IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

Civil Writ Petition No.21412 of 2017
Date of Decision: September 20, 2017

Ram Parkash

...Petitioner

Versus

Union of India, Ministry of Defence, South Block, New Delhi & others

...Respondents

CORAM: HON'BLE MR.JUSTICE AJAY KUMAR MITTAL
HON'BLE MR.JUSTICE AMIT RAWAL

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Present: Mr.K.B.Sharma, Advocate, for the petitioner.

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AMIT RAWAL, J.

1. The petitioner has preferred the present writ petition against the order dated 22.2.2017 of the Central Administrative Tribunal, Chandigarh Bench (for short "CAT"), whereby O.A.No.060/00422/2016 has been allowed by granting interest @ 7% per annum on the delayed payment of gratuity from the date it became due, i.e., after three months after date of retirement on 31.3.1997, but denied the interest at the GPF rate revised from time to time, salary for the period 1.10.1996 to 31.3.1997 (Medical Leave), commuted value of pension, CGIES and bonus etc.

2. Mr.K.B.Sharma, learned counsel for the petitioner submitted that the petitioner joined the respondents' department on 12.1.1963 as LDC. On attaining the age of superannuation, the petitioner retired from the service on 31.3.1997. While in service, FIR bearing No.110 dated 16.5.1996 under Sections 406, 420 and 120 IPC was registered. Though his name was

not mentioned in the same, but later on he was falsely implicated. On 17.3.1997 before the date of the retirement, the petitioner was granted pension and other benefits, like gratuity, commuted value of pension, which were released on 31.3.1997, but the retiral benefits were not sent to his bank, i.e., PNB, DAV College, Jalandhar. However, in the aforementioned criminal case, the petitioner was acquitted vide judgment dated 5.1.2013, Annexure A-2 (Annexure P-1 with the present writ petition). He immediately submitted representation to the respondents on 7.2.2013 for release of gratuity and other retiral benefits, like commuted value of pension, gratuity and CGEIS etc. The respondents, vide order dated 27.2.2015 (Annexure A-5), released the gratuity without any interest and other benefits, like salary for the period 1.10.1996 to 31.3.1997. However, bonus and CGIES were not released. It is in this backdrop of the matter, the petitioner was constrained to approach the CAT by filing the aforementioned Original Application claiming the interest on the delayed payment of the retirement benefits and further claimed benefits, like salary, pay and allowances as mentioned above.

3. The CAT, vide order dated 17.7.2015, disposed of the Original Application with directions to the respondents to decide the representation. The respondents passed a speaking order dated 25.1.2016 (Annexure A-8), whereby claim of the petitioner for release of the interest on the delayed payment of retiral dues and other benefits, like salary for the aforementioned period, was rejected. The petitioner assailed the said order by filing O.A.No.060/00422/ 2016. During the pendency of the matter, even a Misc.Application for amendment of the relief clause was also filed. The said application, vide order dated 22.2.2017, was allowed, whereby the

respondents were directed to award interest @ 7% per annum on the delayed payment of gratuity, whereas no findings were given with regard to salary etc.

4. We have heard the learned counsel for the petitioner and appraised the paper book.

5. The facts narrated above are not in dispute. The only argument, which the learned counsel for the petitioner raised was that the petitioner should be entitled to interest at the GPF rate applicable from time to time. We are of the opinion that the interest rate has been reduced considerably taking into consideration the inflation and economic condition of the country. The CAT has awarded the interest @ 7% per annum by taking into consideration Rule 68 of the Central Civil Services (Pension) Rules, 1972. The decision by the Government of India given below Rule 68 in the CCS (Pension) Rules reads thus:-

> "*(1) Admissibility of interest on gratuity allowed after conclusion of judicial/departmental proceedings.*
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> *1. Under the rules, gratuity becomes due immediately on retirement. In case of a Government servant dying in service, a detailed time-table for finalizing pension and death gratuity has been laid down, vide Rule 77 onwards.*
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> *2. Where disciplinary or judicial proceedings against a Government servant are pending on the date of his retirement, no gratuity is paid until the conclusion of the proceedings and the issue of the final orders thereon. The gratuity, if allowed to be drawn by the Competent Authority on the conclusion of the proceedings will be deemed to have fallen due on the date of issue of orders by the Competent Authority.*
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> *3. In order to mitigate the hardship; to the Government servants who, on the conclusion of the proceedings are fully exonerated, it has been decided that the interest on delayed*

payment of retirement gratuity may also be allowed in their cases, in accordance with the aforesaid instructions. In other words, in such cases, the gratuity will be deemed to have fallen due on the date following the date of retirement for the purpose of payment of interest on delayed payment of gratuity. The benefit of these instructions will, however, not be available to such of the Government servants who die during the pendency of judicial/disciplinary proceedings against them and against whom proceedings are consequently dropped."

6. As per the aforementioned Rule, there is no mandate of granting interest at the GPF rate. Granting of interest is just and found to be appropriate and, thus, the order of the CAT allowing the interest @ 7% per annum cannot be faulted.

For the reasons stated above, no ground for interference is made out. Resultantly, the writ petition is dismissed.

(AJAY KUMAR MITTAL)
JUDGE

(AMIT RAWAL)
JUDGE

September 20, 2017
ramesh

Whether speaking/reasoned	**Yes/No**
Whether Reportable:	**Yes/No**