

IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

218/2

CWP-8804-2020

DATE OF DECISION: 26.04.2022

JAGAN NATH AND OTHERS

... Petitioner(s)

Versus

STATE OF PUNJAB & ORS

... Respondent(s)

CORAM: HON'BLE MR. JUSTICE ANUPINDER SINGH GREWAL

Present: Mr. Nitesh Singla, Advocate
for the petitioners.

Mr. TPS Chawla, DAG, Punjab.

Mr. J.S. Toor, Advocate for the respondents.

ANUPINDER SINGH GREWAL, J. (ORAL)

The petitioners are seeking direction to the respondents to pay the interest on the delayed payments made in respect of provident fund, dearness allowance and pension contribution fund at the rate of 18% per annum.

Learned counsel for the petitioners submits that the respondents had not been depositing the provident fund with the competent authority punctually although deduction of 10% of the basic salary was being made from the petitioners. The petitioners were Class IV employees. After their retirement, the payment towards provident fund was disbursed after a delay of several years. He, therefore, submits that the petitioners would be entitled to the interest at the rate of 18% for the delay in release of the provident fund.

Short reply by way of affidavit of Joint Secretary, Government of Punjab, Department of Local Government, Punjab filed on behalf of respondents No.1 and 2 is taken on record. Learned counsel for the respondents submits that this is a dispute between the employer and the management and, therefore, it should have been raised before the Commissioner, Provident Fund in the first instance.

Heard.

The petitioners are Class III and Class IV employees. There was delay in depositing the provident fund by the respondents. The provident fund was released to the petitioners after 7 years. The petitioners would be entitled to the interest for the delay in release of the provident fund to them. The petition had been preferred in the year 2020 and it would not be appropriate at this stage to relegate the petitioners to avail the remedy of approaching the Commissioner Provident Fund.

In view of the limited prayer of the petitioners for interest on the delay in release of the provident fund, it would be in the interest of justice, if the matter is decided by this Court.

Consequently the petition is allowed. Respondent No.2 shall pay interest at the rate of 6% for the delay in release of the provident fund to the petitioners. This amount would be disbursed to the petitioners within a period of 6 months from the date of receipt of certified copy of this order.

(ANUPINDER SINGH GREWAL)
JUDGE

26.04.2022
SwarnjitS

Whether speaking/reasoned	:	Yes / No
Whether reportable	:	Yes / No