



WEB COPY

W.P.No.2083 of 2020

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 03.12.2024

CORAM :

THE HONOURABLE MR. JUSTICE S.M.SUBRAMANIAM

AND

THE HONOURABLE MR. JUSTICE M.JOTHIRAMAN

W.P.No.2083 of 2020

A.Chandrasekaran

... Petitioner

Vs.

1.Union of India – Rep by
The Secretary to the Government of India &
Chairman Governing Body of PIIC
Ministry of Health and Family Welfare,
Room No.156, A-Wing, Nirman Bhavan,
New Delhi 110 011.

2.The Director,
Pasteur Institute of India,
Coonor – 643 103,
The Nilgiris.

3.The Registrar,
Central Administrative Tribunal,
High Court Campus,
Chennai – 600 104.

... Respondents

Prayer: Writ Petition filed under Article 226 of the Constitution of India,



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praying for the issuance of Writ of Certiorari, calling for the records pursuant to the impugned proceedings of the dated 04.10.2019 in O.A.No.310/01405/2018 of the 3rd respondent Tribunal, and after quashing the same, pray direct the 2nd respondent to refund the unauthorized deduction of commutation of pension recovered in lump sum even before the actual disbursement capitalized value of commutation of pension, and further pay up-to-date interest on leave salary encashment and on retirement gratuity payment from 01.09.2015 to 18.05.2018.

For Petitioner	: Mr.V.Parthiban For M/s.Ayyar and Iyer
For R1 & R2	: Mr.M.Ramamoorthi For Mr.N.Rajan [CGC]
For R3	: Tribunal

ORDER

[Order of the Court is made by **S.M.SUBRAMANIAM, J.**]

The writ on hand has been instituted challenging the order dated 04th October, 2019 passed in O.A.No.1405 of 2018.

2. The petitioner was appointed as Store Officer (Group-B) on 19.08.1979. He was subsequently promoted to Procurement Officer (Group-



A) on 24.01.1996 and retired from service on 31.08.2007 on attaining the age of superannuation. During the fag end of his services disciplinary proceedings were initiated for the alleged misconduct of acquiring disproportionate wealth. The Central Bureau of Investigation (CBI) also conducted an investigation. Finally, the CBI found that there is no materials to file charges and accordingly, returned the file to the department for initiation of disciplinary proceedings. The disciplinary proceedings initiated against the petitioner ended with an order of exoneration and he was exonerated from the allegation on 13.05.2015.

3. Following exoneration, the petitioner filed an application seeking settlement of terminal and retirement benefits. It is not disputed that all the terminal and retirement benefits due to the petitioner were settled in the year 2015. However, the petitioner claimed interest for the delayed settlement, since the disciplinary proceedings ended with an order of exoneration. When his request was not considered, the petitioner filed O.A. No. 1737 of 2016. The Central Administrative Tribunal passed an order on 09.02.2018 holding that the petitioner was entitled to interest on the delayed payment of Leave Encashment and Commutation of pension as well. The respondents were



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directed to process his claim and pay interest at the same rate of delayed payment of these dues.

4. Pursuant to the Tribunal's order, a sanction order dated 18.05.2018 was issued by the Pasteur Institute of India. The said order states that the amount already paid to the petitioner represent the interest payable on Retirement Gratuity of Rs.6,42,428/- already paid at GPF interest rates for the period from 01.09.2007 to 31.08.2018. Therefore, no further dues were pending regarding the interest portion as claimed by the petitioner is concerned.

5. The learned counsel for the petitioner would submit that interest for the delayed settlement of commutation of pension is yet to be paid. The Tribunal held that the petitioner was entitled to interest on the delayed payment of leave encashment and commutation of pension.

6. However, the learned Central Government Standing Counsel appearing on behalf of the respondents would oppose by stating that all the interest due to the petitioner, as per the rules, had already been settled. Therefore, the Tribunal rightly formed an opinion and dismissed the original



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application.

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7. We are of the considered view that commutation of pension is an optional facility available to the retired employees. It is an additional facility provided by way of a scheme. Therefore, there is no separate calculation of interest for commutation. In respect of delayed payment of terminal benefits, the interest due to the petitioner had already been settled. As the interest has already been settled, there is no question of separate claim for interest on the commuted portion of the pension. The Commuted portion of the pension is inclusive in the terminal benefits and therefore, the very claim set out is untenable and not contemplated under the rules.

8. The Central Administrative Tribunal elaborately considered these issues and made a finding that there was no delay in the administrative process by the respondents after exonerating the petitioner from the departmental disciplinary proceedings. Therefore, no interest over the accrued interest would be admissible to the petitioner. The Tribunal held that there is no concept of interest over the accrued interest.

9. In the present case, interest has been already settled for the belated



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payment of terminal benefits. Hence, there is no claim for the separate interest on the commuted portion alone.

10. The findings of the Tribunal are in consonance with the rules and established principles. Thus, the petitioner has not made out any acceptable ground for the purpose of considering the present writ petition. Consequently, the Writ Petition stands dismissed. No costs.

[S.M.S., J.] [M.J.R., J.]
03.12.2024

Index : Yes
Speaking order
Neutral Citation : Yes

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To

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