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CENTRAL ADMINISTRATIVE TRIBUNAL
PRINCIPAL BENCH
DELHI.

REGN. NO. OA 513/1987.

Date of decision: 11.9.1989

Shri Narinder Nath Sharma Applicant.

vs.

Union of India & Others Respondents.

Coram:

Hon'ble Mr. Justice Amitav Banerji, Chairman.

Hon'ble Mr. B.C. Mathur, Vice-Chairman (A).

For the applicant ... Shri G.D. Bhandari, counsel.

For the respondents ... Shri O.N. Moolri, counsel.

(Judgment of the Bench delivered by Hon'ble
Mr. Justice Amitav Banerji, Chairman)

The applicant was an Assistant Transportation Officer, Group 'B' in the Northern Railway, Baroda House, New Delhi. He retired from service on 30.6.1986 on attaining the age of superannuation. He is aggrieved by an order dated 23.9.1986 issued by the F.A. & C.A.O., Northern Railway, Baroda House, New Delhi (Annexure A-1 to Application by which Gratuity has been withheld. He has also prayed for a direction to the respondents to make payment of the Gratuity amount of Rs.42,338/- which fell due to the applicant on the date of his retirement, viz. 30.6.1986. He also prayed for a direction to the respondents to make payment of interest at penal rate on the Gratuity amount due from 30.6.1986 to the actual date of payment.

Third prayer was to direct the respondents to charge the rent of quarter which was retained after retirement with legal sanction of the competent authority for the period

1.11.1986 to 28.2.1987.

The matter now lies in a narrow compass. Admittedly, a sum of Rs.34,606.40 has been paid by the respondents to the applicant. It leaves a balance amount of Rs.7,831.60. The applicant claims that he should be paid the above amount and also be paid interest on the delayed payment. The respondents' stand is that a sum of Rs.7,831.60 was deducted from the

Gratuity of the applicant for the following reasons:

		Rs.
House Rent	1.7.86 to 31.10.86	@ 67/- 268.00
-do-	1.11.86 to 28.2.87	@ 315/- 1260.00
Water Charges	1.7.86 to 28.2.87	@ 25.50 204.00
-do-	1.10.81 to 31.12.84 (25.50 - 11.25)	@ 14.25 555.75
Final Bill of Electric charges		1159.29
Difference of rent from 1.4.83 to 30.6.86 @ 67/- minus 50.50 = 16.50		643.50
Balance of rent from 16.7.78 to 18.1.80 of Qr. No.2/6 DKZ.		741.02
Temporary withholding of Rs.3000/- to meet with the Electric charges not recovered for the period he remained LKO		3000.00
		<hr/> 7831.56

Learned counsel for the respondents pointed out that all the amounts other than Rs.3000/- were due to the Railways and have been rightly deducted from the DCRG. The Railways are entitled to deduct any amount due to them from the DCRG.

In respect of the sum of Rs.3,000/- learned counsel urged that this amount has been withheld to meet the electric charges not recovered for the period the applicant remained in Lucknow.

It appears from the papers shown to the Court that the applicant had taken over charge of the post of Station

Superintendent, Lucknow on the afternoon of 23.8.1978.

It also transpired that he was transferred to the Headquarters Office and posted as ATO (Food Movement) vide order dated 8.2.1980 and he assumed charge thereafter.

Nothing further is indicated if he was posted in Lucknow thereafter again. It would thus be seen that his total stay at Lucknow was for a period of about 1½ years only. He had been posted in Delhi in January, 1980 and a sum of Rs.3000/- has been withheld from the Gratuity amount to meet some electric charges. This indicates that the amount of electric charges due from the applicant is not a determined amount.

Further, although the applicant retired from service in June, 1986, the amount of electric charges could not be finalised within a period of six years from the date the applicant left Lucknow. Neither anything was shown to us regarding any specified amount towards electric charges due from him for his stay in Lucknow nor we are told the basis for calculating a sum of Rs.3000/- which has been withheld.

We are of the view that deduction of Rs.4,831.60 from the DCRG towards House Rent, Water Charges, Electric charges is justified because specified amounts have been mentioned as due but we are unable to uphold the temporary withholding of Rs.3000/- to meet the electric charges not recovered for the period he remained in Lucknow. As seen above, he stayed in Lucknow for about 1½ years. More than 9 years had been passed but no specific amount could be

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mentioned towards electric charges due from the applicant. We are of the view that withholding of a sum of Rs.3000/- from DCRG towards electric charges is not justified and this amount should be paid to the applicant.

In regard to the question of penal interest for the delay in making payment, a few facts be noticed. The applicant retired in June, 1986 and he did not vacate the Railway quarter until 28.2.1987. It is true that he was permitted to stay there by a competent authority. Nevertheless, the payment of Gratuity could be withheld until he vacated the quarter. The amount of Rs.34,606.40 was paid to him on 13.8.1987. In our opinion, there was a delay of more than 5 months. Besides, there has been delay in the payment of Rs.3000/- which has been withheld as seen above. The order of withholding was passed on 15.7.1987 and there has been delay in making the payment of this amount for about 2 years. Normally, we award penal interest when the delay is unreasonable but considering the fact that withholding of amount due to a Government servant after his retirement causes not only deprivation of amount which is due to him but also causes undue hardships to the employee in recovering the amount.

In the present case, the applicant had to move this Tribunal in April, 1987 for recovering the amounts due to him, which normally should have been paid within a month of his retirement. Amounts which are due as retiral benefits should in every case be dealt with promptly and paid to

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the retired person at the earliest. Any delay in making such payments causes immense difficulty for the retired person. In the first place, after superannuation, his income stands substantially reduced and if there is a delay in issuing the Pension Payment Order and other dues, it causes immense hardship to such a person.

In the present case, a part of the Gratuity amount was released to him only after the Original Application has been filed by him. We are, therefore, of the view that the applicant deserves to be compensated by awarding him interest @12% per annum for a period of 5 months on a sum of Rs.34,606.40 and interest at the same rate on a sum of Rs.3000/- for a period of 2½ years. We order accordingly. This O.A. is partly allowed as indicated above. The amount of Rs.3000/- and the interest as indicated above shall be paid to the applicant within a period of one month from the date of receipt of a certified copy of this order.

There will be no order as to costs.

B.C. Mathur
(B.C. Mathur) 11.9.89
Vice-Chairman

AB
(Amitav Banerji)
Chairman