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IN THE CENTRAL ADMINISTRATIVE TRIBUNAL, JAIPUR BENCH, JAIPUR

OA No.169/1997

Date of order: 6.10.1998

K.G.Gupta, resident of 1077 Ram Nagar, Shastri Nagar, Jaipur.

.. Applicant

Versus

1. Union of India through the General Manager, Western Railway, Churchgate, Mumbai.
2. The Divisional Railway Manager, Western Railway, Ajmer.

.. Respondents

None present for the applicant

Mr. M.Rafiq, Counsel for respondents

CORAM:

Hon'ble Mr. Ratan Prakash, Judicial Member

ORDER

Per Hon'ble Mr. Ratan Prakash, Judicial Member

The applicant herein Shri K.G.Gupta has approached this Tribunal under Section 19 of the Administrative Tribunals Act, 1985 to seek a direction against the respondents to make him payment of interest at the rate of 18% per annum on account of delay in the release of gratuity/commutation value of pension amounting to Rs. 1,00,602 from the date of his retirement i.e. 31.8.1995 till the date of actual payment in terms of Railway Board's letter dated 1.11.94 (Ann.A3).

2. The respondents have opposed this application by filing a written counter. The stand of the respondents has been that the application is not maintainable and the applicant cannot claim interest at the rate of 18% per annum. At the most the applicant could be paid interest at the rate of 12% per annum and that too only for the period for which there has been delay in payment of his gratuity amount.

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3. I heard the learned counsel for the respondents and have examined the record in detail.

4. In view of the Railway Board's circular dated 1.11.1994 as at Ann.A3, there does not remain any ambiguity that, where there has been a delay beyond 3 months from the date of retirement, an interest at the rate applicable to SRPF deposits (at present 12% per annum compounded annually) has to be paid to a retired Railway servant. In the instant case, the applicant has retired on superannuation on 31.8.1995 and he was paid the settlement dues on 11.7.1996. Therefore, there has been a delay in payment of the retirement dues/gratuity/ commutation value of pension to the applicant beyond three months from the date of his retirement. The applicant, therefore, is entitled for payment at the rate of 12% per annum as per the Railway Board's circular dated 1.11.1994 (Ann.A3) w.e.f. 1.12.1995 till 10.7.1996.

5. Accordingly, this OA is partially allowed. The respondents are directed to pay to the applicant an interest at the rate of 12% per annum on the amount of Rs. 1,00,602 (paid to him as commutation value of pension/gratuity etc.) from 1.12.1995 till 10.7.1996. The above payment should be made to the applicant within one month from the date of receipt of this order failing which the respondents shall further pay an interest at the rate of 12% per annum till the date of actual payment. No costs.

(Ratan Prakash)

Judicial Member