(2023) 04 CAT CK 0059

In the Central Administrative Tribunal

Case No : Original Application No. 200, 00166 Of 2019

Prabhat Kumar Agrawal APPELLANT

Vs

Union Of India & Ors. RESPONDENT

Date of Decision : 26-04-2023

Acts Referred:
General Provident Fund (Central Services) Rules, 1960 — Rule 11(4), 34

Citation : (2023) 04 CAT CK 0059

Hon'ble Judges : Kumar Rajesh Chandra, Member A

Bench : Single Bench

Advocate : Samveg Tripathi, Himanshu Shrivastava

Final Decision : Dismissed

Judgement

Kumar Rajesh Chandra, Member A

1. Heard.

2. This Original Application has been filed by the applicant challenging the order dated 23.08.2018 (Annexure A/1) wherein the interest on the delayed payment of GPF amount was not paid to the applicant.

3. The briefly stated facts of this case as projected in the Original Application are that the applicant was appointed in the respondent department as Inspector on 01.03.1982. The applicant superannuated from his service on 31.07.2018. His GPF monthly subscription was stopped three months before the date of retirement. At the time of retirement, Rs. 32,12,095/- was standing at the credit of his GPF account which was payable on the date of retirement. But the applicant was neither sanctioned nor paid the GPF amount on the due date. The GPF final payment order was issued by the Sr. Accounts on 23.08.2018 limiting the interest only up to 31.07.2018 and thereafter, the benefit of interest was denied. The payment was further delayed and the amount of GPF Rs. 32,12,2095 was credited in the Bank Account of the applicant only on 27.08.2018. After receiving the order/letter dated 23.08.2018, the applicant preferred

representation on 03.11.2018, whereby he requested for sanction and payment of interest on delayed payment of the amount of GPF as per the OM no. 3/3/2016-P&PW dated 16.01.2017. Thereafter, the applicant also sent reminder on 24.12.2018 (Annexure A/6), but no heed was paid to it.

4. The respondents have filed their reply, wherein it has been submitted by the respondents that the applicant has submitted all the pension papers on 24.09.2017, but Part-I of Form of Application for final payment of GPF (Appendix – D) has been filed on 23.07.2018 and received in their office on 31.07.2018. As per Annexure R/1, this part needs to be submitted by the subscriber up to one year prior to retirement. This is the negligence on the part of subscriber (retiring officer). Further on non-receipt of Part-I & II of Form of Application for final payment of GPF (Appendix-D), the respondents e-mailed him all the requisite form on 26.07.2018, the applicant has acknowledged that e-mail and apparently furnished his reply through a letter signed on 23.07.2018 (that appears back dated). Thereafter, the respondents received duly filled GPF final payment application of the applicant on 31.07.2018 and the same was forwarded on 02.08.2018 to PAO for issuing authority letter. The respondent office received authority letter on 23.08.2018 and on the next day GPF bill was forwarded to PAO for final payment, subsequently GPF amount was paid to officer on 27.08.2018. As per GPF Interest payment rule 11(4) of 1960, interest may be paid to the individual upto the end of the month preceding that in which the payment is made. According to PAO, CGST, Bhopal GPF payment has been made upto on 27.08.2018 with interest upto 31.07.2018 (i.e. interest upto the end of month preceding that in which the payment is made), therefore interest on GPF is not payable to the individual.

5. The applicant has filed rejoinder, wherein the applicant reiterated his earlier stand and further submitted that there is no requirement to submit a written application for GPF final payment and it is the duty of the Accounts Officer to make payment of GPF, also the authority for the amount payable should be issued at least a month before the date of superannuation. So it was the responsibility of the Respondents to have all the formalities completed well in advance. Also the applicant submitted that as per Point 3 of the OM No.3/3/2016-P&PW dated 16.01.2017 (Annexure A/5) interest of the GPF balance has to be paid for the period beyond the date of retirement if the GPF balance is not paid on retirement. Even otherwise GPF amount is the money belonging to the subscriber which is kept with the department and which becomes payable on the retirement, so if the department does not pay the amount on time then they should be liable to pay interest for the period of delay caused by them.

6. This Tribunal has considered the matter and also perused the documents annexed with the Original Application. The judgments relied upon by the counsels during the time of argument have also been taken into consideration.

7. It is clear from the record that after superannuation, the applicant submitted all pension papers on 24.09.2017, but due to delay in filing Part-I of the Form of

Application for final payment of GPF, the applicant's GPF could not be processed on time. Further on non receipt of Part – I & II of the form of application for final payment of GPF, the respondents e-mailed him all the requisite form on 26.07.2018. The applicant acknowledged the same and furnished his reply through a letter apparently signed on 23.07.2018 (that appears backdated) and after receipt of the same, it was forwarded to the PAO for issuing authority letter. Subsequently GPF amount was paid to officer on 27.08.2018.

8. The applicant also relied upon as per point 3 of the OM No. 3/3/2016-P&PW dated 16.01.2017 (Annexure A/5) which reads under:

"2. Rule 34 of General Provident Fund (Central Service) Rules clearly provides that when the amount standing at the credit of a subscriber in the General Provident Fund becomes payable, it shall be the duty of the Accounts Officer to make payment. The authority for the amount payable is to be issued at least a month before the date of superannuation, by payable on the date of superannuation. It may be noted that the requirement of submitting a written application by the retiring Govt. servant for GPF final payment has been dispensed with vide Notification No. 20(12)/94-P&PW (E) dated 15.11.1996 and notified under S.O. No. 3228 dated 23.11.1996".

Here, it is clear that the amount standing at the credit of subscriber in the GPF becomes payable only when the requisite formalities gets completed on behalf of the applicant. In the case in hand, the requisite formalities of submitting Part-I of Form of Application final payment of GPF were delayed on the part of the applicant. Moreover, when the respondent office received authority letter on 23.08.2018, on the next day GPF bill was forwarded to PAO for final payment. Thereafter, as per GPF Interest payment rule 11(4) of 1960, PAO, CGST, Bhopal GPF made payment on 27.08.2018 with interest upto 31.07.2018 (i.e. interest upto the end of month preceding that in which the payment is made).

9. Since these requisite formalities for grant of GPF were to be completed prior to the retirement, but due to negligence on the part of applicant, he did not furnish all the requisite forms within the stipulated time. So, there is no wrong justified on the part of the respondents and also the respondents paid interest up to the end of month preceding in which the payment is made.

10. In view of the aforesaid, the Original Application is dismissed. No costs.