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Reserved

CENTRAL ADMINISTRATIVE TRIBUNAL
ALLAHABAD BENCH
ALLAHABAD.

ORIGINAL APPLICATION NO. 371 OF 2004/2005

ALLAHABAD THIS THE 25/11 DAY OF April, 2007.

Hon'ble Mr. Justice Khem Karan, Vice Chairman.

Mahendra Kumar, s/o
r/o 79, Gariwan Tota, Allahabad.

.....Applicant

(By Advocates: Sri Ashutosh Tiwari/Sri L.M Singh)

Versus.

1. Union of India through the Secretary, Ministry of Defence, Government of India, New Delhi.
2. Director General of Ordnance Services, (OS-BC) Master General of Ordnance Branch, Army Head quarters, D.H.C. F.O. New Delhi-110011.
3. The Commandant, Ordnance Depot, Fort, Allahabad.
4. Controller General of Defence Accounts, South Block, R.K. Puram, New Delhi.
5. Principal Controller, Controller Defence Accounts, Central Command, Lucknow.
6. Area Accounts Officer, Area Accounts Office, 1, Ashok Marg, Allahabad.

.....Respondents

(By Advocate: Sri Saumitra Singh)

ORDER

It is prayed that order dated 9.3.2004 (Annexure A-1), issued by the respondent No.2 be quashed and respondents be commanded to pay interest at the rate of 18% per annum on delayed payment of retiral benefits.

2. On attaining the age of supernnuation, applicant retired on 31.7.2001. He says that though he submitted the relevant papers well in time in connection with release of pension, D.C.R.G. G.P.F, C.G.I.S and leave encashment etc. but respondents delayed the payments by number of days demonstrated in para 4 (R) of the O.A. and so he is entitled to the

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Authorities to pay him the said interest and when they took no action, he filed O.A. NO.871/03, which this Tribunal finally disposed of vide order dated 20.10.2003 directing the respondent No.2 to decide the representation of the applicant by a reasoned and speaking order within a period of three months. Now by the impugned order dated 9.3.2004, the claim of the applicant for interest on delayed payment of retiral benefits has been turned down mainly on the ground that he himself submitted the relevant papers with much delay and there is no provision for interest on delayed payment of pension, gratuity and leave encashment etc.

3. The applicant is challenging the said order on the ground that no good reasons have been assigned for so much delay caused in payment of amounts and so respondents are liable to pay interest.
4. By filing written reply, the respondents have tried to support the impugned order. They say that the relevant pension papers ought to have been submitted by the applicant 6-8 months before his retirement but he himself submitted the same in the month he retired and so there was no delay on the part of respondents in making the payment. They have tried to say that so far as G.P.F was concerned, it was paid with interest due upto date. As regard the rest of amount, position has been explained in para 3 (a) to 3 (C) of supplementary reply.
5. I have heard parties counsel and have gone through the material on record. There is no dispute that there was some delay in payment of D.C.R.G. Commutated Value of pension, C.G.I.S, G.P.F and leave encashment. It would be beneficial to reproduce para 4 (R) of the O.A., which gives details of date of payment and delay so caused in the payment:-

| Sl. No. | Head | Amount paid | Date of payment | Delay |
|---------|-------------------|---------------|-----------------|-----------|
| 1. | D.C.R.G | Rs.1,65,931/- | 04.10.01 | 64 days |
| 2 | Commulation Value | Rs.1,66,557/- | 4.10.01 | 64 days. |
| 3 | Pension | Rs.10,116/- | 4.10.01 | 64 days. |
| 4 | G.P.F | 2,78,549/- | 02.11.02 | 112 days |
| 5 | G.P.F Difference | Rs.18,790/- | Oct. 2002 | 426 days. |
| 6 | C.G.I.S | Rs. 14,600 | 17.01.2002 | 200 days |



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|---|------------------|-----|------------|----------|
| 7 | Leave encashment | Rs. | 8,7,02 | 341 days |
| | | | 1,20,590/- | |

6. Respondents have clearly stated that applicant did not submit relevant papers well within time, say before 6-8 months of his retirement but he submitted the same in the month, he was retiring so delay of 64 days in making payment of D.C.R.G Commuted value of pension and Pension does not appear to be such which entitle the applicant to get interest. When he himself was not prompt in submitting the pension papers well within time, he cannot complain that there was 64 days delay in payment of D.C.R.G, Commutated value of pension and question of interest on delayed payment of these items does not arise. In so far as delayed payment of G.P.F. amount of Rs.2,78,549/- is concerned, the delay was of 112 days. It is averred in supplementary reply that interest was calculated upto processing month and, therefore, demand for interest on this amount on account of delay is not justified.

7. The delay in payment of G.P.F difference of Rs.18,790/- is 426 days, in payment of C.G.I.S amount of Rs.14,600/- is 200 days, and in payment of leave encashment amount of Rs.1,20,590/- is 341 days. I am of the view that the delay in payment of amount mentioned at 5,6 and 7 in para 4 (R) is such, which entitle the applicant to interest. There appears no good reason with the respondents as to why they took 426 days in releasing G.P.F. difference, 200 days in releasing C.G.I.S amount and 341 days in releasing Leave Encashment. Although learned counsel for the applicant was not able to produce before me any Rule or law with entitles a retired Govt. servant to have interest on delayed payment, but justice demands that a retired Govt. servant should be compensated in terms of money, for such long delay in payment of the amount to him. The rate of interest claimed by the applicant, in my opinion is highly excessive. I am of the view that interest at the rate of 8% per annum, on the amounts mentioned at 5, 6 and 7 in para 4 (R) of the OA shall be just and proper.

8. So the impugned order dated 9.3.2004 to the extent it refuses interest to the applicant on delayed payment of G.P.F. amount difference of Rs.18,790/-, C.G.I.S amount of Rs.14,600/- and leave encashment amount of Rs.1,20,590/- ,is quashed and it is directed that respondents shall pay to the

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applicant interest at the rate of 8% per annum on delayed payment of said amount, within a period of three months from the date, a certified copy of this order is produced before them. The rest of the claim of the applicant is rejected.

9. The O.A. stands disposed of accordingly with no order as to costs.

C. J. M. C.
25.11.07
Vice-Chairman

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