

IN THE CENTRAL ADMINISTRATIVE TRIBUNAL,
CUTTACK BENCH: CUTTACK.

O.A.NO.643 OF 1995
Cuttack, this the 4th day of June, 1996

T.B.Sankaram

....

Applicant

Vrs.

Union of India & others....

Respondents

(FOR INSTRUCTIONS)

- 1) Whether it be referred to the reporters or not? *Yes.*
- 2) Whether it be circulated to all the Benches of the Central Administrative Tribunal or not? *Yes.*


(N.SAHU)
MEMBER (ADMINISTRATIVE)

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CENTRAL ADMINISTRATIVE TRIBUNAL
CUTTACK BENCH: CUTTACK.

O. A. No. 643 of 1995

Cuttack this the 4th day of ~~May~~^{June}, 1996.

C O R A M:

THE HONOURABLE MR. N. SAHU , MEMBER (ADMINISTRATIVE)

T. B. Sankaram,
Son of late T. Subrahmanyam,
aged 60 years,
Retired Asst. Traffic Manager,
S.E. Railway, Sambalpur (Orissa)

... Applicant

By the Applicant ... M/s. Y. Subramaniam, P.K. Chand,
Advocates.

-Versus-

1. Union of India represented by General
Manager, S.E. Railway, Calcutta-43.
2. Chief Personnel Officer,
S.E. Railway, Calcutta-43.
3. FA & C.A.O., S.E. Railway,
Calcutta-43.
4. Divisional Railway Manager,
S.E. Railway, Sambalpur.
5. Divisional Accounts Officer,
S.E. Railway, Sambalpur.

... Respondents

BY the Respondents : Mr. L. Mohapatra, Standing counsel for
Railways.

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O R D E R

MR. N. SAHU, MEMBER (ADMINISTRATIVE)

The grievance in this petition is reflected
in para-9 of the application filed on 30.10.1995;

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- 1) Arrange payment of interest @ 18% on various dues from date of retirement till actual payment;
- 2) Refund the amount of Rs.1,000/-arbitrarily held up from D.C.R.G. with interest.
- 3) Compensate for the loss and inconvenience caused by arranging P.F. amount of Rs. 2,50,332/- on S.B.I. Vizianagaram instead of SBI-Kotauratla and commutation and DCRG amounts of Rs. 67,615/- and Rs. 61,282/- respectively on S.B.I., Visakhapatnam instead of SBI- Kotauratla even though applicant desired all cheques to be issued on SBI Kotauratla resulting in inconvenience of Rs. 1,500/- on account of exchange collected by Bank, besides travel expenses of Rs. 2,000/- ;
- 4) Cost of suit and such other relief(s) which the Hon'ble CAT-CTC may consider as incidental and consequential to the circumstances of the case;
- 5) Pay all the amounts i.e. reliefs granted to the applicant by Hon'ble Tribunal with in such period as the Hon'ble Tribunal may be pleased to fix.

2. The applicant retired on 31-5-1994 on attaining Respondents that Sambalpur the age of superannuation. It is stated on behalf of the Division was newly formed in the year 1992. There was delay because papers could not be connected properly and co-ordinated. With regard to withholding of Rs.1000/- from D.C.R.G., it is stated that this is for clearance of outstanding dues on house rent, if any, and particulars have

to be received in this regard from the Waltair Division and Accounts Sections. Sambalpur Division was formed in the year 1992 by taking over the jurisdiction from Chakradharpur and Waltair Divisions. For papers, this Division depended on the parent Divisions. It is stated that the leave salary, CGIES, Packing and transfer allowances and P.F. were made within 3(three) months from the date of retirement of the applicant as exhibited at page-3 of the application. Regarding commutation of Pension, it is submitted that after getting the certificate of commutation value, the cheque was issued on 28.9.1994. At the applicant's personal request on 10.11.1994 for a demand draft, the said demand draft was arranged with great difficulty. It is stated that the Pension payment order was also issued on 13.9.1994 on S.B.I., Kotaurtlo Branch as desired by the applicant. Para-7 of the counter states that the applicant himself signed all the papers viz. Leave Salary, Insurance, Gratuity and P.F. and requested the authority to send the cheques to S.B.I. Visakhapatnam. The Divisional Accounts Officer, Sambalpur sent the cheques to S.B.I. Visakhapatnam but the cheques were returned, due to some official problems. Again the Cheques were sent to S.B.I. Vizianagaram. It is stated that the delay, if any, in

