

IN THE CENTRAL ADMINISTRATIVE TRIBUNAL, HYDERBAD BENCH
AT HYDERABAD

OA.274/99

DT. 12.10.99

Between

1. Ch. Ramaiah
2. R. Sivaramakrishna Prasad
3. A. Sudarsana Ro
4. K. Rama Mohan Ro
5. K. Kanakambaram
6. Sk. Abdul Sattar, and
7. Ch. Koteswara rao

: Applicants

And

1. Dy. Director General(SB
Dak Bhavan, Sansad Marg
New Delhi
2. Supdt. Of Post Offices
Guntur Division, Guntur, Guntur dist.
3. Supdt. Of Post Offices,
Narasraopet Division, Narasaraopet
Guntur district
4. Post master General,
Eastern Region, Vijayawada AP.
5. Chief Postmaster General, AP Circle
Hyderabad , AP.

: Respondents

Counsel for the applicants : P. Venkateswarlu,
Advocate

Counsel for the respondents : V. Vinod Kumar
CGSC

CORAM

Hon. Mr. B.S. Jai Parameshwar, Member (Judl.)



OA. 274/99

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ORDER

Order (per Hon. Mr. B.S. Jai Parameshwar, Member(Judl.))

Heard Mr. M.V. Krishna Prasad, for Mr.P. Venkateswarlu, learned counsel for the applicants and Mr. V. Vinod Kumar, learned counsel for the respondents.

1. The Director General by his letter No.50-2/96/SB dated 28.3.96 sanctioned honorarium for the SB and SBCO staff for calculation of interest in RD Premature closure cases. Para-2 of the said letter reads as follows: -

"It has now been decided to grant honorarium to SB and SBCO staff for calculation of interest in RD premature closure cases, @ Rs.2.35 per account for Postal Assistant and @ Rs.0.45 per account for Supervisor, subject to fulfillment of other conditions governing the grant of honorarium."

2. The said letter was further clarified by the DG by letter of even number dated 30.6.98. Paras 2 and 3 of the said letter reads as follows:

"As per the SB Control procedure, each Postal Assistant (SBCO) apart from carrying out a general check on all closed cases is required to carryout a percentage check of 20% of the closed accounts which inter-alia includes the checking of the correctness of the calculation of interest by the Postal Assistant. The supervisor (SBCO) is also required to carryout a test check of 5% of the vouchers checked by the Postal Assistant (SBCO).

Accordingly it is clarified that Postal Assistant (SBCO) and Supervisor (SBCO) are entitled to honorarium at the prescribed rates of Rs.2.35 per account and at Rs.0.45 per account respectively on the number of vouchers checked by them viz.20% and 5% of 20% respectively."

3. There are seven applicants in this OA. The applicants 1 and 4 are working as OTBP PA in the SBCO. The applicant No.2 is working as in charge SBCO. The applicants No.3 and 5 to 7 are working as in charge BCR PA SBCO in the respondent Department in Guntur District. They are working in the category of Postal Assistants.

4. In accordance with the letter dated 25.3.96 they were paid honorarium at Rs.2.35 per account till 30.6.98.

5. They feel aggrieved by the clarification issued by the DG in his letter dated 30.6.98. They have filed this OA for the following relief's:



To declare the circular issued by the First Respondent in letter No.50-2/96 SB dated 30.6.98 and the orders passed consequent to the said orders by the Respondent No.2 in his proceedings No.SB/SBCO/HON/1998 , memo No.SB/SBCO/HON/1998, dated 14.10.98 , Memo No.SB/SBCO/HON/98, dated 1-12-98 and order of the third respondent passed in his letter No.L/SB/SBCO/HON, dated 29.9.98 as unfair unjust and illegal and consequently direct the respondents not to recover the honorarium from the applicants and in the alternative not to give retrospective effect to the circular after calling for the records.

