

RESERVED

CENTRAL ADMINISTRATIVE TRIBUNAL, ALLAHABAD BENCH
ALLAHABAD

DATED: THE 23RD DAY OF SEPTEMBER 1998

CORAM : HON'BLE MR. S.L.JAIN, J.J.

ORIGINAL APPLICATION O.501 OF 1993

Sri N.R.Basantani, Ex- Assistant
Commissioner of Income-tax,
resident of 11-W Mahesh Bhawan,
near State Bank of India, Juhu
Bhoshala, Kanpur Nagar-14.

.... Applicant

C-A Shri B.D.Madhyan, Advocate

Versus

1. Union of India, through Ministry of Finance,
Department of Revenue, New Delhi.

2. Secretary, Department of Pension and Pensions
Welfare Ministry of Personnel Public Grievances
and Pensions Nirvachan Sadan, Ashok Road,
New Delhi.

3. Joint Secretary (Administration)
Central Board of Direct Taxes,
North Block, New Delhi.

4. Chief Commissioner of Incometax, Aaykar Bhawan,
Chaurangi Road, Calcutta.

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5. Financial Advisor Deputy Secretary
to the Government of Maharashtra,
Food and Civil Supplies Department,
Bengali Girls School Building,
42 Sir V.T.Road, Bombay-20.

..... Respondents

C/R Shri Amit Sthalekar, Advocate.

ORDER

BY HON'BLE MR. S.L.JAIN, J.M.-

This is an application under section 19 of the Administrative Tribunal Act, 1985 for the relief that he is entitled to full pensionary benefits as he has completed more than 33 years of service while the respondents have directed payment of only interim pension.

2. Brief facts leading to this O.A. are that the applicant retired as Appellate Assistant Commissioner of Income-tax on 31.1.1982. Before coming to the Income-tax Department he was appointed as Rationing Inspector in the State of Maharashtra and served as such from 5.1.1949. Thereafter he was promoted and was appointed as welfare officer and Rationing Inspector under the Collector Thana (Bombay) While serving the State of Maharashtra he applied for Central Government Service through the Administrator Kalyan Camps (Bombay), is erstwhile head of ~~xx~~ the office. The application was sent through the Sub Employment Bureau, New Delhi. He was selected for appointment as Income-tax Inspector and posted on 13.10.1950. After receipt of the said order on 24th October 1950 ~~xxxxxxgettingxtheexistingxandxxxx~~ he resigned on 25.10.50 and joined at Lucknow. On 30.10.50, after getting the posting order on 29.10.50 from Lucknow. The said period of service and the break was not taken into consideration inspite of long

S.L.Jain

correspondence ^{by} from the department of the applicant and on retirement interim pension was fixed. Hence this O.A.

3. The applicant's counsel stated that full pensionary benefits in April 1988 have been provided to him and he claims interest thereon. Thus, now the O.A. is only to the extent of consideration of interest only on the amount not paid to the applicant timely.

4. In Padmanaa Bhan Nayyar's case reported in (1985) 1 SCC 429, 1985 SCC (L & S) 278, A.I.R. 1985 SC 356, it had been held by the Apex court of the land that inculpable delay in settlement and disbursement of the gratuity must be visited with the penalty of payment of interest at the market rate till actual payment. The said authority has been consistently followed. Even the Government instructions in this respect are that the settlement dues should be paid within three months of the retirement of the employee and in case of failure to do so the retired employees are entitled to interest @ 12% per annum compounded annually.

5. The applicant as vigilant about his rights and the matter was pursued before his retirement but the lethargy on the part of the respondents leads to this delay. Hence the applicant is entitled to interest on difference of the amount of pension fixed and paid minus the interim pension @ 12% per annum compounded annually, with cost of the litigation amounting to Rs.650/- (Legal Practitioner's fee Rs.500/- and other expenses Rs.150/-).

6. The respondents are ordered to calculate the amount as stated in early para and pay the same to the applicant within three months from the date of the receipt of the order.

PL.DM
MEMBER (J)