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Central Administrative Tribunal
Principal Bench: New Delhi

OA 1399/97

New Delhi this the 25th day of November 1997.

Hon'ble Mr R.K.Ahooja, Member (A)

Shri S.K.Anand
S/o Late Shri Pritam Singh Anand
R/o 35 Sochna Apartments
Plot No.15, Vasundhara Enclave
New Delhi - 110 096.

...Applicant.

(By advocate: Shri U.S.Bisht)

Versus

Union of India through

1. Secretary
Ministry of Defence
New Delhi - 110 011.
2. E-IN-C's Branch
Kashmir House
Rajaji Marg
New Delhi - 110 011.
3. Garrison Engineer (East)
Delhi Cantt.- 110 010.
4. C.C.D.A. (Pension)
Allahabad.
5. J.C.D.A. (Funds)
Meerut.

...Respondents.

(By advocate: Shri K.R.Sachdeva)

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Hon'ble Mr R.K.Ahooja, Member (A)

The applicant retired from Military Engineering Service on 31st May 1995. He is aggrieved that the respondents withheld his retiral benefits entirely and payments were made after considerable lapse of time but without interest on the delayed payment. In this context, he says that his pension was initially calculated on the basis of his basic pay of Rs. 3400 but revision was made after one year and three months.

Similarly, balance of revised gratuity amounting to Rs. 45040 was also delayed. The applicant is claiming interest on GPF, balance of retirement gratuity, pay & allowances for May 1995, ration money, leave encashment, TA/DA claim and CGEIS dues.

2. Respondents in their reply have stated that there was an outstanding claim against the applicant for his unauthorised occupation of government accommodation for which he was liable to pay damage rent. The applicant had filed an OA 1832/95 before this Tribunal regarding this dispute and the same was disposed of by order dated 14.1.1997. The dues were finally cleared during March 1997 i.e. within two months from the date of the decision of the Tribunal.

3. I have heard the counsel on both sides. Shri K.R.Sachdeva, learned counsel for the respondents has drawn my attention to the order of this Tribunal in OA 1832/95 dated 14.1.97 and more particularly the operative part wherein the Tribunal had given the following directions:

"The respondents are directed to collect from the applicant only the nominal rate of licence fee till date of his retirement and to recover the licence fee from the date of his retirement till he vacated the quarter at the rate as specified by rules. The matter shall be so settled and the retiral benefits of the applicant disbursed to him making deductions, if any, on account of the licence fee as stated above, within a period of two months from the date of receipt of a copy of this order."

4. Shri K.R.Sachdeva submits that the situation as regards the delayed payment was in the knowledge of the Tribunal when the aforesaid order was passed and the Tribunal itself gave a direction that the matter be settled within a period of two months. The respondents have duly complied with

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these directions and, therefore, there can be no liability on them to pay any additional interest. Shri Sachdeva submits that the respondents had duly paid interest on GPF.

5. I have carefully considered the matter and am in full agreement with the contentions of the applicant's counsel that the respondents cannot escape liability to pay interest on delayed payment merely because the matter was before the Tribunal as regards the liability of the applicant to pay damage rent. The order of the Tribunal in OA 1832/95 shows that the applicant had a good case and the OA was allowed by directing the respondents to recover only the normal rate of licence fee till the date of his retirement. Thus the very basis on which the respondents had withheld the retiral benefits of the applicant was held by the Tribunal to be invalid and unjustified. Therefore, the respondents are not justified in withholding the payment of the aforesaid benefits and are thus liable to pay interest thereon. Learned counsel for the applicant has also cited the case of K.P.Dohare Vs.UOI ATJ 1991 611 in which it has been held that a retiring employee has to be paid interest on gratuity if his pension and gratuity are withheld even for a day. The ratio of the judgement would squarely apply to the present case.

6. In view of the above ^{decision}~~decision~~, the OA is allowed. Respondents are directed to pay interest at 18% per annum on arrears of pension and gratuity as well as leave encashment from the date it was due to the date of actual payment. They will pay interest on GPF ^{for}~~from~~ the month of October 1994. However, no interest would be liable to be paid on delayed

⊗ Corrected vide order on MA 321/98 dtg 9.2.98

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payment of commutation of pension, pay & allowances for May 1995, TA/DA, CGEIS dues etc., as the applicant is entitled to receive full pension till commutation of pension. The claim for interest due to delay in release of pay & allowances, TA/DA, ration money, and in payment of CGEIS dues is not maintainable.

The OA is disposed of as above.

R. K. Ahooja
(R.K.Ahooja)
Member (A)

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