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CENTRAL ADMINISTRATIVE TRIBUNAL  
PRINCIPAL BENCH

O.A. NO. 143/1999

New Delhi this the 17th day of December, 1999.

HON'BLE SHRI JUSTICE ASHOK AGARWAL, CHAIRMAN

L. C. Chawla S/O M R. Chawla,  
Retd. Chief Draftsman,  
Northern Railway Constn.  
Headquarters Office,  
Kashmere Gate, Delhi,  
R/O 33, East Guru Angad Nagar,  
Delhi-110092.

... Applicant

( By Shri M. L. Sharma, Advocate )

-Versus-

1. Union of India through  
General Manager,  
Northern Railway Hqrs. Office,  
Baroda House, New Delhi.

2. Chief Personnel Officer,  
Northern Railway Hqrs. Office,  
Baroda House, New Delhi.

3. Chief Administrative Officer (Const.),  
Northern Railway (Const.)  
Headquarters Office,  
Kashmere Gate, Delhi.

... Respondents

( By Shri Rajeev Bansal for Shri B.K. Aggarwal,  
Advocate )

O R D E R (ORAL)

Present case is covered by the decision of the  
Supreme Court in the case of Bhagwan Shukla v. Union  
of India, 1994 SCC (L&S) 1320. In the said case, this  
is what has been observed by the Apex Court :

3. We have heard learned counsel for  
the parties. That the petitioner's basic  
pay had been fixed since 1970 at Rs.190 p.m.  
is not disputed. There is also no dispute  
that the basic pay of the appellant was  
reduced to Rs.181 p.m. from Rs.190 p.m. in  
1991 retrospectively w.e.f. 18-12-1970.  
The appellant has obviously been visited  
with civil consequences but he had been  
granted no opportunity to show cause against  
the reduction of his basic pay. He was not  
even put on notice before his pay was

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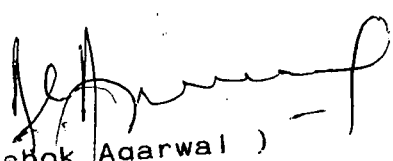
reduced by the department and the order came to be made behind his back without following any procedure known to law. There has, thus, been a flagrant violation of the principles of natural justice and the appellant has been made to suffer huge financial loss without being heard. Fair play in action warrants that no such order which has the effect of an employee suffering civil consequences should be passed without putting the (sic employee) concerned to notice and giving him a hearing in the matter. Since, that was not done, the order (memorandum) dated 25-7-1991, which was impugned before the Tribunal could not certainly be sustained and the Central Administrative Tribunal fell in error in dismissing the petition of the appellant. The order of the Tribunal deserves to be set aside. We, accordingly, accept this appeal and set aside the order of the Central Administrative Tribunal dated 17-9-1993 as well as the order (memorandum) impugned before the Tribunal dated 25-7-1991 reducing the basic pay of the appellant from Rs.190 to Rs.181 w.e.f. 18-12-1970."

2. As far as the applicant is concerned, his basic pay at the time of retirement was Rs.2450 per month. This is not disputed. After the applicant had retired from service on 30.9.1997, an order was issued reducing his pay from Rs.2450 to Rs.2300 per month. Based on the reduction of his pay, an amount of Rs.17,314/- was recovered from out of the gratuity payable to the applicant. Similarly, the applicant was paid pension belatedly on 13.4.1998 based on the reduced salary. His gratuity was also belatedly paid on 8.9.1998, also on the reduced salary. This reduction, it is undisputed, was without putting the applicant to notice and without affording him an opportunity of being heard. The aforesaid reduction, in the circumstances, I find, has been brought about in flagrant breach of the principles of natural

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justice. The said reduction, in view of the aforesaid decision of the Apex Court, deserves to be quashed and set aside. I order accordingly.

3. Present O.A., in the circumstances, is allowed. Applicant, it goes without saying, will be entitled to the consequential reliefs of payment of his retiral dues on the basis of his last pay drawn, namely, Rs.2450 per month. The difference, which the applicant will be entitled to on the basis of this order, should be paid to him within a period of three months from the date of the service of this order on the respondents. The amount payable to the applicant will carry interest at the rate of 12 percent per annum from the date of retirement of the applicant till payment. Applicant will also be entitled to costs of the present application, which I quantify at Rs.2,500/- (Rupees two thousand five hundred).

  
( Ashok Agarwal )  
Chairman

/as/