

IN THE CENTRAL ADMINISTRATIVE TRIBUNAL,
MUMBAI BENCH, MUMBAI.

ORIGINAL APPLICATION NO.64/2000.

Thursday, this the 29th day of June, 2000.

Hon'ble Shri Justice R.G.Vaidyanatha, Vice-Chairman,

L.M.Kajale,
Resident of Bhopiwadi,
Koprigaon,
Thane (East).
(By Advocate Mr. A.S.Bhambani)

...Applicant.

Vs.

1. The General Manager,
Central Railway,
CST, Mumbai.
2. The Divisional Railway Manager (P),
Central Railway, Mumbai CST.
3. The Chief Medical Director,
Central Railway,
Mumbai CST.
4. The Medical Director,
Dr.Balasaheb Ambedkar Memorial Hospital,
Central Railway,
Byculla.
(By Advocate Mr.A.I.Bhatkar)

...Respondents.

: O R D E R (ORAL) :

(Shri Justice R.G.Vaidyanatha, Vice-Chairman)

This is an application filed by the applicant claiming interest for delayed payment of Provident Fund, Gratuity and Arrears of Pension. The Respondents have filed reply opposing the application. I have heard the learned counsel appearing on both sides.

2. The applicant who was working in the Central Railway retired voluntarily w.e.f. 11.11.1998. He was paid Gratuity, Provident Fund on 9.3.1999. He received arrears of pension on 21.6.1999. The applicant's grievance is that there is inordinate

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delay on the part of the administration in making the payment and hence liable to pay interest at the rate of 18% p.a.

3. The respondents have explained that there ^{was} ~~were~~ some administrative delay in attending to the applicant's case since it was a case of voluntary retirement and not retirement on superannuation. They have also placed reliance on the Railway Board circular stating that in such cases the administration has six months time to make payments and if there is delay beyond six months, interest will have to be paid.

4. The learned counsel for the applicant contended that Supreme Court, High Courts and Tribunals have granted interest even if there is a delay of two or three months in making payments, but those cases pertain to cases of retirement on superannuation and not voluntary retirement. In the case of superannuation, the administration will have to take steps one or two years prior to the date of retirement in verifying the service particulars of the official and the amount due by him etc. But, in the case of voluntary retirement, the official gives three months notice and then the Competent Authority passes an order accepting the notice of voluntary retirement. Then, in many cases, retirement notices are withdrawn and the officials have come back on duty. Therefore, till the actual retirement takes place, the administration cannot start making preparation for making payments of retiral dues. I may place it on record that there are many cases before us in this Tribunal, where notices have been withdrawn and not accepted by the Government and then the cases are filed here stating that the official should have been permitted to join duty when they have withdrawn the notice of voluntary retirement. Therefore, till the official

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actually retires on the date given by him as per the notice of voluntary retirement, no steps can be taken for preparing pension papers. Even the relevant government circular in this behalf is found in page 148 of Swamys Pension Compilation of 1993 edition, where it is clearly mentioned that in case of voluntary retirement, payment should be made within six months from the date of retirement failing which interest will have to be paid. Therefore, the administration requires some reasonable time and that is fixed as six months by the government for making payments about gratuity and other retirement benefits of an official.

5. In this case, no doubt, six months time comes to an end by 18th May, 1999, but in the meanwhile, the applicant has been paid Provident Fund and Gratuity in March, 1999 which is well within six months, therefore for these payments the applicant cannot be granted any interest.

6. As far as arrears of pension are concerned, it was actually received by the applicant on 21.6.1999. Now, the respondents say that the P.P.O. was issued on 15.3.1999. Even if we give a margin of one or two weeks for delay in ^{transfer} transaction by post, the applicant should have been paid the amount by the end of March, 1999, but he has actually received the amount on 21.6.1999. I, therefore, feel in the circumstances that the applicant is entitled to interest from 1.4.1999 till 21.6.1999 on Rs.23,757/-. In the facts and circumstances of the case, I allow interest at 12% p.a. on this amount viz. Rs.23,757/-.

7. In the result, the application is partly allowed. The respondents are directed to pay interest at 12% p.a. on

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Rs.23,759/- for the period from 1.4.1999 to 20.6.1999 (both days inclusive). The respondents should comply with this order within a period of three months from the date of receipt of receipt of copy of this order. In the circumstances of the case, there will be no order as to costs.



(R.G. VAIDYANATHA)
VICE-CHAIRMAN