

OPEN COURT

IN THE CENTRAL ADMINISTRATIVE TRIBUNAL, ALLAHABAD
ADDITIONAL BENCH AT ALLAHABAD

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Allahabad : Dated this 9th day of July, 1997
Original Application No. 672 of 1994

CORAM:-

Hon'ble Mr. S. Das Gupta, A.M.

Kotam Singh son of Late Shri Angam Lal,
Retired Gangman under Permanent Way Inspector,
Mainpuri, Resident of Village-Boorah Bhartara,
Post-Sarai Sekh, Distt-Faizabad.

(By Shri Anand Kumar, Advocate)

. . . . Applicant

Versus

Union of India through :

1. The General Manager, Northern Railway,
Baroda House, New Delhi.
2. Divisional Personnel Officer, Northern Railway,
Allahabad.
3. Senior Divisional Accounts Officer, Northern Railway
D.R.M.'s Office, Allahabad.

(Shri AK Gaur, Advocate)

. . . . Respondents

ORDER (O r a l)

By Hon'ble Mr. S. Das Gupta, A.M.

In this application filed under Section 19 of the Administrative Tribunals Act, 1985, the relief prayed for is that a direction be given to the respondents to pay compound interest @ 14% per annum with effect from 01-4-1984 on delayed payment of pension till the date it is finally paid by the respondents. He has also prayed for award of compensation for harassment meted out to him by non-payment of interest at the market rate. The facts averred in the OA and the CA disclose that the applicant had earlier filed a writ petition in the Hon'ble High Court of Judicature at Allahabad, which was later transferred to this Tribunal and renumbered as TA No. 140 of 1987 in which he claimed that he should be paid pension instead of bonus ~~and~~ ^{with}

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provident fund accumulation as per S.R.F. Rules. It appears that the applicant had sought voluntary retirement on completion of 55 years of age and he had requested that he should be given pension instead of provident fund accumulation. This was not done by the Railways and he retired with provident fund accumulation. A Bench of the Tribunal disposed of the TA with the direction to take the application for voluntary retirement as option for pension and give a final decision regarding payment of pension to the applicant within a period of three months. It was also directed that in case the applicant's prayer for pension was allowed, which was expected, to be done, the applicant might be required to refund the provident fund amount. It appears that thereafter the respondents decided to pay pension to the applicant on resumption of the bonus amount on the provident fund accumulation. This amount was about Rs. 6,000/- whereas the respondents actually resumed Rs. 23246/- as this was the amount with compound interest @ 14% per annum.

2. The respondents have filed a counter affidavit in which it has not been denied that the provident fund bonus has been resumed together with compound interest. It has been stated that in terms of S.R.P.F. Rules, this is to be recovered alongwith compound interest.


3. I heard learned counsel for both the parties and perused the pleadings on record carefully.

4. The direction given by the Tribunal in the TA was that the applicant's prayer for pension should be considered and in case it was allowed, the respondents would be free to resume provident fund bonus. Admittedly, the provident fund paid to the applicant amounts to Rs. 6119/- and had only this amount, which was actually

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paid to the applicant as provident fund bonus, been resumed from him, there would have been no question of payment of interest on the pensionary benefit now being claimed by the applicant. It is significant that the Tribunal did not permit expressly resumption of the provident fund bonus amount alongwith interest. The respondents have gone beyond what was permitted and realised this amount with compound interest. Once this has been done, I see no reason why the applicant also should not be entitled to interest at the same rate on the terminal benefits which have been allowed to him, since the date of his retirement.

5. After hearing both the parties, I am of the view that the interest of justice would be served if neither party charges any interest on the respective amounts due to each other. I, therefore, direct the respondents to refund the compound interest levied on the principal amount of the provident fund which was paid to the applicant, within a period of three months from the date of communication of this order. With this direction, the case stands finally adjudicated and once this amount is paid to the applicant, he shall not be entitled to any interest on the terminal benefits. The parties shall bear their own costs.


Member (A)

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