

IN THE CENTRAL ADMINISTRATIVE TRIBUNAL,
MUMBAI BENCH, MUMBAI.

ORIGINAL APPLICATION NO. 731/2000.

Monday this the 9th day of April, 2001.

Coram: Hon'ble Shri Kuldip Singh, Member (J)

Shri Jagananath Chintaman Shimpi
(Group 'C' Retired as APM Chalisgaon)
Residing at Bhadgaon
At & Post Bhadgaon (Jalgaon) 424 105: Bhadgaon (Jalgaon) 424105
.....Applicant

By Advocate: Shri S.P. Inamdar.

Versus

1. The Superintendent of Post Offices,
Jalgaon Division, Jalgaon, 425001.
2. The Post Master General, Aurangabad Region
Aurangabad-431 002.
3. Union of India through the Chief Post Master General,
Maharashtra Circle,
Mumbai, GPO,
Mumbai-400 001.
4. The Director of Accounts (Postal),
Nagpur-440 001.Respondents

By Advocate: Shri V.S. Masurkar.

ORDER (ORAL)

Hon'ble Shri Kuldip Singh, Member (Judicial).

The applicant has filed this OA under Section 19 of the Administrative Tribunal's Act, 1985 claiming interest on the delay in the payment of pensionary benefits and has asked for the following reliefs:-

- (i) The Hon'ble Tribunal may please direct the respondents to pay

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the interest at 18% on delayed payment of the amount of pensionary benefits including delayed payment of TA bill.

(ii) That this Hon'ble Tribunal may call for the records pertaining to the pension papers from the office of Supdt. of P.Os. Jalgaon and confirm the delay is on the part of the office of the Supdt. of P.Os. Jalgaon and satisfy that the delay is not at all attributed to the applicant. So the respondents be directed to pay the interest on the amount of delayed payment of pensionary benefits.

(iii) The audit office who is well aware that the recommendation of the 5th Pay Commission are in existence in such circumstances they are also equally responsible for sanctioning pensionary benefits based on the pay scale of 4th Pay Commission. There is a tossing of the papers which put the applicant in torture. So the applicant is entitled interest at market rate on the amount of delayed payment of pensionary benefits.

2. Facts in brief are that the applicant was employed under the respondents. At the time of his superannuation he was working as Assistant Postmaster Chalisgoan, Head Office. The applicant was to superannuate on 28.2.1998. The department was supposed to process his papers for retiral benefits much in advance and according to the applicant himself, the department had received sanction of DCRG and monthly pension on 23.12.1997 itself which was payable w.e.f. 1.3.1998.

3. It appears that his retiral papers were processed as per

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the then existing rules and at the rate of salary was being drawn by the applicant but in the meanwhile in October, 1997 the recommendations of the 5th Pay Commission have been accepted and had come into force in October, 1997. Since the earlier process started for finalising the retiral benefits was done on the basis of pre-revised pay scale, the same seems to have been paid in time for which the applicant has no grievance.

4. The applicant had made various representations for claiming retiral benefits at the revised rates after the 5th Pay Commission's order and had also been making representations for that purpose right from 25.7.98 vide Annexure A-7 and it appears that these representations had not been acknowledged and no revised orders for retiral benefits had been issued in time and the same had been issued much late, i.e., on 30.12.1998 and 31.12.1998 respectively. Thus there was a delay for a period of about 10 to 11 months in making payments of revised retiral benefits.

5. The respondents are contesting the OA and have submitted that since the orders were received regarding revision of pay scale of Central Government employees in October, 1997 and thereafter process was initiated regarding fixation of pay scales in the revised scales, drawal of arrears of payment of arrears installments etc. and as such there was huge work to be attended to on account of revision of pay scale and as such the pension case of the applicant was resubmitted to DA (P) Nagpur on 18.8.98 with revised calculations and the sanction could be received only on 31.12.1998. As such the respondents are trying to explain

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delay on their part due to increase in workload particularly in the matters of fixation of pay after the receipt of the orders on 5th Central Pay Commission recommendations.

6. I have heard the learned counsel for the parties and have gone through the records of the case.

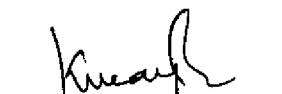
7. The learned counsel appearing for the applicant has submitted that there was no fault on the part of the applicant. The applicant had applied in time and he had been making representations also. The department cannot take the lame excuse of increase of workload on account of fixation of pay of the Central Government employees because with the retiring employee the department has to proceed separately than those who continue to be in employment. In support of his contention the learned counsel has relied upon a case reported in 2001 (1) ATC page 215 - Vijay K. Mehrotra Vs. State of U.P., wherein the Hon'ble Supreme Court has held that there was no reason or justification in making payment belatedly so directions were given to pay the amount with 18% simple interest. So relying upon this judgment, the counsel for the applicant submitted that the same rule should be applied in the case of the present applicant and he should also be allowed 18% interest.

8. I have given my thoughtful consideration to the entire issue and I am fully in agreement with the applicant that the case of the retiring employee is to be dealt separately and should not have been mixed with the general employee who continue to be in service. The retiring employee deserves this special consideration for sanction of his retiral dues. The department should have seen to it that the retiral benefits are paid in time

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to retiring employee. So considering the submissions made by the parties, I feel that in this case the applicant should be allowed interest at the rate of 12% as there was a delay of only 10 to 11 months and moreso because there was a revision in the pay scales etc. on the basis of the 5th Pay Commission recommendations which had been accepted and had come into force in October, 1997 itself.

9. Hence, the OA is allowed. The respondents are directed to calculate the interest at the rate of 12% for the delay in making payment of retiral benefits i.e. on DCRG & Pension etc. The interest should be paid within a period of 2 months from the date of receipt of a copy of this order. No costs.



(Kuldip Singh)

Member (J)

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