6. They have challenged the impugned letter dated 30.6.98 on the following grounds:
 - a) Para-58 and 34 of the Manual of Savings Bank Control; Paras 49 and 35 of the Small Savings Scheme; and para 4 endorsed to check the correctness of all the transactions of withdrawals, closures, refunds of interest etc. Interest recovered on default instalments and repayment paid on advance, deposits on the same loans of checks prescribed for Savings Bank vouchers as per para-11 of the SB Control procedure. Check on transactions but not the percentages on transaction in respect of SB accounts some percentage is fixed i.e.10%, 4%, and 2% respectively. Whereas CTD/RD of transactions including closures have to be checked in addition to 4% of the Head Office and 10% of the Sub office of the other transaction.
 - b) Honorarium was being paid from April, 96 as it involved much time for calculation of interest for premature closure of RD accounts. There was no mention of 20% checking in the said letter and there was no mention of recovery of honorarium paid for the work done already.
 - c) However, on receipt of the classificatory letter dated 30.6.98 Honorarium Bills from June, 1998 onwards are restricted to 20% of closures.
 - d) The time factor for checking transaction has also been followed 300 months for 100 transactions.
 - e) They were not in any way concerned with the drawal and disbursement of honorarium to them. The respondents issued notice for recovery of amount paid to them in monthly instalment . They submitted their representation which they did not consider.



7. The respondents have filed reply.

8. As per the letter dated 25.3.96 the SB and SBCO staff were paid honorarium for all RD account prematurely closed. The Respondent No.4 after the clarification by the DG in his letter dated 30.6.98 stated that the rule attracts SBCO staff to check only 20% of the closed accounts that there was no point in checking 100% and claiming honorarium on par with the SB staff and directed the Divisional Heads to restrict the honorarium to that extent. Accordingly, the Respondent No.2 recovered a sum of Rs.938, 4271, and 896 from the applicants 3,4 and 6 respectively vide memo No.SB/SBCO/HON/1998 dated 28.9.98.

9. The applicants 1 and 2 worked in Kakinada division during the period from March, 96 to April, 98. The Respondent No.2 instructed Respondent No.3 to recover a sum of Rs.5257 and 6802 from the Applicants 1 and 2 respectively out of the honorarium disbursed to them as they were working under the jurisdiction of Respondent No.3.

10. The Superintendent of Post Offices, Eluru, reported to Respondent No.2 that a sum of Rs.4219 was paid as honorarium to the applicant No.5 while he was working under the administrative jurisdiction from March, 96 to March, 97 and January,98 to April,98. Respondent No.2 instructed the Post Master, Arundelpet, HPO, to recover the said amount from Applicant No.5 as he was working under his control.

11. The Senior Superintendent of Post Offices, Nellore (not a party in the OA) informed Respondent No.2 that a sum of Rs.2604.80 was paid as excess honorarium to the applicant No.7 who worked previously as Supervisor. Respondent No.2 instructed the Postmaster, Arundelpet HPO, to recover the said amount as Applicant No.7 was working under his control.

12. The Respondent No.3 reported to the Respondent No.2 that a sum of Rs.4594.25 paid was in excess as honorarium to the Applicant No.6. The Respondent No.2 instructed Postmaster, Mangalagiri HPO, to recover the said amount as the applicant No.6 was working under his control. Respondent No.2 instructed the Postmaster, Guntur, and Mangalagiri to stop recovery in view of the interim order of this Tribunal. (Telegraphically informed on 22.2.99).



