**225 IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH**

**CWP No.6620 of 2014 (O&M)**
**Date of decision : November 03, 2016**

**Inderjit** **....... Petitioner**

**Versus**

**Punjab State Power Corporation Ltd. and others** **....... Respondents**

**CORAM : HON'BLE MR. JUSTICE KULDIP SINGH**

**Present:-** Mr. V.K. Shukla, Advocate for the petitioner.

Ms. Geeta Sharma, Advocate for the respondents.

1. Whether the Reporters of local newspaper may be allowed to see the judgment ?
2. To be referred to the Reporter or not.
3. Whether the judgment should be reported in the digest ?

**KULDIP SINGH J. (ORAL)**

Petitioner worked as work charge employee from March 1987 to 23.10.1996. Thereafter, his services were regularized w.e.f. 24.10.1996 as Assistant Lineman and retired as such on 28.02.2011. The petitioner approached to the Department for counting his work charge period of service rendered by him for the purpose of pensionary benefits. His contribution along with interest for the said period was computed as ₹63,029/-, vide calculation sheet (Annexure P-4) issued by the Additional Superintending Engineer (OP), Sub-Urban Division, PSPCL, Moga. However, the Department vide letter dated 10.07.2013 (Annexure P-6) claimed that the total amount comes to Rs.1,81,362 and after adjusting a sum of ₹63,479/-, a sum of ₹1,17,883/- was claimed from the petitioner.

For counting the benefits of work-charge service, the said letter dated 10.07.2013 (Annexure P-6) has been challenged by the petitioner in the present writ petition.

In the reply, the respondents have taken the stand that the calculation of ₹63,029 is incorrect and the same was computed vide letter dated 06.05.2013 (Annexure R-1). The correct calculations are ₹1,81,362/- as per Annexure R-2, dated 10.07.2013. Therefore, the respondents justified the letter dated 10.07.2013 (Annexure P-6).

I have heard learned counsel for the parties and have also carefully gone through the case file.

The dispute is only regarding the calculation and the way it is done. The calculation (Annexure R-2) shows that from March 1987 to 10.10.1996, a sum of contribution along with interest @ 10% per annum was calculated to be Rs.26,414/-. Thereafter, from May 1997 to May 2013, the interest has been calculated @ 12% per annum. A further perusal of Annexure R-2 shows that the compound interest has been charged. Every year, the amount of interest has been added to the previous balance and thereafter the interest @ 12% per annum has been claimed on the said amount with the result that the compound interest has been charged on account of which, the amount come to ₹1,81,362/-.

I am of the view that the compounding of the interest charge is not sustainable on the contribution of the petitioner. The simple interest was to be charged. Therefore, the charge of compounding interest is set aside and the respondents are directed to calculate the simple interest on the amount of ₹26,414/- for the period from May 1997 to May 2013 and if there is any balance, the same can be claimed from the petitioner and if it is found that the said calculation comes to ₹63,479/-, no further amount shall be claimed from him and the case of the petitioner for computing his work-charge service for the purpose of pensionary benefits shall be processed and decided within a period of two months from the date of receipt of certified copy of this judgment.

However, if an additional amount is found to be payable by petitioner, the respondents shall claim the same within one month from the date of making the calculation as directed above. The petitioner shall deposit the same within one month from the date of receipt of the said letter and thereafter, the case of the petitioner shall be processed within two months as recorded above.

As such, the present petition is allowed.

**(KULDIP SINGH)**
**JUDGE**

**November 03, 2016**
sarita

Whether speaking / reasoned Yes
Whether Reportable: No