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**CENTRAL ADMINISTRATIVE TRIBUNAL  
ERNAKULAM BENCH**

**Original Application No.181/000632/2018**

**Wednesday, this the 19<sup>th</sup> day of June, 2019**

**CORAM:**

**HON'BLE Mr.E.K.BHARAT BHUSHAN,  
HON'BLE MR.ASHISH KALIA,**

**...ADMINISTRATIVE MEMBER  
...JUDICIAL MEMBER**

A.Muraleedharan,  
Aged 60 years,  
S/o Ramanunni,  
(Retd. Station Superintendent/  
South Western Railway/  
Subramaniya Road Railway Station,  
Mysore Division),  
Residing at: Erothadathil House,  
Kurikkathoor,  
Kunnamangalam P.O.,  
Mini Industrial Estate,  
Kozhikode District, Pin: 673 571.

...Applicant

**(By Advocate Mr. T.C.Govindasway)**

**V e r s u s**

1. Union of India represented by the  
The General Manager, South Western Railway,  
Headquarters Office,  
Hubli – 580 020,  
Dharwar District,  
Karnataka.
2. The Senior Division Personnel Officer,  
South Western Railway,  
Mysore Division,  
Mysore – 570 021.
3. The Sr. Divisional Finance Manager,  
South Western Railway,

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Mysore Division,  
Mysore – 570 021.

4. The Financial Adviser & Chief Accounts Officer,  
South Western Railway, Headquarters office,  
Hubli – 580 020, Dharwar District, Karnataka.

5. The Branch Manager,  
State Bank of India,  
Kozhikode Main,  
P.B.No.150, Thavot Place,  
Kannur Road,  
Kozhikode – 673 001.

6. The Manager,  
State Bank of India,  
Centralised Pension Processing Centre,  
L.M.S. Compound, Vikas Bhavan P.O.,  
Thiruvananthapuram – 695 033.

...Respondents

**(By Advocate Mr. Sunil Jacob Jose for Respondents)**

This application having been heard on 17<sup>th</sup> June, 2019, the Tribunal on  
19<sup>th</sup> June, 2019 delivered the following :

### **ORDER**

**HON'BLE Mr.E.K.BHARAT BHUSHAN, ...ADMINISTRATIVE MEMBER**

OA No.632/2018 is filed by Shri A.Muraleedharan, who retired from the service of respondent Railways on 30.11.2017, while working as Station Superintendent under South Western Railway/Mysore Division. He was issued with a Pension Payment Order (PPO) dated 04.12.2017 by the 3<sup>rd</sup> Respondent, a copy of which is produced as Annexure A1. In the OA he has stated that despite the issuance of the PPO, he had not received any pension

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till the date of filing of this OA, which was on 12.07.2018. He has also not been paid the salary for the month of November, 2017. On making enquiries with 5<sup>th</sup> and 6<sup>th</sup> Respondents it was informed that they were not in receipt of Annexure A1, despite the same being addressed to the 6<sup>th</sup> Respondent. Aggrieved by the inaction on the part of the respondents to arrange monthly pension that he had earned after his long service under the respondent Railways, he submitted petitions to the 2<sup>nd</sup> and 3<sup>rd</sup> Respondents, as also to the 1<sup>st</sup> Respondent in the month of March, 2018 and May, 2018, but these were of no avail. On filing an application under RTI Act, he was informed that the applicant's PPO had been sent to the State Bank of India at the Central Pension Processing Centre, Bengaluru , instead of being sent to Trivandrum. A representation submitted to the Central Information Officer under the 2<sup>nd</sup> Respondent evoked no response.

2. It is maintained in the OA that the applicant is subjected to substantial prejudice and irreparable injury on account of delay in payment of pension. Despite the fact that the applicant superannuated from service on 30.11.2017 and the Annexure A1, Pension Payment Order had been issued on 04.12.2017, the 5<sup>th</sup> and 6<sup>th</sup> Respondents, the bank authorities, have informed the applicant that they have not received the PPO. He has been waiting for over seven months after his retirement for payment of pension, but has not received any assurance as to when it will be paid. He seeks the following reliefs:

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- (a) Declare that the non-feasance on the part of the respondents 1 to 4 to arrange the applicant's monthly pension for the period from 01.12.2017 is arbitrary, discriminatory, contrary to law and hence, unconstitutional;
- (b) Direct the respondents 1 to 4 forthwith arrange to pay the applicant's monthly pension for the period from 01.12.2017, with all consequential arrears thereof;
- (c) Direct the respondents to pay interest @ 9% per annum on the arrears of monthly pension to be calculated for the period from 01.01.2018, month after month, as the monthly pension fell due, up to the date of full and final settlement of the same;
- (d) Direct the respondents to forthwith release the applicant's salary for the month of November, 2017, with interest calculated @ 9% per annum, with effect from 01.12.2017, up to the date of full and final settlement of the same;
- (e) Award costs of and incidental thereto;
- (f) Pass such other orders or directions as deemed just and fit by this Hon'ble Tribunal.

