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**Central Administrative Tribunal
Principal Bench, New Delhi**

O.A.No.2509/2001

This the 19th day of January, 2015

Hon'ble Shri A.K. Bhardwaj, Member (J)

G M Ragannadharao
r/o 50-24-22
TPT Colony, Seethammadhara
Visakhapatnam, AP
(PPO No.PEN/B-231/SER 90/3687GRC)

..Applicant

(None for applicant)

Versus

1. Union of India
Ministry of Personnel,
Public Grievances & Pensioners
Department of Pension & Pensioners Welfare
Through its Secretary, New Delhi
2. The Addl. Secretary to Govt. of India
Ministry of Personnel,
Public Grievances & Pensioners
Department of Pension & Welfare
Lok Nayak Bhawan, Khan Market
New Delhi-3
3. The Financial Advisor & Chief Accounts Officer
South Eastern Railway, Garden Reach
Calcutta 43 (WB)

..Respondents

(By Advocate: Shri Shailendra Tiwary)

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O R D E R (O R A L)

The ~~Present~~ Original Application was disposed of by this Tribunal in terms of order dated 24th September, 2010. The operative part of the said Order dated 24.09.2010 reads thus:-

"31. In the light of above, this OA is allowed. Respondents are directed to allow dearness relief on the 1/3rd portion of pension commuted from the date upto 31.12.1995 and to consolidate the pension in terms of OM dated 27.10.1997 and pay the difference of the consolidated pension and basic pension from 1.1.1996. Respondents are also directed to pay dearness relief on the consolidated pension minus 2/3rd of basic pension upto the date of restoration of 1/3rd pension. Decision in P.V. Sundara Rajans case (supra) may also be applied for payment of consolidated pension. This shall be disbursed to the applicant with arrears, within a period of three months from the date of receipt of a copy of this order. No costs".

2. The aforesaid order was challenged before the Hon'ble Delhi High Court in WP(C) No.3387/2011 in which the High Court passed order dated 25.02.2013 remitting the matter back to this Tribunal for fresh adjudication. The order passed by Hon'ble High Court was assailed before the Hon'ble Supreme Court in Spl. Leave to Appeal (Civil) (CC No.18473/2013). Shri Shailender Tiwari, learned counsel for the respondents has submitted that the Civil Appeal was finally converted into the Writ Petition and

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the matter was remanded back to the Delhi High Court for adjudication. He produced the order passed by the Hon'ble Supreme Court disposing of the Writ Petitions. The relevant extract reads thus:-

"11. Sometimes thereafter, some government servants who were absorbed in public sector undertaking/enterprises including one Lt.Col.B.R.Malhotra, who had commuted 100% pension payable to them filed applications before the Supreme Court contending therein that all Central Government pensioners are entitled to dearness relief on sanctioned basis pension as revised from time to time, regardless of whether they have commuted any part of their pension. It was urged that in case of absorbees the government has calculated dearness relief at applicable rates on one-third of notional pension, whereas in case of central government pensioners the dearness relief has been calculated at applicable rates on full pension including the commuted part of pension. Vide judgment dated April 26, 2000 the Supreme Court disposed of said applications, which decision is reported as (2000) 4 SCC 469 *P.V. Sundara Rajan & Anr v Union of India & Ors.*

12. With respect to the absorbees who had commuted only one-third of their pension, the Supreme Court held as under:- "The dearness relief on pension has been granted to pensioners to compensate them for the erosion in the value of money due to rise in the cost of living. It seems clear that the Government has permitted to the applicants dearness relief calculated only on one-third part of the pension restored while in case of other pensioners, the dearness relief is calculated on full pension including the commuted part of pension. As already noticed, the applicants are to

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be treated on the same footing as other Central Government employees in so far as the question of restoration of one-third of commuted pension is concerned and are entitled to the benefits as given in Common Cause case. In this respect, it would also be useful to notice that the „pension“ as defined in Central Civil Services (Pension) Rules 1972 does not include dearness relief. Rule 3(1)(o) reads as under: Pension includes gratuity except when the term pension is used in contradistinction to gratuity, but does not include dearness relief; 12. We may also reproduce Rule 55A:- Dearness Relief on Pension/Family Pension

(i) Relief against price rise may be granted to the pensioners and family pensioners in the form of dearness relief at such rates and subject to such conditions as the Central Government may specify from time to time.

(ii) If a pensioner is re-employed under the Central or State Government or a Corporation/Company/Body/Bank under them in India or abroad including permanent absorption in such Corporation/Company/Body/Bank, he shall not be eligible to draw dearness relief on pension/family pension during the period of such re-employment.

(iii) Deleted

13. The Government instructions also show that the dearness relief is granted to compensate the pensioners for erosion in the value of money due to rise in the cost of living. Anything which is not part of pension has to be paid in full in so far as those who have commuted one-third pension. Nothing of substance could be shown by Mr. Altaf Ahmed, learned Additional Solicitor General, so as to deprive the grant of benefit of dearness relief on full pension to these public sector absorbers at par with Central Government pensioners. Directions in this regard have

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been issued by this Court from time to time but applicants are still being deprived of this benefit We give to the respondents a final opportunity to grant to the applicants the benefit of dearness relief on pension as aforesaid within a period of three months. The applicants are, however, not entitled to any other benefit claimed in the applications."

3. In the circumstances, no order is called for in the present proceedings. The file is accordingly directed to be consigned to the record room.


(A.K. Bhardwaj)
Member (J)

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