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CENTRAL ADMINISTRATIVE TRIBUNAL
CUTTACK BENCH: CUTTACK

Original Application No.459 of 1990

Date of Decision: 15.7.1992.

Mahendra Pradhan

Applicant

Versus

Union of India & Others

Respondents

For the applicant

Mr.J.N.Jethi
Advocate

For the respondents

Mr.Ashok Kr.Mohanty,
Sr.Standing Counsel
(Central)

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C O R A M

THE HONOURABLE MR.K.P.ACHARYA, VICE-CHAIRMAN

AND

THE HONOURABLE MR.M.Y.PRIOLKAR, MEMBER (ADMN.)

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1. Whether the reporters of local newspapers may be allowed to see the judgment ?
2. To be referred to reporters or not ? *NO*
3. Whether Their Lordships wish to see the fair copy of the judgment ? Yes

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JUDGMENT

MR .M.Y .PRIOLKAR, MEMBER (ADMINISTRATIVE)

The applicant is stated to be a Railway Employee who ~~on~~ ^{on} his ~~superannuation~~ ^{superannuation} on 21.7.1960 was paid retirement benefits as admissible under the Contributory Provident Fund (C.P.F.) Scheme without any monthly pension, since he had not opted for Pension Scheme, although such an opportunity was available to him. The grievance of the applicant is that the Fourth Central Pay Commission has recommended in para 9.6 of its Report that C.P.F. beneficiaries who have retired prior to 31.3.1985 with a basic pay upto Rs.500/- per month may be given an ex-gratia payment of Rs.300/- per month in addition to the benefits already received by them under the C.P.F. scheme subject to certain adjustments, but this recommendation has still not been implemented by Government of India. The relief prayed for is a direction to the respondents to make such ex-gratia payment to the applicant with effect from 1.1.1986 as per the recommendation of the Fourth Pay Commission with consequential benefits.

2. In their written reply filed on 2.1.1992, the respondents have stated that the recommendation in para 9.6 of the 4th Pay Commission Report is under consideration of Government and no decision has yet been taken to accept and implement the said recommendation and, therefore, the applicant is not entitled to any relief whatsoever.

3. The Fourth Pay Commission in paras 9.6 and 9.7 respectively of its report, had recommended ex-gratia payment at certain rates to C.P.F. beneficiaries who had retired prior to 31.3.1985 with a basic pay upto Rs.500

per month. In the Government of India, Department of Pensions O.M. dated 1.5.1987, while communicating the decision to accept and implement certain other recommendations of the Fourth Pay Commission, it was stated that a proposal to grant ex-gratia payment to the C.P.F. beneficiaries who retired prior to 1.1.1986 and to the families of C.P.F. beneficiaries who died prior to 1.1.1986, on the basis of the recommendations of the Fourth Pay Commission, is separately under the consideration of Government. It was also stated therein that the said ex-gratia payment, if and when sanctioned, will not be admissible to the employees or their families who opt to continue under the C.P.F. Scheme from 1.1.1986 onward. Subsequently, vide Ministry of Pension OM dated 13.6.1988 Government of India granted ex-gratia payment only to families of deceased C.P.F. retirees at the rate of Rs.150 per month with effect from 1.1.1986, along with dearness relief as granted to pensioners from time to time.

4. The learned counsel for the applicant contended that the Government decision to make ex-gratia payment only to families of deceased C.P.F. beneficiaries is unreasonable and discriminatory and therefore violative of Article 14 and 16 of the Constitution, since for the same reasons for which the Supreme Court in Nakya's Case (AIR 1983 SC 130) held that all pensioners were one homogenous class, the C.P.F. beneficiaries also are ^{one} homogenous class which includes retirees and their families. We find little substance in this contention. Evidently, grant of certain benefits only to widows or dependent children of deceased C.P.F. beneficiaries by

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by treating them as a separate category distinct from C.P.F. beneficiaries who are still alive cannot be considered as arbitrary or discriminatory as this classification is based on discernible rational principle. The learned counsel also relied in this connection on paras 37 and 38 of a 5 Judges Bench judgment of the Supreme Court in the case of Krishna Kumar vs. Union of India (AIR 1990 SC 1782) in which Their Lordships have stated that they have no doubt about the above recommendations amongst others receiving due consideration by the Union of India. The learned counsel urged that the Government of India was therefore bound to implement the recommendation in para 9.6 of the Pay Commission Report in respect of all C.P.F. retirees. We are not inclined to accept this submission. We have already held earlier that there is no discrimination in families of deceased C.P.F. retirees being treated differently from other C.P.F. retirees. Government is, therefore, free to either accept or reject the Pay Commission's Recommendation relating to C.P.F. retirees taking into account the financial and other implications.

5. On the basis of the foregoing discussion, we do not find any merit in any of the contentions raised on behalf of the applicant. This application is accordingly dismissed leaving the parties to bear their own costs.

VICE-CHAIRMAN 15/1/82

MEMBER (ADMINISTRATIVE)

Central Administrative Tribunal
Cuttack Bench, Cuttack
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