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CENTRAL ADMINISTRATIVE TRIBUNAL  
PRINCIPAL BENCH  
NEW DELHI

O.A.No.1748 of 1993

New Delhi, this 16th day of February, 1994.

Hon'ble Shri P.T.Thiruvengadam, Member (A)

Surjit Singh Bali  
s/o Shri Amir Singh,  
Chief Engineer (Central) Retd.,  
Northern Railway H.Qrs. office, N.Delhi.

Rly.Flat No.246/6A. PK Road,  
New Delhi.

(By Shri M.L.Sharma, Advocate)

..Applicant.

Vs.

1. Union of India through:  
Secretary, Ministry of Railways,  
(Railway Board) Rail Bhawan,  
New Delhi.

2. General Manager, Northern Railway,  
H.Qrs. office, Baroda House,  
New Delhi.  
(By Shri KK Patel, Advocate)

..Respondents

ORDER ( Oral )

(Delivered by Hon'ble Shri P.T.Thiruvengadam, Member (A)

The applicant in this O.A. retired from service on 31-5-1993. It is his case that he was permitted to retain the house till 31-1-1994 by the Administration and he vacated the house before this date. This O.A. has been filed praying for the following reliefs:-

No.1 This Hon'ble Tribunal may be pleased to direct the respondents to pay the full amount of DCRG to the applicant as become due to him on the date of retirement by virtue of his service.

No.2 This Hon'ble Tribunal may further be pleased to direct the respondents to pay interest at the rate of 18% from the due date of payment of gratuity amount i.e. 1-6-93 to the date of its actual payment.

2. The learned counsel for the applicant argued that since the accommodation has already been vacated during the authorised period of occupation, the DCRG

amount which was held back in full at the time of retirement should be released with necessary interest; the interest being calculated from the date of retirement to the date of actual payment of DCRG. He relies on Railway Ministry's instructions No.E(G)90 QR 3-6 dated 31-12-1990. The relevant portion in this circular is reproduced as under:-

"Sub:- Unauthorised retention of Railway quarters by Railway Officers and staff- Steps to be taken for vacation of.

4. Taking into account all the aspects the extent to which gratuity can be withheld in cases of non-vacation of railway quarters has been reviewed and it has been decided that retirement/death gratuity or special contribution to P.F., as the case may be should be withheld in full for non-vacation of railway quarters not only after supernnuation but in all cases cessation of service, namely, voluntary retirement, death etc. Further, the amount withheld should remain with the Administration only in the form of cash without conversion into any type of security lest the very purpose of withholding full DCRG should get defeated. It may also please be kept in view that the gratuity should be released as soon as the quarter is vacated so that there is neither any hardship to the retired employee or its family nor there is any claim for payment of interest on withheld gratuity for reasons of any administrative lapse."

The learned counsel for the applicant argued that the above instructions have been issued only with reference to unauthorised retention of railway quarters and in this case the applicant has vacated the house well in time during the period for which he was authorisedly allowed to retain the accommodation and therefore not only the DCRG which has been held back should be paid to him but also the interest from the date of retirement to the actual date of payment should be allowed.

3. It was opposed by the learned counsel for the respondent who mentioned that there is no provision for payment of interest at the time of release of DCRG on vacation of railway accommodation irrespective of whether such vacation was done during authorised

period of retention or unauthorised period of retention.

4. Having heard the counsels and taking into account the earlier interim orders passed by this Tribunal on 23-12-1993, it will be proper to direct the respondents to pay interest @ 12% per annum on the DCRG which has been held back less any legitimate dues from the date of vacation of the accommodation by the applicant till the actual date of payment, <sup>along</sup> ~~with the release of DCRG less any legitimate dues.~~ As regards the interest for the period from the date of retirement to the actual date of vacation, the applicant is at liberty to make a representation to the respondents within one month from the date of this order and the respondents are directed to consider the representation and give reasoned reply to the applicant within three months thereafter. If the applicant is aggrieved by the reply of the respondents, he is at liberty to approach this Tribunal.

5. O.A. is disposed of accordingly. No costs.

*P. J. Thiruvengadam*

'MALIK'

(P.T.THIRUVENGADAM)  
Member (A)