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IN THE CENTRAL ADMINISTRATIVE TRIBUNAL : HYDERABAD BENCH
AT HYDERABAD

O.A. 1241/93.

Dt. of Decision : 9.11.94.

R. K. Pradhan

.. Applicant.

Vs

1. Union of India rep. by
General Manager, SE Rly,
11, Garden Reach, Calcutta-43.
2. Sr. Divl. Accounts Officer,
S.E.Rly, Waltair,
Visakhapatnam-4.
3. Sr. Personnel Officer (Constn.)
S.E.Rly, Visakhapatnam-4.
4. Chief Project Manager,
S.E.Rly, Visakhapatnam-4.
5. Asst. Operations Manager (Constn.)
S.E.Rly, Visakhapatnam-4.

.. Respondents.

Counsel for the Applicant : Mr. G. Ramachandra Rao

Counsel for the Respondents : Mr. C.V. Mella Reddy, SC for Rlys.

CORAM:

THE HON'BLE SHRI A.B. GORTHY : MEMBER (ADMN.)

O.A. 1241/93.

Dt. of Decision : 9.11.94.

ORDER

¶ As per Hon'ble Shri A.G. Gorthi, Member (Admn.) ¶

The grievance of the applicant is on account of the respondents' action in deducting a sum of Rs.11,797/- from the amount of D.C.R.G. due to him on his retirement on 31.3.1992.

2. The circumstances under which such deductions were made from the D.C.R.G. of the applicant were duly explained by the respondents in their reply affidavit. According to respondents an amount of Rs. 2,256/- was inadvertently amalgamated with the opening balance of the Provident Fund account of 1971-72. This error in accounting was detected by the respondents only at the time of retirement of the applicant. It is further stated that the excess amount of Rs. 2,256/- together with compound interest calculated from 1971 to 1992 with totals upto Rs. 11,124/-; Rs.8,868/- being the amount of interest. Further a sum of Rs.673/- was also erroneously credited to the account of the applicant. Hence the recovery of a sum of Rs. 11,797/- was necessitated.

3. Heard learned counsel for both the parties. Shri G. Ramachandra Rao urged that the applicant has in no way contributed ~~up~~ to the confusion in the accounting of ~~respondents~~ ^{his} Provident Fund. The respondents, even if they committed the error ^{of} amalgamating a sum of Rs.2,256/- in opening balance of the year 1971-72, ~~they~~ could at the

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most recover the excess amount so credited but had no justification whatsoever in levying compound interest there on. There is considerable force in the contention raised by the applicant's counsel. The applicant could not be thus penalised for an error/omission on the part of the respondents, that too, committed 20 years prior to the date of retirement of the applicant. In the said circumstances levying compound interest for a period of 20 years^{is} certainly unreasonable and is unwarranted.

Accordingly the respondents are hereby directed to refund the compound interest of Rs. 8,868/- to the applicant at the earliest.

4. Mr. G. Ramachandra Rao, learned counsel for the applicant pressed his claim for interest on the amount which was improperly with-held by the respondents. There is no doubt that the amount of Rs. 8,868/- ~~also~~ ought to have been paid to the applicant on the date of his retirement, together with all other retiral benefits. Accordingly there is justification in the claim of the applicant for interest on the said amount.

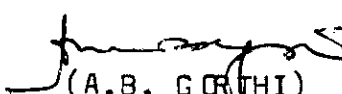
5. Mr. C.V. Malla Reddy, learned standing counsel for the respondents agitated that the applicant having improperly received Rs. 2,256/- as early as in 1971-72, he could not be allowed now to claim interest on the amount of Rs. 8,868/- with-held by the respondents.

6. The contention raised by the respondents cannot be accepted for the reason that once it is held that with-holding of the sum of Rs. 8,868/- by the respondents is improper and without authority, the repayment of the same^{to} the applicant

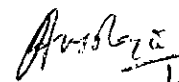
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must be made together with interest ^{at} ~~with~~ an appropriate rate. Accordingly the respondents are directed to pay the amount of Rs. 8,868/- to the applicant with interest at the rate of 12% per annum from the date of retirement of the applicant to the date of payment of the amount.

7. The OA is ordered accordingly, no order as to costs.


(A.B. GORTHY)
MEMBER (ADMN.)

Dated : The 9th November 1994.
Dictated in Open Court.


13.11.94.
Deputy Registrar(Judl.)

Copy to:-

1. General Manager, S.E.Railway, Union of India, 11, Garden Reach, Calcutta-43.
2. Sr. Divisional Accounts Officer, S.E.Railway, Waltair, Visakhapatnam-4.
3. Sr.Personnel Officer(Constn), S.E.Railway, Visakhapatnam-4.
- ~~spr~~ 4. Chief Project Manager, S.E.Railway, Visakhapatnam-4.
5. Asst. Operations Manager(Constn.), S.E.Railway, Visakhapatnam-4.
6. One copy to Sri. G.Ramachandra Rao, advocate, CAT, Hyd.
7. One copy to Sri. C.V.Malla Reddy, SC for Railways, CAT, Hyd.
8. One copy to Library, CAT, Hyd.
9. One spare copy.

Rsm/-

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IN THE CENTRAL ADMINISTRATIVE TRIBUNAL
HYDERABAD BENCH HYDERABAD

THE HON'BLE MR. A. V. H. RIDHAN : MEMBER (J)

AND

THE HON'BLE MR. A. B. GURTHI : MEMBER (A)

Dated: 9/11/94

ORDER/JUDGMENT. ✓

M.A./R.P/C.P/No.

in
O.A.NO. 124193
T.A.NO. (W.P.NO.)

Admitted and Interim Directions
Issued.

Allowed.

Disposed of with Directions.

Dismissed.

Dismissed as withdrawn.

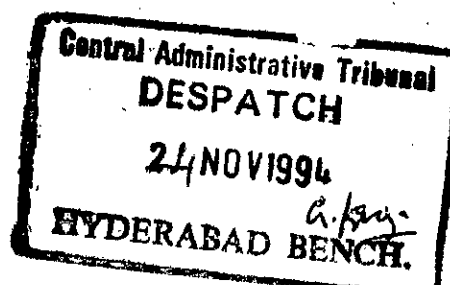
Dismissed for Default.

Rejected/Ordered.

No order as to costs.

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