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HON'BLE SRI JUSTICE P. NAVEEN RAO

WRIT PETITION NO. 4878 OF 2012

ORDER:

The petitioner claims to have worked as Branch Manager of Karmchedu Branch of Prakasam District Cooperative Bank Limited (Respondent). He retired from service on attaining the age of superannuation on 31.7.2003. After retirement, the petitioner submitted required documents for release of retirement benefits like Gratuity, Leave Salary and Group Insurance etc. In that process the respondent bank withheld an amount of Rs. 74,803/- and was not released to the petitioner for long time and the said amount was released to the petitioner only on 23.3.2011. Aggrieved by the simple payment of amount after long lapse of time without payment of interest on the said amount, the present Writ Petition is filed.

Learned counsel appearing for the petitioner contends that the petitioner was legally entitled to receive the amount mentioned above, but illegally the said amount was detained with the respondent-Bank. He also contended that the delay in payment of amount caused prejudice to the petitioner and an amount of Rs. 74,803/- in 2003 was having better value as compared to the monetary value of the same amount in 2011. More over, at the time of retirement, if that amount was paid it would have helped him in attending to various issues of post retirement.

The learned Government Pleader for Cooperation appearing for respondent-Bank submits that the amount was withheld due to pendency of litigation at the time of retirement of the petitioner on classification of Bank as 'A' and 'B' class which has a bearing on payment of salaries to employees. The respondent-Bank was degraded and classified as 'B' class Bank on the ground of less performance by the Bank. Subsequently, as per the directions of the Court, the respondent-Bank paid "A" class salaries but the 'salary difference' of 'A', 'B' classification was kept pending at the time of retirement of the employees with effect from 1.4.2000 till disposal of the Writ Petition. It is also submitted that the subject was placed before the Managing Committee of the Bank held on 8.5.2004 and the Managing Committee of the Bank resolved and allowed the amount kept in Suspense Account as deposit by imposing certain conditions. Later the petitioner sent a letter stating that he wants to withdraw the principal amount without prejudice to his rights, as the Legal Services Authority, Ongole advised the petitioner to withdraw the amount. But he did not turn up to receive and acknowledge the same. Hence, there is no negligence and dereliction of duties on the part of the respondent-Bank.

As contended by the learned counsel for the petitioner there was no dispute with regard to entitlement of the amount and the same was paid in the year 2011. The contention of the respondent is that the amount was withheld due to pendency of litigation at the time of retirement of the petitioner on the issue of classification of Bank as 'A' and 'B' class in so far as payment of pay and allowances to employees as a consequence to the respondent-Bank classified as 'B' class Bank on the ground of less performance by the Bank. Subsequently, the 'salary difference' of 'A' 'B' classification was kept pending at the time of retirement of the employees with effect from 1.4.2000 and the respondent-Bank kept the difference of amount in a 'Suspense Account'. The respondent-Bank ought to have taken minimum care of getting the said amount in a fixed deposit, as it would have at least ensured some amount of accumulation of interest for the period.

There is some force in the contention of the counsel for the petitioner that the value of the money quantified as payable in 2003 cannot be the same in the year 2011, which is about eight years thereafter. The price index goes up and purchasing power gets reduced during the long period of time. Therefore, there is merit in the contention of the petitioner that he suffered a lot for the delay in making the payment. Thus this sufferance can be resolved at least by way of a direction to the respondent-Bank to pay interest applicable to savings bank for the period when the amount was kept with the respondent-Bank.

Thus in the interest of justice and in the peculiar facts and circumstances of the case, I am of the opinion that at least payment of interest would mitigate the hardship and loss caused to the petitioner. Therefore, the respondent-Bank is directed to pay interest at the rate applicable to the fixed deposit accounts and work out the amount payable for the period from 1.8.2003 to 22.3.2011 and pay the same, as expeditiously as possible, preferably within a period of eight weeks from the date of receipt of a copy of this order.

With the above observation the Writ Petition is disposed of. As a sequel thereto, miscellaneous petitions, pending if any, shall stand closed. There shall be no order as to costs.

P. NAVEEN RAO, J

DATE: 03.11.2015

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