

Pension

IN THE CENTRAL ADMINISTRATIVE TRIBUNAL
AHMEDABAD BENCH

6

O.A. No.
PA. No.
XXXXXX

197 OF 1991

DATE OF DECISION 06th July, 1992

Shri N.M.Bhatt Petitioner

Shri J.F.Shah Advocate for the Petitioner(s)

Versus

Union of India and ors. Respondent

Shri Akil Kureshi Advocate for the Respondent(s)

CORAM :

The Hon'ble Mr. R.C.Bhatt : Judicial Member

The Hon'ble Mr.

1. Whether Reporters of local papers may be allowed to see the Judgement?
2. To be referred to the Reporter or not?
3. Whether their Lordships wish to see the fair copy of the Judgement?
4. Whether it needs to be circulated to other Benches of the Tribunal?

Shri Narayan M. Bhatt,
202, Azad Society,
Near Poly - Technic,
Ahmedabad - 380 015.

...Applicant.

(Advocate : Mr.J.F.Shah)

Versus

1. Union of India,
Ministry of Communications,
Department of Posts,
New Delhi.

2. Director General of Posts,
Postal Directorate,
New Delhi - 110 001.

3. Post Master General,
Rajkot Region,
Rajkot - 360 001.

4. Senior Superintendent of Post Offices,
Bhavnagar Division,
Bhavnagar - 364 001.

5. Senior Post Master,
Head Post Office,
Bhavnagar - 364 001. ...Respondents.

(Advocate : Mr.Akil Kureshi)

ORAL JUDGMENT
O.A.NO.197 OF 1991.

Dated : 06th July, 1992.

Per : Hon'ble Mr.R.C.Bhatt : Judicial Member

1. Heard Mr.J.F.Shah, and Mr.Akil Kureshi learned advocates for the applicant and the respondents.

2. The respondents learned advocate Mr.Akil Kureshi, files ---- - - reply and further reply today. The same are taken on record. It is not indisputable that the applicant has retired on superannuation on 31st December, 1990. It is also not indisputable that the amount of gratuity of Rs.29,183/- has been paid by the respondents to the applicant in three instalments. The first instalment of Rs.14,350/- was paid to the

applicant on 7th July, 1991, the second amount of instalment of Rs.11,233/- was paid on 14th September, 1991, and the third amount of instalment of Rs. 3,600/- was paid to the applicant on 3rd December, 1991. It is also not indisputable that the commuted value of pension Rs.34,053.80/- which was sanctioned according to the respondents on 24th September, 1991, was paid to the applicant on 1st October, 1991.

2. Learned advocate for the applicant Mr.J.F. only Shah, presses this application for the interest at the rate of 18 % per annum, because of delayed payment of DCRG. Learned advocate for the respondents has drawn my attention to para - 5.2 and 5.7., and notes - para-2 (III), of the reply and the Annexure, dated 30th November, /3rd December, 1990. He has also drawn my attention to the contentions taken by the respondents in further reply. He submitted that there is no delay as such on the part of the respondents in paying the DCRG, amount. According to the respondents, as per para - 5.2., of the reply, the provisional pension has been sanctioned to the applicant vide letter dated 13th February, 1991 and the calculation sheet is produced at Annexure-1. The final calculations on the payments of the pension was to be made in view of the letter dated 7th January, 1991, Annexure-2.

It is contended in para - 5.7., of the reply that after some adjustments the final calculation was to be made. It is also contended that the previously paid amount of commutation value of Rs.29,209.20 and DCRG Rs.21,141.25, with interest at the rate prescribed for GPF was to be recovered from the applicant in one lump, and the applicant had not credited the above amount. Learned advocate for the applicant submitted that the applicant is allowed to retain these amounts and the amounts that have been paid by the respondents as gratuity amount and commuted value of pension amount are the remaining ~~xxxxxx~~ amounts.

3. After hearing the learned advocates I am not satisfied by the submissions made on behalf of the respondents that there is no delay in making payment of the gratuity and commuted value of pension. Learned advocate for the applicant has relied on the decision in the State of Kerala and Others Vs. M. Padmanabhan Nair, AIR 1985 Supreme Court - P.356, in which the Hon'ble Supreme Court has observed as under :

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"Pension and gratuity are no longer any bounty to be distributed by the Government to its employees on their retirement but are valuable rights and property in their hands and any culpable delay in settlement and disbursement thereof must be visited with the penalty of payment of interest at the current market rate till actual payment. The liability to pay penal interest on these dues at the current market rate commences at the expiry of two months from the date of retirement."

It is also observed that the Supreme Court was inclined to grant 12 % interest to the retired employees but did not do so as the applicant had demanded six percent interest only. In this application, the applicant has demanded 18 % interest. ***** In view of the decision of the Hon'ble Supreme Court, cited before me, by the learned advocate for the applicant, I hold that the respondents have to pay the interest at 12 % per annum, on the amounts of gratuity and commuted value of pension, commencing at the expiry of two months from the date of retirement, of the applicant. Hence, the following order :

ORDER

The application is partly allowed.

The respondents to pay the interest at 12 % per annum, on account of delayed payment of gratuity amount and commuted value of pension to the applicant commencing from 1st March, 1991, till the date on which these payments were made to the applicant. The respondents to comply this order within three months from the date of receipt of this order. The application is disposed of No order as to costs.

R.C.Bhatt
(R.C.Bhatt)
Judicial Member