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paying the pensionary benefits, is neither intentional nor deliberate but it is only due to the fact that a new Division was formed. It is submitted that the applicant is not entitled for the cheque collection charges because the cheques have been issued at the request of the applicant.

3. In his rejoinder, the applicant states that he vacated the Railway quarters two months in advance on the date of his retirement with a view to enable the Respondents to get clearance certificates. The Respondents arranged payment of Rs. 1,000/- withheld from D.C.R.G. passed on 9-11-1994 only after receipt of the notice from this Court and the payment was made on 13.2.1996. He claims interest from 31.5.1994 to 9.11.1994 on full amount of gratuity and on Rs. 1,000/- from 9.11.1994 to 13.2.1996. This is eminently reasonable. The applicant is allowed interest on this delayed payment. Interest shall be calculated and paid at the rate of 15% per annum for the period of delay on the D.C.R.G. and on the withheld amount of Rs. 1,000/- for the periods indicated above. The payment shall be made within 60 (sixty) days from the date of receipt of a copy of this order.

4. It is next submitted that formation of a new Division does not justify the delay in payment of settlement dues. It is stated that the service sheet and personal files are to be reviewed 18 months in advance and to be kept upto date for arranging payment on the date of retirement. The applicant wanted the payment of pension and other dues on SBI- Kotauratla Branch. The Respondents have arranged payment of dues at various SBI- Branches without connecting papers through Railway Pay Clerks/ Banks and made him to incur avoidable expenditure towards clearance of cheques. I am exhibiting hereunder the claims of the applicant as well as the claims of the Respondents.

CLAIMS OF APPLICANT

Sl.No.	Nature of claims.	Amount	Date of applying No. for the amount.	Cheque No.	Date	Date of receipt of pay.
1	2	3	4	5	6	7
1.	Leave Salary	Rs.55,488/-	No.Appln. required 092292/ Payment to 21.6.94 be made automatically on retirement.			11.7.94

2. CGIS Rs. 5,786/- -do- 093391 21.6.94 -do- -do-
3. Packing Rs. 3,450/- 1.6.94 082655 22.6.94 3.8.94 -do-
& Transport Allowance.
4. Provident Rs.2,50,332/-1.6.93 016161 6.7.94 19.8.94 Pay
Fund. (withdrawal appln.for 90% not considered) Clerk CKP
5. Commutation
value of Rs.69,615/- 1.6.93DD 10.11.94 14.11.94 PC CKP
pension.
6. DCRG Rs.61,282/- 1.6.93 082934 18.11.94 Nov.94 -do-
7. Pension Rs.17,941/- 1.6.93 on S&I-Kotauratla.
payment Arrear pension
Order.

CLAIMS FOR RESPONDENTS

Sl.No. & Name of claims applicant).	Date of receipt (Receive of applications from the applicant).	Date of sanction.	Remarks
1. Leave Salary	28.4.94	1.6.1994	Date of retirement is 31.5.94.Hence delay does not arise.
2. CGEIS	28.4.94	1.6.94	-do-
3. Packing & Transfer Allowance.	1.6.94	18.6.94	Party had submitted transfer and packing by hand even before reaching his place of settlement.

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4. Provident Fund Amount. Nil 18.5.94 Passed by Hq/GRC (Sent to HQ/GRC) on 13.6.94.
5. Commutative value. 28.4.94 1.6.94 Date of retirement is 31.5.94. Hence delay does not arise.
6. DCRG 10.11.94 10.11.94 Sent to Associate Accounts (Received from A/Cs for no claim certificate) for period passed-No delay.
7. Pension Payment. - 1.01.06.94 2.13.09.94 Sanctioned and sent to Accounts after receipt of integrity certificate.

