

CENTRAL ADMINISTRATIVE TRIBUNAL
PRINCIPAL BENCH, NEW DELHI

O.A. No. 1003 of 1990

26⁴ day of November, 1993

(7)

SINGLE BENCH

Hon'ble Mr. B.K. Singh, Member (A)

O.P. Vyas,
257, Greater Kailash-II
New Delhi-48

..... Applicant

By Advocate: Shri R.K. Kamal

Versus

1. The Secretary,
Railway Board, Rail Bhavan
Rafi Marg, New Delhi.

2. The General Manager,
Northern Railway
Baroda House, New Delhi. Respondents

By Advocate: Shri P.S. Mahendru

O R D E R

This O.A. No.1003 of 1990 has been filed against the abnormal delay in the final settlement of terminal benefits to the applicant who retired from 1.5.86 under orders dated 3.3.87 (annexure A-1).

2. The reliefs sought is a prayer to direct the respondents to pay an interest of 15% on the amounts paid to the applicant.

3. The applicant was Divisional Mechanical Engineer Northern Railway. He was retired in public interest on 3.3.87 retrospectively from 1.5.86 when he joined the RITES (a Public Sector Undertaking of the Railway). The applicant is entitled to terminal benefits as admissible under the pension rules of the railways. In response to the Railway Board letter No.86/P/O/11/16 /3 dated 3.3.87 the applicant submitted his papers on the 16th November, 1987. This is annexure A-2

of the paper-book. The letter of the applicant addressed to the General Manager, Northern Railway dated 9.9.87 also mentions that the applicant would be happy to give any clarification and other details if so wanted by the respondents.

4. A notice was issued to the respondents who filed their reply and contested the application and the grant of interest of 15% prayed for by the applicant in the interim relief.

5. Heard the learned counsels, Shri R.K. Kamal for the applicant and Shri P.S. Mahendru for the respondents. During the course of arguments the learned counsel for the applicant stated that the delay was on the part of the Railways and therefore it is obligatory for them to pay the interest on the amounts which were not paid for a period of three years in spite of repeated representations. On perusal of the record, I have found only one representation dated 10.4.90 from the applicant (available at annexure A-3). No other representation is available on record. The O.A. was filed in May 1990 without waiting for a reply from the respondents. It is admitted by both the parties that the applicant was absorbed in RITES w.e.f. 1.5.86 and he was requested by the respondents to submit his papers vide letter dated 3.3.87 and in response to that the applicant submitted the papers on 6.11.87. The Railway authorities found two missing links. The leave account of the



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applicant for the period from 11.3.74 to 31.12.75 was not available. During this period the applicant was undergoing training in Jamalpur (Munger). The file could not be located there also and ultimately the applicant was asked to give a declaration about the leave availed by him during the said period, which he submitted on 1.3.90. The 'No Demand Certificate' from the D.R.M./R.D.S.O, Lucknow was also not available. It was stated by the learned counsel for the respondents that it is the duty of the applicant to have obtained the said certificate before his retirement. When the matter was referred to DRM/RDSO, Lucknow Division, it was found that he had not cleared a portion of principal amount along with interest of the Car Advance taken by him and it was still shown outstanding against him. The amounts of principal and interest were deposited by the applicant only on 3.3.89. It was only then that a 'No demand certificate' was issued by the DRM/RDSO, Lucknow. It is only on receipt of the 'no demand certificate' from the DRM/RDSO, Lucknow that the Railway could take a decision about the payment of terminal benefits. It was also argued by the learned counsel for the respondents that the applicant had wanted full commutation. This could be agreed to only after completion of the formalities which were to be gone through in this case. On receipt of the papers it was examined by the FA-cum-CAO and it was referred to the Chief Hospital Superintendent, New Delhi on 19.6.1990 for the medical examination of the applicant. The

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medical report was received by the respondents on 13.7.90 and full commutation amounting to Rs.1,14,353/- and pension for the period from 1.5.86 to 5.7.90 amounting to Rs.31,552/- was paid to him on 18.7.90. The DCRG was released to the applicant in September, 1990. Group Insurance amounting to Rs.3,625/- was paid to him on 14.12.88. The leave encashment of Rs.18,500/- was paid to him on 8.11.90.

6. Taking all the facts and circumstances, it is clear that the applicant got his GPF and other dues on retirement on time. The leave encashment, pension, DCRG and commutation etc. were ~~already~~ held up either for want of leave availed ~~or~~ or not availed and also on account of 'no demand certificate' which the applicant was required to obtain after payment of outstanding amounts of principal plus interest on the car advance pending against his name. The applicant submitted the leave account only on 1.3.90 and the amount of leave encashment was paid to him on 8.11.90 and as such there is no abnormal delay and therefore no interest can be paid on this amount. The DCRG was held up because of non-payment of outstanding car advance which was deposited on 3.3.89 and the 'no demand certificate' was subsequently obtained by the applicant and the due amount of Rs.21,012/- was paid to him in September 1990 and as such there is hardly any justification for payment of any interest on this amount. Group



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Insurance was already paid to him on 14.12.88 and as such there is no case for payment of interest on this amount.

7. As regards commutation, the papers were submitted on 16.11.87 and it was incumbent upon the respondents to have processed the same and referred the case to the Chief Hospital Superintendent. I find there was a lapse on the part of the respondents on this account. The matter was referred only on 19th June 1990 and the report was received only on 13th July 1990. The respondents are directed to pay an interest of 12% on the commutation value amounting to Rs.1,14,353.00 and also on the pension amount of Rs.31,552.00 from July 1988 to 17th July 1990. A grace period of six months has been allowed to the respondents for processing these matters and obtaining ~~report~~ the report from the Chief Hospital Supdt. and sanction of the competent authorities in consultation with the FA-cum-CAO.

8. The application is thus partly allowed.

There will be no order as to costs.


(B.K. Singh)
Member (A)