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IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

CWP No. 5727 of 2014 (O&M)
Date of Decision: 05.05.2017

SARVINDER SINGH PAHIL AND OTHERS ***… Petitioners***

V/s

STATE OF PUNJAB AND OTHERS ***...Respondents***

CORAM: HON'BLE MR. JUSTICE KULDIP SINGH

Present: Mr. R.D. Anand, Advocate,
for the petitioners.

Mr. Nikhil Chopra, Addl. A.G., Punjab

Mr. Ajayvir Singh, Advocate,
for respondent No. 2.

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KULDIP SINGH, J. (Oral)

Brief facts of this case are that the petitioners are the retired Professors/ Readers from the faculty of Punjabi University Patiala. The pay and the salaries of the serving and retired employees were revised on account of recommendations of 5th Pay commission. The recommendations regarding the serving employees of Universities and Colleges were accepted by the Government vide notification dated 02.09.2009 *(Annexure P-2)*. The Government also issued the letter *(Annexure P-9)* on 29.9.2010, accepting the recommendations qua the retired employees and they were to be paid the revised pension w.e.f. 01.01.2006 to 31.07.2009. The arrears were to be paid in certain installments as mentioned in the said letter. It comes out that in this case, the arrears have been paid. Now, question surviving for contest between the parties is that interest for the delayed payment of enhanced portion of pension.

It comes out that the Punjab Government vide notification dated 02.09.2009 *(Annexure P-2),* has implemented the revised pay scales w.e.f.

01.01.2006 to the Teachers of the Universities and Colleges. In clause No. 4 of the said notification, it was mentioned that pay in the revised scales shall be payable in cash with effect from 01.08.2009 and the arrears for the period from 01.01.2006 to 31.07.2009 will be released in installments in due course.

It also comes out that the Punjabi University, Patiala vide proceedings of the meeting held on 15.09.2009 had adopted the said pay scales without qualifying whether the payment after 31.07.2009 is to be made in installments. That would mean that the enhanced pension was to be paid alongwith current pension, with effect from the date it was adopted by the University on 15.09.2009.

The University kept paying the pension to the petitioners on the old rates and the arrears were paid as mentioned in the affidavit dated 31.05.2016 of the Registrar, Punjabi University, Patiala. The same are reproduced as under: -

Serial No.	***Event***	***Dates on which Government of Punjab had released grant/money to the Punjabi University, Patiala from 01.04.2014.***	***Dates on which payment was made good by the Punjabi University to the petitioners as arrears of revised pension.***
1.	*20% of Total Arrears of revised pension*	*Letter No. 8/37/10-4c1/214742/2-4 dated 08.05.2014 credited into account of University from 03.06.2014 to 08.08.2014 in installments.*	*Payment was made to all pensioner on date 17.07.2014 vide cheque No. 404121 dated 10.07.2014 Total amount of Cheque was ₹1,27,92,250/-*
2.	*15% of Total Arrears of revised pension*	*Letter No. 8/37/10-4c1/295540/2-4 dated 25.08.2014 credited into account of University from 05.09.2014 to 02.12.2014 in installments.*	*Payment was made to all pensioner on date 24.11.2014 vide cheque No. 404170 dated 19.11.2014 Total amount of Cheque was ₹97,07,482/-*
3.	*25% of Total Arrears of revised pension*	*Letter No. 15/12/2007-5c Cell/(Part file) 321344/9 dated 01.10.2014 credited into account of University on 04.12.2014.*	*Payment was made to petitioners on date 09.12.2014 vide cheque No. 404182 dated 19.12.2014 amount of Cheque was ₹8,45,432/- and Income Tax deducted ₹2,08,200/- vide cheque No. 404183 dated 09.12.2014.*

4.	*40% of Total Arrears of revised pension*	*Letter No. 8/37/10-4c1/474432/3 dated 30.04.2015 credited into account of University from 08.05.2015 to 01.07.2015 in installments.*	*Payment was made petitioners on dated 22.07.2015 vide cheque No. 404273 dated 20.07.2015 total amount of cheque was ₹12,15,121/- and Income Tax deducted ₹3,17,0000/- vide cheque No. 404274 dated 20.07.2015 payment was made to Smt. Rani Arora w/o Dr. A.C. Arora, Sh. Manik Arora S/o Dr. A.C. Arora and Smt. Anju Arora D/o Dr. A.C. Arora vide Cheque No. 404275, 404276 and 404277 dated 20.07.2015. Amount of cheque No. 45954/-, 45952/- and 45952/- respectively. Income tax deducted ₹15831/- vide cheque No. 404278 dated 20.07.2015.*

Now, the petitioners are claiming interest on the delayed payment of arrears which should have been paid to them w.e.f. 15.09.2009.

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

Admittedly, Punjabi University, Patiala is an autonomous body. The University has adopted the pay scales vide resolution dated 15.09.2009. Though as per the notification dated 02.09.2009 *(Annexure P-2),* adopted by the University, the arrears from 01.01.2006 to 31.07.2009 were to be paid in installments. However, from the date of notification, the payment was to be made in cash. There is nothing on the file to show that the University had decided that due to financial constraints, the increased liability cannot be paid and will be paid in installments on the receipt of the grant.

It is not denied on behalf of the University that the grant was received by the University without specifying for which purpose it is to be utilized. The University did receive grant for the period from 2009 to 2014. Though, the pension was being paid to the petitioners on the earlier rates regularly, however, the payments of arrears of enhanced portion of pension were made late as reproduced above. The plea on behalf of the University is that since, the grant was received late, therefore, the University is not liable to pay the interest on the delayed payment of arrears.

I am of the view that once the University is liable to pay salary and pension, the University is liable for the enhanced salary and pension from the date it is implemented unless any contrary order is passed regarding enhanced portion of the salary/pension. Since, the enhanced portion of the pension was not paid after it was adopted by the University, therefore, the petitioners shall be entitled to interest on the enhanced portion of pension.

In view of the above the petition stands allowed and keeping in view the financial health of the Punjabi University, Patiala, the respondents are directed to pay the simple interest @ 6% per annum to the petitioners on their enhanced portion of the pension from the date the pension was paid after September 2009 till the arrears were actual paid.

May 5, 2017 **(KULDIP SINGH)**
Suresh Kumar **JUDGE**

Whether speaking / reasoned	***:***	✓ ***Yes***	/	***No***
Whether Reportable	***:***	***Yes***	/	✓ ***No***