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13. They submit that para.11 (i) of SBCO prescribes general check of vouchers and paid vouchers. In para. 11 (ii) checking on 20% of final closure is laid down. The applicants have not referred to para 11(ii) of the said Manual. In para 11(ii) it is clearly laid down that selection of vouchers should be so made that all the withdrawals exceeding Rs.4000/- and 20% of final closures are to be checked and that the vouchers for closures checked should be of the highest amount. The Directorate letter dated 25.3.96 prescribes honorarium to both the SB and SBCO staff for calculation of interest on premature closure of RD accounts. Mere non-mentioning the percentage of check in the said letter does not mean that the staff can check 100% and claim honorarium on par with SB Staff. 20% checking should be strictly followed. So far the SBCO is concerned 20% of closure is prescribed in para 11(ii) of the Directorate letter dated 21.8.86. The SBCO staff are eligible for payment of honorarium for percentage of checking RD premature closure cases and not for all the closures as clarified by the Directorate General in his letter dated 30-6-98. In fact that 20% of checking was prescribed in para 11(ii) of the Directorate letter dated 21.8.86. Excess amount paid can be recovered when it comes to the notice of the Department. The applicants cannot claim honorarium for 100% checking. The respondents have calculated the excess honorarium paid to the applicants and informed their official superiors to recover the excess amounts.

14. The contention of the applicant that there cannot be any recovery is untenable and the OA is liable to be dismissed.

15. It is an admitted fact that the DG by his letter dated 25.3.96 sanctioned honorarium to SB and SBCO staff for calculation of interest on RD premature closures cases. After the circular was issued the Head of the Office drawn and disbursed the honorarium to the SB and SBCO staff on the basis of calculation of interest on all the RD premature closure cases. Now the Director General has in his letter dated 30-6-98 clarified that honorarium has to be given to the SB and SBCO staff only to the extent of personal check permissible under the rules. In fact the learned counsel for the respondents submits that percentage of check was prescribed in the SB Control procedure even before the issued the Director

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General letter dated 25.3.96. In support of his contention he produced para 37 of SB Control procedure which reads as follows:

"37. The supervisor/Incharge will carry out the checks of SB 85 and SB 85(1) registers and maintain the selection register on the same lines as indicated in para 15 of the SB Control Procedure. He will also test check 5% of the vouchers checked by the Pas and maintain the register of vouchers checked for CTD accounts and note the irregularities detected by him in the Review Register".

17. The clarification issued by the Director General on 30-6-98 is in accordance with the above provisions. The SB and SBCO staff are not entitled to the honorarium for calculation of interest ~~to~~ ^{on} all RD premature closure cases. As per the rules, they were expected to check to certain percentages as a part of their routine and legitimate duties, hence they were not eligible to claim honorarium for all the calculation finally made with respect to RD premature closure cases.

18. The applicants submit that they were in no way responsible for drawl and disbursement of the honorarium. It is their official superiors who drew and disbursed them. The respondents are not pointing any accusing finger towards the applicants. They have taken steps to recover the excess paid to the applicants in accordance with the clarificatory letter dated 30.6.98. When that is so the applicants cannot claim that the recovery is illegal.

19. During the course of arguments the learned counsel for the applicant though conceded that certain percentage of check was already fixed in the SB control procedure even before the letter dated 25.3.96 he tried to persuade me to hold that the classificatory letter dated 30.6.98 can only be prospective in operation and not retrospective. I am not prepared to accept the same. When once the clarification is issued that itself becomes the original letter. Then the classificatory letter dated 30.6.98 dates back to 25.3.96 by which the DG has sanctioned honorarium for the SB and SBCO staff on calculation of interest in RD premature closure cases.

20. The respondents have in their reply stated the steps taken by them to recover various sums from the applicants. The sums to be recovered range from Rs.896/- to

Rs.6802/- . Recovering these sums from the applicants in one lump may cause financial hardship to the applicants.

21. The applicants may if so advised submit detailed representation to their immediate official superior to recover the excess honorarium in easy monthly instalments. Such a representation shall be made within 30 days from the date of receipt of a copy of this order. If such a representation is received, then the competent authority shall consider and fix the monthly instalment of recovery. Till such time the interim order dated 22.2.99 shall be in force.

22. With the above observations, the OA is disposed of. No order as to costs.

B.S. Jai Parameshwar
(B.S. Jai Parameshwar)
Member(Judl) 12.10.99

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Dated :

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