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CENTRAL ADMINISTRATIVE TRIBUNAL  
PRINCIPAL BENCH, NEW DELHI.

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Reg. No. OA 1559/90

Date of decision: 10.6.91

Narendra Nath Sharma

Applicant

Vs.

Union of India

Respondents

PRESENT

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

Shri N.K. Aggarwal, counsel for the respondents.

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Hon'ble Shri Justice Ram Pal Singh, Vice-Chairman (J).

Hon'ble Shri P.C. Jain, Member (A).

(Judgment of the Bench delivered by Hon'ble Shri Justice Ram Pal Singh, Vice-Chairman (J).)

By this O.A. the applicant seeks directions from this Tribunal to the respondents for payment of his retirement dues as directed by a Bench judgment dated 11.9.89 in O.A. No. 513/87. He also prays for command to respondents to pay interest at penal rate of 18% along with compound interest therein for delayed periods as described in the O.A.

2. The applicant was an Asstt. Transportation Officer Group 'B' in the Northern Railway, Baroda House, New Delhi. He retired on 30.6.86 on attaining the age of superannuation. He had envisaged that his Railway employers would pay his post-retirement benefits and he would lead a leisurely life on those benefits in old days, leading a peaceful and care-free retired life. But his hopes shortly shattered when he received an order dated 23.9.86 issued by the F.A. & C.A.O., Northern Railway, Baroda House, New Delhi, by which his gratuity amount of Rs. 42,338/- was withheld.

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Aggrieved by this step of his employers, the applicant knocked the doors of this Tribunal by filing OA. No. 513/89 and prayed for relief. This Tribunal by its judgment dated 11.9.89 partly allowed the O.A. The directions are reproduced for convenience:

"...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 2-1/2 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."

3. Needless to say that the respondents, as usual, instead of responding the commands of the Bench decision of this Tribunal, chose to disregard the directions and sat over the matter just like an octopus, instead of acting as <sup>an</sup> important department of the Republic existing for looking after its old, retired, faithful and honest employee. The applicant, as stated by him in para 6 of the O.A., personally approached the respondents and requested them for making payment but without any success. However, behaving like colonial lords, the respondents at last, at their leisure and pleasure, chose to make payment as late as 26.2.90, 12.2.90 and 26.2.90 which was contrary to the directions given in the aforesaid Bench's decision. Before these payments were made to the applicant, the applicant filed Contempt of Court application No. 100/90 before the Bench

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on 16.1.90 for non-compliance of the directions of this Tribunal. When at last the said C.C.P. was listed on 19.7.90 before Court No. 1 of this Tribunal for admission, it was disposed of that as the payments have been made by the respondents, though belated, the notice was not necessary to be issued. Thus the respondents again escaped the noose of the contempt. However, the Bench observed that the applicant can, if so advised, file fresh O.A. for payments and interest due. Hence, this O.A. has been filed by the applicant for redressal of his grievance.

4. Respondents on notice, after seeking several adjournments, filed their return in which they contended that the applicant did not approach office personally; that the original file was misplaced and after reconstruction of the record and after completing formalities, the payments were made and hence the applicant was not entitled for further interest, penal or compound.

5. These pleas for delayed payments, contrary to the directions of the Bench's decision, were not substantiated by the respondents by filing any official documents. In the absence of any cogent evidence, we are constrained to observe that the respondents wilfully disregarded the commands and directions of the Tribunal contained in the judgment dated 11.9.89.

6. The desirability of the prompt payment of post-retirement dues has been stressed and reiterated in the judicial pronouncements. Plethora of case laws down from the apex court have persistently and consistently stressed the need of prompt payment of post-retirement benefits so that the retired people do not feel the pinch of the paucity of funds when they have departed from the arena of life where for long they have enjoyed the privileges

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of pay packets containing also the additional benefits of allowances. They are not only old but also tired from the life long struggle, hence they need immediate departmental attention. Wilful neglect on the part of the department they have served, to pay promptly the post-retirement benefits, is indeed nothing but cruelty to its old employee who has given his golden days of life in service.

7. The contentions of the respondents that payment of gratuity was delayed due to non-vacation of the Railway quarter on the date of his retirement by the applicant as he failed to produce the clearance certificate from the DSE (Estate), Northern Railway, stands falsified on perusal of the civil court order produced by Shri Bhandari at the time of the final hearing. Respondents, on one pretext or other, wilfully delayed the payment of post-retirement dues to the applicant. Furthermore, they are also guilty of wilfully avoiding the compliance of the judgment of this Tribunal passed on 11.9.89 in which they were the party. The respondents made the payments only when the applicant filed C.C.P. before the Bench. This clearly indicates that they have all along acted malafide and complied the directions only to escape the noose of the contempt of court. By their acts and omissions, the respondents have not only caused financial loss to the applicant, but have also caused harassment, torture and pangs of litigation to him. The respondents have thus become liable to pay heavy costs of the O.A. to the applicant.

8. The interest rate, as prayed for by the applicant is usurious and this court cannot as of public policy agree to award usurious rates of interest. The interest rates as awarded by this Tribunal by its judgment dated 11.9.89 to the applicant are judicious, just and proper. Consequently

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we are of the view that the respondents are liable to pay the due interest on all the dues to the applicant at the rate of 12% per annum till the date of the payment. The respondents shall calculate the rate of interest at the rate of 12% per annum on the entire amount and make the payments by 30.6.1991 to the applicant. If the respondents fail to make the whole payment, as indicated herein above, to the applicant, then, they shall not only be liable to pay the interest at the rate of 18% per annum, but shall also be punished for contempt.

9. In the facts and circumstances of the case, we are of the view that the respondents shall also pay the cost of this O.A. of Rs. 500.00 to the applicant. This payment of the cost of these proceedings shall be paid before the end of June 1991. This O.A. is finally disposed of on the terms as indicated hereinabove.

*C. Jain*  
(P.C. JAIN)  
MEMBER (A)

*Ram Pal Singh*  
(RAM PAL SINGH)  
VICE-CHAIRMAN (J)