Amounts passed by
Accounts Department.

5. I have carefully considered the submissions of rival counsel. I have also studied in depth the rules on the subject. The Railway Board and the Ministry of Personnel have repeatedly issued instructions for expeditious payment of retirement benefits. They have evolved guidelines for avoiding delay in payment of pensionary benefits. They have stated that the location of Administrative Office dealing with pension papers and the Accounts Office responsible

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for verifying pension papers must be at the same station. They have published a Brochure 'Towards an Enjoyable Retirement' brought out by the Department of Pension and Pensioners' Welfare to make the retiring Government servants aware of the Provisions of the C.C.S. (Pension) Rules, 1972. Check-points for would be pensioners are also issued. There are sixteen check-points. If these check points were properly adhered to, there would have been no delay. In the counter, -affidavit, , it has not been mentioned that these check-points were adhered to. The Department's Office Memorandum number is 38/11/93- P & PW (F) dated 2nd May, 1994 contains the recommendations of a study team. The study team had pointed out the areas where the delay occurs in clearing pension papers. The study team came out with important suggestions to avoid delay for verification of qualifying service. It suggested appropriate training to the employees handling pension cases. Wherever there is going to be delay in accordance with Section-64, sanction of provisional pension and gratuity is permitted. But

this option has never been exercised.

6. After considering every aspect, I would like to lay down the following.

7. The Hon'ble Supreme Court had held that Pension and Gratuity are no longer any bounty to be disbursed by the Government to its employees, but they have accrued to the employees on account of hard work and long service rendered by them for the periods ranging from three decades or more. The principle is that the entire amount shall be payable to the employees at his door step. He shall receive the entire amount; there shall be no question of his bearing the collection charges for an outstation cheque. If one lakh is the amount of gratuity, this amount of one lakh shall be credited to the account of the employee. It is improper if some amount of banker's commission is deducted and an amount less than one lakh is received by the employee. When the applicant wanted all the cheques at SBI-Kotauratlo Branch, there is no justification in issuing cheques in the names of other SBI branches in some other towns. This shows a ~~deliberate~~ disregard to

the needs of the employees. I direct that subject to verification of the actual loss on account of Commission payment, Respondents shall pay to the applicant whatever actual loss he incurred on account of final encashment of cheques. This commission shall be re-imbursed by the Respondents. The applicant states that he had incurred to and fro charges for carrying the Bill to the witnessing official at Sambalpur from Chakradharpur and Visakhapatnam and back and a sum of Rs. 2,000/- had been incurred by him towards tickets. Here also there is no justification for putting the employee to any expenditure of this type. It is the duty of the Respondents to ensure that the entire amount is paid to the retiree at his door step without any deduction. Respondents shall verify from employee the correctness ^{and} of genuineness of the claim towards travel expenditure wholly and exclusively for the purpose of pursuing his pension claims and receiving his pensionary benefits and reimburse the same. The correct mandate is to ensure the full payment of all retiral benefits on the date of retirement and delivery of local cheques/drafts

to the retiree. This is the purpose and import of a massive volume of instructions on the subject. If there is any deviation, the employer shall be held responsible by way of liability for payment of interest for the delay.

8. With regard to leave salary, CGIES, Packing and transfer allowances and Provident Fund, there is no need for payment of interest, because delay is marginal. The difficulties mentioned and explained by the Respondents do not justify payment of interest.

9. I have already directed that interest shall be paid by the Respondents on the D.C.R.G. and the withheld portion. With regard to commutation value of pension, an amount of Rs.69,615/- has been received by the applicant on 14.11.1994. Though it was stated to have been sanctioned on 1.6.1994, interest at the rate of 15 per cent shall be paid eventually for five months *within Sixty days from the date of receipt of copy of this Order.*

10. In the result, the application is disposed of. There would be no order as to costs.

N. Sahu
(N. SAHU) 4/6/96.
MEMBER (ADMINISTRATIVE)

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