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CENTRAL ADMINISTRATIVE TRIBUNAL,
CUTTACK BENCH, CUTTACK.

ORIGINAL APPLICATION NO. 147 OF 1998
Cuttack, this the 30th day of June, 1999

Sri Purna Chandra Sahoo Applicant

Vrs.

Union of India and 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? *NO.*

(G.NARASIMHAM)
MEMBER (JUDICIAL)

Somnath Som
(SOMNATH SOM)
VICE-CHAIRMAN *30.6.99*

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CORAM:

HON'BLE SHRI SOMNATH SOM, VICE-CHAIRMAN
AND
HON'BLE SHRI G.NARASIMHAM, MEMBER(JUDICIAL)

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Sri Purna Chandra Sahoo,
aged about 64 years, son of Karunakar Sahoo,
Retired Enquiry-cum-Reservation Clerk,
South Eastern Railways, Bhubaneswar,
at present residing at Plot No.175,
Barabati, P.O-Khandagiri,
District-Khurda

Applicant

Advocates for applicant - M/s S.K.Dash
B.Mohapatra
S.K.Misra
S.K.Dash
C.S.Dash.

Vrs.

1. Union of India, represented through
the General Manager,
South Eastern Railways,
Garden Reach,
Calcutta-43, West Bengal.
2. Chief Personnel Officer,
South Eastern Railways,
Garden Reach, Calcutta-43,
West Bengal.
3. Senior Divisional Personnel Officer,
South Eastern Railways,
Khurda Road Division,
At/PO/PS-Jatni,
District-Khurda

Respondents

Advocate for respondents - Mr.R.Ch.Rath.

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O R D E R

S. Som.

SOMNATH SOM, VICE-CHAIRMAN

In this Application under Section 19 of
Administrative Tribunals Act, 1985, the petitioner has

prayed for a direction to the respondents to pay him interest at the rate admissible under law on the commuted value of pension, gratuity and security deposit paid to the applicant from the date of his retirement (1.11.1992) till the respective dates of payment. The second prayer is for a direction to the respondents to pay interest on interest till the date of realisation of the interest amount.

2. The applicant's case is that he retired on superannuation with effect from 1.11.1992 while working as Enquiry-cum-Reservation Clerk at Bhubaneswar. The retirement dues of the applicant, i.e., commuted value of pension, gratuity and security deposit were not paid within a reasonable time. He made representations and ran from pillar to post to get his dues. Ultimately, on 14.9.1993 he received a sum of Rs.21, 213/- towards commuted value of pension. He received Rs.15,719.00 towards gratuity on 18.1.1995. But security deposit of Rs.300/- was not paid to him. The applicant put forth his grievance before Pension Adalat held on 15.12.1997. Ultimately, security deposit of Rs.300/- was paid on 25.11.1997 but payment of interest was refused. That is how the applicant has approached the Tribunal with the aforesaid prayer.

J. Sam. 3. Respondents in their counter have stated that the applicant retired on superannuation on 31.10.1992 while working as Enquiry-cum-Reservation Clerk at Bhubaneswar Railway Station. All retirement dues were paid to him except DCRG. DCRG was held up for want of commercial debit clearance. Divisional Commercial Manager, Khurda Road, in his letter dated 19.12.1994 intimated that there was no debit lying against the applicant except a sum of Rs.939/- and the same has been received on

21.12.1994. Accordingly, DCRG amount of Rs.16,800/- was passed for payment in order dated 14.1.1995. It is further stated that a major penalty chargesheet was issued against the applicant on 14.2.1991. At the time of his superannuation on 31.10.1992 the departmental proceeding was still pending against him. That is how DCRG could not be paid. The departmental proceedings were finalised on 1.1.1993 after which DCRG was paid on 14.1.1995. The respondents have stated that the delay is not intentional and as disciplinary proceeding was pending, under Rules 9 and 10 of Railway Servants (Pension) Rules gratuity could not have been released to the applicant. The security deposit amount was refunded on 25.11.1997. In view of the above fact, the respondents have opposed the prayer of the applicant.

4. We have heard Shri R.Ch.Rath, the learned counsel for the respondents. In this case three adjournments were given to file rejoinder which was not filed and ultimately the matter was posted for peremptory hearing on 26.5.1999. On that day the learned counsel for the applicant was absent nor was any request made on his behalf seeking adjournment. Learned counsel for the respondents filed receipt showing service of counter on the learned counsel for the applicant. As this is a pension matter it is not possible to allow the case to be dragged on indefinitely. In view of this, we heard the learned counsel for the respondents Shri R.C.Rath and perused the records, and the hearing was closed.

5. From the above recital of facts it would be seen that while the applicant has specifically averred that he received the commuted value of pension of Rs.21,213/- on 14.9.1993, the respondents in their counter have made no averment in this regard except saying that all the settlement dues were paid to the applicant except

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DCRG. As regards Gratuity the applicant has stated that he has received an amount of Rs.15, 719/- on 18.1.1995 whereas the respondents have stated that amount of Rs.16,800/- has been paid towards Gratuity on 14.1.1995. The admitted position is that the security deposit of Rs.300/- has been returned on 25.11.1997. The respondents have stated that the delay in payment of gratuity was due to obtaining clearance about outstanding debit. As the applicant retired on 31.10.1992 and his date of superannuation was known, the respondents should have obtained the clearance within a reasonable time. The applicant has stated in his petition that in his entire service career he has worked only at three stations, Cuttack, Bhubaneswar and Puri. This has not been denied by the respondents. In view of this, it should not have taken too much time for the respondents to obtain clearance in respect of the applicant. The second ground urged by the respondents is that a major penalty proceeding was pending against the applicant which was finalised only on 1.1.1993. The respondents have not indicated whether in the proceeding the applicant was exonerated. It must have been so because they have not mentioned that any punishment was imposed on the applicant. In view of this, the departmental authorities should have finalised the departmental proceeding earlier moreso when the applicant was presumably exonerated in the departmental proceeding. In the face of the above facts, it must be held that the respondents have caused avoidable delay in payment of commuted value of pension, gratuity and refund of security deposit to the applicant. The applicant has prayed that interest should be paid from the date of retirement till the date of actual payment. We think the respondents should be allowed some reasonable time of about two months, i.e., till the end of December 1992. Therefore,

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interest on the commuted value of pension of Rs.21,213/- should be paid to the applicant from 1.1.1993 to 13.9.1993. Similarly, on the gratuity amount of Rs.16,800/- interest should be paid from 1.1.1993 to 17.1.1995. The respondents have stated that there is no provision for payment of interest on the security deposit. This amount is also small, i.e., Rs.300/-. In view of this, claim of interest on this amount is rejected. The interest allowed by this order should be paid at the simple rate of 12% per annum. This amount should be paid within a period of 90 (ninety) days from the date of receipt of copy of this order. The first prayer of the applicant is accordingly disposed of.

6. The second prayer of the applicant is for payment of interest on interest. Under the Interest Act payment of interest on interest is prohibited and therefore this prayer of the applicant is rejected.

7. In the result, the Original Application is partly allowed in terms of the observation and direction above but without any order as to costs.

(G.NARASIMHAM)
MEMBER(JUDICIAL)

(SOMNATH SOM)
VICE-CHAIRMAN

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