3. When the OA was first posted on 18.07.2018, this Tribunal directed the learned Standing Counsel for Railways to obtain instructions and to file their reply statement. On 14.08.2018 the Tribunal was informed that the entire pension due to the applicant had been credited to the bank account and the applicant confirmed the same. However, he is pressing for interest on delayed payment from 01.01.2018 till the money was credited to his account.

4. The official respondents, the Indian Railways have filed a reply statement on behalf of the Respondents-1to4. It is maintained therein that by 14.08.2018 the entire pension due to the applicant had been paid and

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what remained was the plea made by the applicant for interest on delayed payment. The facts of the case as mentioned in the OA are not disputed. However, it is maintained that the PPO was indeed sent to the Central Pension Processing Centre under the State Bank of India at Bengaluru and this was done as per procedure. The official respondents allege that it is the duty of the bank authorities to credit the pension into the Saving Bank Account of the retired employee and "it is the duty of retired employee to chase the issue and get it done", as the copy of the PPO is made available to the retired employee also. It is averred that there is no role for Railway Administration in this regard. The delay might have happened because of the bank authorities misplacing the PPO for which the Railways are not responsible.

5. Shri T.C.Govindaswamy appeared on behalf of the applicant and he particularly drew attention to the sheer injustice involved in treating the pension as a grant of benevolence to be bestowed on an ex-employee. Pension is a matter of right for employees who have put in several years of service under the respondent organisation and disbursement cannot be left to the whims and fancies of the respondents. The applicant in this case had made several attempts and could not even ascertain the reason why his representations were not being considered. Shri Sunil Jacob Jose appearing for the Railways placed the blame squarely on the disbursing bank stating, now that the entire pension has been disbursed, the applicant is not eligible

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for any interest for the delay of seven months. If at all, this Tribunal takes a view that the case merits payment of interest, the same is to be paid by the State Bank of India, which is disbursing bank. This is on account of the fact that, according to him, the pension disbursement had been delayed due the inaction on the part of the bank.

6. We have considered the contentions raised on either side. At the outset, we express our deep disappointment at the manner in which the respondents have chosen to deal with an ex-employee who had worked for several decades in their organisation. We are also of the firm belief that pension and gratuity are not the gifts that employers bestow upon retired employees. They are the rightful dues and any delay in disbursement of the same is totally impermissible. Looking at the facts of the case, we have no hesitation in coming to the conclusion that it was the primary duty of the official respondents, Indian Railways, to ensure prompt disbursement of pension to the employee. Their responsibility does not end with issuing a PPO and putting funds at the disposal of the disbursing bank. The gravity of their role becomes all the more serious when we consider that frequent representations made by the applicant also elicited no reply. The bank in question may have acted in the matter with rare lethargy, but their role is only a secondary one. We have no hesitation in holding that the applicant is entitled to interest for the delay in payment of his pension from 01.01.2018 till it reached the applicant's account. This would be applicable at GPF rates.

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Respondents-1to4 will ensure that the interest is disbursed within two months on receipt of a copy of this order. OA is disposed of. No costs.

**(ASHISH KALIA)**  
**JUDICIAL MEMBER**

**(E.K.BHARAT BHUSHAN)**  
**ADMINISTRATIVE MEMBER**

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**List of Annexures in O.A. No.180/00632/2018**

- 1. Annexure A1:** True copy of Pension Payment Order bearing No.20177350710261 dated 04.12.2017, issued by the 3<sup>rd</sup> respondent.
  - 2. Annexure A2:** True copy of representation dated 19.03.2018, addressed to the 2<sup>nd</sup> respondent.
  - 3. Annexure A3:** True copy of representation dated 19.03.2018, addressed to the 3<sup>rd</sup> respondent.
  - 4. Annexure A4:** True copy of representation dated 15.05.2018, addressed to the 1<sup>st</sup> respondent.
  - 5. Annexure A5:** True copy of representation dated 15.05.2018, addressed to the Central Information Officer in the office of the 2<sup>nd</sup> respondent under the RTI Act.
  - 6. Annexure R1:** Photocopy of the letter dated 8/11/2016.
  - 7. Annexure R2:** Photocopy of the acknowledgment receipt.
  - 8. Annexure R3:** Photocopy of the letter dated 04/12/2017.
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