

CWP No.18185 of 2015

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

Sr. No.201

**CWP No.18185 of 2015
DECIDED ON: October 07, 2017**

VED PARKASH

....PETITIONER

VERSUS

UNITED INDIA INSURANCE COMPANY LIMITED AND OTHERS

....RESPONDENTS

CORAM: HON'BLE MR. JUSTICE JASPAL SINGH

Present: Mr. Vishal Mittal, Advocate,
for the petitioner.

Mr. Neeraj Khanna, Advocate,
for respondent No.1.

Mr. Ravinder Arora, Advocate,
for respondents No.2 to 4.

JASPAL SINGH, J (ORAL)

By virtue of instant civil writ petition, preferred under Article 226/227 of the Constitution of India, petitioner has sought the issuance of a writ, order or direction especially in the nature of mandamus directing the

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respondents to pay interest @ 18% per annum on the delayed payment of pension amount.

2. The contention of learned counsel for the petitioner is that petitioner got voluntary retirement on March 31, 2004 in view of General Insurance (Employees) Pension Scheme, 1995. According to which, on completion of 10 years of qualifying service, an employee of National Insurance Company Ltd. was entitled to pension. They arose some dispute with regard to applicability of the aforesaid pension scheme which necessitated the filing of Civil Writ Petition No.13382 of 2007 captioned as ***Kirpal Singh vs. National Insurance Company Ltd. & anr.*** and some other connected petitions, which were allowed by the Division Bench of this Court on January 25, 2008 and letter dated January 10, 2007 was quashed. The respondents were directed to calculate the amount of pension and disburse the same to the petitioners within a period of three months from the date of the order, failing which, petitioners were held entitled to interest @ 9% from the date of amount became due till the actual disbursement. After passing of the aforesaid judgment rendered in CWP No.13382 of 2007 which attained finality on account of Civil Appeal No.256 of 2014 (arising out of S.L.P. (C) No.9953 of 2008 captioned as ***National Insurance Company Ltd. vs. Kirpal Singh***, petitioner made a request to the respondents to grant him pensionary benefits. Ultimately, he was constrained to prefer Civil Writ Petition No.19290 of 2014 captioned as ***Ved Parkash vs. United India Insurance Co. Ltd. & ors.***, which was disposed of vide order dated September 17, 2014 while directing the

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respondent No.2 to take into consideration the legal notice dated August 01, 2014 and pass necessary orders on the same within a period of three months from the date of receipt of certified copy of the order. Further that in case, petitioner is found entitled to his claim, amount be disbursed to him within a period of one month thereafter. Though pension amount has already been disbursed to the petitioner but after a long delay of about 11 years. In fact, petitioner is entitled to interest of pension arrears w.e.f. February 01, 2004 till the same were actually paid.

3. Learned counsel for the petitioner has further argued that since the arrears have been made after a delay and petitioner is deprived of utilization of the said amount for more than a decade, he is entitled to interest on the delayed payment @ 18% per annum.

4. On the other hand, while refuting various submissions made by learned counsel for the petitioner referred to above, learned counsel for the respondents Mr. Ravinder Arora has submitted that in compliance of order dated September 17, 2014 passed in CWP No.19290 of 2014, arrears have already been paid. The aforesaid judgment is based upon the judgment of ***Kirpal Singh's (supra)*** which has attained finality. In the said case, petitioners were held entitled to interest @ 9% per annum in case of non-compliance. But in the case in hand, amount has been released strictly within time provided by the Court.

5. This Court has given an anxious thought to the aforesaid rival submissions made by learned counsel for the parties and scanned the various

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documents available on record, in the considered view of this court, petitioner does not deserve the interest on the arrears of pension as has been claimed by him for the reasons hereinafter.

6. Admittedly, petitioner obtained voluntary retirement on March 31, 2004. There was some controversy with regard to Pension Scheme (1995) which was ultimately set at rest by the Division Bench of this Court in ***Kirpal Singh's case (supra)*** by holding that employees who have completed 10 years of service are entitled to the benefit of aforesaid scheme. The petitioner was not a party to the CWP No.13382 of 2007 or other connected writ petitions, which were disposed of by the Division Bench of this Court on January 25, 2008. However, after the aforesaid judgment which attained finality, he served a legal notice dated August 01, 2014 and when no conscious decision has been taken, he preferred a CWP No.19290 of 2014 captioned as ***Ved Parkash vs. United India Insurance Company Ltd. & ors.*** which was disposed of vide order dated September 17, 2014. The said writ petition was disposed of in terms of ***Kirpal Singh's case (supra)***. The said orders were complied with by the petitioners within prescribed period of four months and as such, petitioner is not entitled to interest. Otherwise also, as per ***Kirpal Singh's case (supra)***, interest was only ordered to be paid @ 9% per annum in case of non-compliance of the order i.e. arrears of pension amount within stipulated period of three months. But in the case in hand, since the amount has already been paid by the respondents-Insurance Company, that too, within a period of four months, petitioner does not deserve the grant of interest. Moreover,

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respondents cannot be faulted with especially when litigation remained pending for a number of years. Moreover, in the instant case, though petitioner had sought voluntary retirement on March 31, 2004 but he also slept over the matter till he served the legal notice dated August 01, 2014.

7. In the light of aforesaid discussion, this Court does not find any merit in the instant petition. As such, same is dismissed.

October 07, 2017

Ankur

**(JASPAL SINGH)
JUDGE**

***Whether speaking/reasoned* Yes**

***Whether reportable* Yes/No**