

IN THE CENTRAL ADMINISTRATIVE TRIBUNAL
PATNA BENCH, PATNA.

O.A. No. 323. of 2006

Date of order : 09.02.2007

C O R A M

Hon'ble Ms. Sadhna Srivastava, Member (J)

Jagdish Kumar Sinha

V.S.

Union of India and ors.

Counsel for the applicant : Shri S.N. Singh

Counsel for the respondents : Shri G.K. Agarwal

O R D E R (Oral)

Sadhna Srivastava, M (J):-

By means of this OA the applicant seeks direction upon the respondents to make payment of interest to him on the part amount of gratuity which was paid to him after a lapse of four and half years.

2. The facts, in brief, are that the applicant, while working as Deputy Post Master, Head Post Office, Arrah, retired from service with effect from 31.1.1991 on attaining the age of superannuation. After retirement, his entire dues were paid, except

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a part of gratuity amount. Out of Rs. 34,650/-, an amount of Rs. 28,040/- was only paid, and the balance amount of Rs. 6610/- was paid to the applicant after expiry of four years and six months on 23.4.1996. Now the grievance of the applicant is that the balance amount of Rs. 6610/- was paid with considerable delay which did occur not on account of any fault of the applicant but due to delaying tactic of the respondents. It is claimed that neither departmental proceedings nor any criminal case was pending against the applicant.

3. Rule 68 of the Central Civil Services Pension rules, 1972 provides for payment of interest on the amount of gratuity which is paid after expiry of three months from the date it becomes due if the delay is not attributable to the retiring employee. There are various decision of the Apex Court upholding the payment of interest if the retiral dues have been withheld for more than three months from the date of retirement. The reason is that the retiral dues are not paid to the retiring employee by way of grace and bounty. In the State of Kerla vs. M. Padnamavan, 19⁸⁵ (1) SCC page 429, the Hon'ble Supreme Court has held that the gratuity is



no longer any bounty to be distributed by the government to its employees on their retirement, but has become in the decision of this Court a valuable rights and property in their hands and any culpable delay in settlement and disbursement thereof must be visited with penalty of payment of interest at the current market rate till the actual payment.

4. Despite sufficient time having been granted to the respondents, no Written statement has been filed. It appears from the allegation of the applicant that there is no fault on the part of the applicant or delay is not attributable to the applicant. This appears to be a case in which the retired employee has been unduly harassed for his legitimate retiral benefits which should have been paid to him without any extra effort on his side. The applicant had to approach the Tribunal because of the callous attitude adopted by the respondents.

5. In this view of the matter, it will be only just and proper that the applicant is paid interest on his delayed payment of gratuity amount. As such, the respondents are directed to pay simple interest @ 12 % per annum with effect from 1.5.1991 to



23.4.1996 i.e., the date on which he had received the payment of balance amount of gratuity.

6. The OA stands disposed of, accordingly, with no order as to the costs.



[Sadhna Srivastava] M [J]

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