apprentice Scheme of the Govt. of India by the Director General of Ordnance Factories in the 60s and who was subsequently appointed in Miller's grade by the said respondents (DGOF) and who was promoted as Supervisor (Technical) in grade 'A' on 1-3-1974 in Machine Tools Prototype Factory, Ambarnath and whereafter he was transferred to Ordnance Factory, Kanpur on 1-9-76 and where he was subsequently promoted as Chargeman-II (Technical) on 1-1-1980, was appointed as Production Engineer in Maruti Udyog Ltd. on having applied through proper channel and on having been relieved from his post of Chargeman Gr.II at Ordnance Factory, Kanpur on 24-1-83. He retained his lien in the post of Chargeman Gr.II (Technical) for two years and until such time he was permanently absorbed in Maruti Udyog Ltd. He had in the meantime opted for General Provident Fund and Pension Scheme from the Contributory Provident Fund Scheme vide General Manager, Machine Tools Prototype Factory, Ambarnath order no.274 dated 27-8-1975. On 18-12-1985, he made a request to the General Manager, Ordnance Factory, Kanpur to transfer his IOFWP Fund to the General Provident Fund Scheme. He has complained that there was no response to the said request for quite some time ; necessary orders were issued by the respondents in this regard on applicant's permanent absorption in Maruti Udyog Ltd. w.e.f 26-1-1984 when his lien had been terminated in the previous organisation w.e.f. 25-1-1984. The applicant has also made a reference to his request to get pro-rata pensionary benefits on the basis of his having rendered 14 1/2 years service in DGOF's organisation and that he also submitted a letter followed up with two representations on 23-7-88 and 9-2-89 (Annexure A-10 & A-11). He has submitted that his

Sanjay Kumar

request for pensionary benefits was turned down by the Works Manager (Admn), Small Arms Factory, Kanpur, who, according to him, was not competent to consider such request. It appears that the applicant followed up his request and finally it was agreed that his fund assets be transferred with interest to Maruti Udyog Ltd. Employees Provident Fund. It was, however, stated by the GM, Ordnance Factory, Kanpur vide his letter dated 29-2-96 addressed to the CDA Factory, Calcutta with copy to the applicant that no service gratuity was payable to him in respect of his former service. The matter was, no doubt, represented for on subsequent dates by the applicant and which led to a cheque of Rs.9,975/- towards payment of terminal benefits being receipted by the applicant on 26-9-98. However, statutory interest was not paid to him, as submitted by him. The applicant seems to have sent notices to the respondents on 31-1-2001 asking for interest on IOFWP Fund.

4. The respondents have, however, submitted that, as prayed for by the applicant, a cheque of Rs.10,326/- on account of his own deposit plus government's contribution with interest up to February, 1984 in favour of Maruti Udyog Ltd., Gurgaon has already been issued on 29-5-97. The said amount has been paid up to February, 1984 for the reason that orders regarding absorption of the applicant in Maruti Udyog Ltd. were issued in February, 1984 and with that his lien with the previous organisation was terminated. They have confirmed that interest up to February, 1984 has been paid by CC of A (Fys.), Kolkatta as per provisions of GPF Rules. They have submitted that as per note below Rule 11 (4) of GPF Rules, payment of interest on the fund balance beyond the period of six months may be authorised by Controller of Accounts after they have personally satisfied that delay in



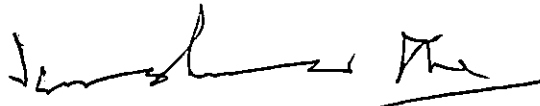
payment was occasioned by circumstances beyond the control of the Subscriber as the necessary orders regarding absorption of the applicant in Maruti Udyog Ltd. were made in February, 1984 and as there was no such circumstance under which interest on the fund assets could be claimed beyond the said period, the respondents having submitted that interest beyond the said period was not payable to him. They have also brought in the question of why and how the petitioner himself made representation regarding payment of his fund asset in the year 1993, i.e. after 9 years of his absorption in Maruti Udyog Ltd. They have also brought in the question of the need on the part of the applicant to have submitted an application for final settlement after he had quit the service. According, to them, he did not do any such thing, and accordingly, for the said reason also, he is not entitled to any interest beyond the date of quitting the service.

5. On closer examination of the matter and on careful perusal of the facts as submitted by the two sides, including those as submitted in the rejoinder of the applicant to the counter reply of the respondents, I do not find any justification for interest being paid to the applicant on the fund assets as also on the gratuity paid to him for the previous service beyond the date he has been absorbed in Maruti Udyog Ltd. There is no dispute on the date of his absorption in Maruti Udyog Ltd. nor on the date on which his lien had been terminated with the previous organisation. The payments on account of his fund assets as well as the amount of gratuity have already been made to the applicant together with interest which were permissible to him as per rules. There are no facts brought out in either the application of the applicant/his rejoinder nor in the reply of the respondents to suggest that the respondents have not followed



the rules on the subject or have not paid interest for the period beyond the date of termination of his lien in the previous organisation.

6. Under these circumstances, I do not see any merit in the case of the applicant and accordingly the OA stands dismissed. There shall be no order as to costs.



(Sarweshwar Jha)  
Member (A)

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