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CENTRAL ADMINISTRATIVE TRIBUNAL  
PRINCIPAL BENCH  
NEW DELHI

O.A. NO. 428/1995

New Delhi this the 17th day of November, 1995.

HON'BLE SHRI N. V. KRISHNAN, ACTING CHAIRMAN  
HON'BLE SHRI D. C. VERMA, MEMBER (J)

1. Shri Umesh Kumar Vatsa  
S/O Shri S. N. Vatsa,  
Mobile Booking Clerk,  
Northern Railway,  
I.R.C.A. Building,  
State Entry Road,  
New Delhi.
2. Shri S. N. Vatsa,  
Retired Inquiry Inspector (HQ),  
Northern Railway, New Delhi,  
R/O 2/1 Ram Nagar Railway  
Colony, New Delhi. ... Applicants  
( By Shri B. S. Mainee, Advocate )

-Versus-

1. Union of India through  
the General Manager,  
Northern Railway,  
Baroda House, New Delhi.
2. The Divisional Railway Manager,  
Northern Railway,  
State Entry Road,  
New Delhi.
3. The Divisional Superintending  
Engineer (Estate),  
Northern Railway,  
D.R.M.'s Office,  
New Delhi. ... Respondents  
( By Shri K. K. Patel, Advocate )

O R D E R (ORAL)

Shri N. V. Krishnan, Act. Chairman :-

In so far as the main prayer in the O.A. is concerned, namely, for the issue of a direction to the respondents to regularise quarter No. 2/1 Ram Nagar Railway Colony, New Delhi, it is admitted that during the pendency of this O.A., the respondents have passed suitable orders and the quarter has been regularised in the name of the applicant No.1

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with retrospective effect from 1.4.1994. The applicant No.1 is the son of applicant No.2, a retired Railway employee and the claim for regularisation was on that ground.

2. As the quarter was not vacated by the applicant No.2, his DCRG was withheld. It is now admitted that the DCRG has also been paid on 7.7.1995.

3. The applicant No.2 retired on 31.3.1994. In the normal course, the DCRG ought to have been paid latest by 30.6.1994. It has now been paid only on 7.7.1995.

4. The only question argued before us is whether interest is payable and if so, at what rate? The learned counsel for the applicant contends that for wilful withholding of the DCRG, penal rate of interest at 18% should be charged. The learned counsel for the respondents submits that there was no wilful delay. It was a bona fide delay in payment because the applicant No.1 did not vacate the quarter.

5. The question was whether the applicant No.1 was entitled to the allotment of the quarter. About that, there was a genuine dispute. In the circumstance, we hold that this is not a case of wilful delay, ~~Nevertheless~~, there has been a delay in payment for which the applicant should be compensated. We wanted to know from the learned counsel for the parties whether there is any law which declares what should be the rate of such interest.

6. The learned counsel for the applicant submits that even the banks pay a minimum rate of interest at

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13%. We are, therefore, of the view that it is the only rate at which interest should be paid to the applicant. We accordingly direct that the applicant shall be paid interest at the rate of 13% on the delayed payment of DCRG from 1.7.1994 till the date of actual payment, within a period of two months from the date of communication of this order. If it is not paid within that period, the interest will be payable at 18% thereafter.

7. The O.A. is disposed of with the above directions.  
No costs.

( D. C. Verma )  
Member (J)

( N. V. Krishnan )  
Acting Chairman

/as/