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IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH

CWP-15205-2000 (O&M)
Date of Decision:19.01.2024

SHOBHA SHARMA

.....Petitioner

V/s.

STATE OF PUNJAB AND ANOTHER

.....Respondents

CORAM: HON'BLE MR. JUSTICE SANJEEV PRAKASH SHARMA

Present: Mr. G.S. Bal, Senior Advocate assisted by
Mr. Dilshad S. Gill, Advocate for the petitioner.

Mr. D.K. Singal, Addl. A.G., Punjab.

SANJEEV PRAKASH SHARMA, J. (Oral)

1. The petitioner has preferred this Writ Petition with a prayer to direct the respondents to pay interest @ 18% on the amount of delayed payment of ₹35,696/- for the period from 09.02.1996 to 06.04.2000 on account of retrospective revision of pay scales.

2. It is stated that the petitioner had joined initially in the Punjab State Leather Development Corporation (hereinafter referred as “the Corporation”) as a Clerk on 04.11.1981 and later on she was promoted as a Senior Assistant on 04.11.1987. A decision was taken to wind-up the Corporation on account of the losses and therefore, the petitioner was retrenched and absorbed as a Junior Auditor now re-designated as Auditor in the office of the Director, Treasury and Accounts Department, Punjab.

3. The pay scale of both the posts was ₹1500-₹2600, thereafter the Anomaly Committee revised the pay scale of both the posts to ₹1800-₹3200/- w.e.f. 01.01.1986. Thus, it was a case where the petitioner claimed that she should be granted arrears of higher pay scale of ₹1800-₹3200/- w.e.f

04.11.1987 i.e. the date on which she has been promoted to the post of Senior Assistant. She, therefore, preferred a Writ Petition bearing No. CWP-11935-1997 before this Court and the Court directed the respondents to examine the representation, and if it is found that the petitioner is entitled to the same, it was directed that the same may be released. The judgment of 27.08.1997 nowhere directed the respondents to make the payment or to pay interest to the petitioner. Thus, entitlement of the petitioner was not decided by the Court. A Contempt Petition was filed COCP-139-1998 wherein the Court granted two months' time to the respondents to decide the petitioner's representation.

4. Learned State counsel has stated that since the Corporation was in the process of winding up, the claim of the petitioner was examined and arrears amounting to ₹30,928/- were released to the petitioner within two months as directed by the Court in COCP-1347-1998. An application was filed in COCP-1347-1998 and another amount of ₹4,768/- was also paid to the petitioner on 06.04.2000. The petitioner is now claiming interest on the said amount.

5. This Court notices that the petitioner had claimed interest in her Writ Petition CWP-11935-1997, but the Court did not award any interest to the petitioner and even while directing to make payments in the Contempt Petition, no interest was awarded. The petitioner herself filed an application before the Court and only claimed amount of ₹4,768/- which was the payment on account of acquiring of the higher qualifications. However, she did not claim the interest at that relevant stage. After having received the said

amount, the petitioner has now filed the instant Writ Petition for claiming interest.

6. Learned counsel for the petitioner has relied on two judgments rendered by the Hon'ble Supreme Court (i) **Alok Shanker Pandey** Vs. **Union of India (UOI) and Others**; (2007) 3 Scale 190 and (ii) **Puran Singh** Vs. **State of Punjab**; 1995 (1) AIJ 156 to submit that on delayed payment interest is required to be paid.

7. I have considered the submissions of learned counsel for the parties.

8. In the case of **Alok Shanker Pandey** (Supra), the Court was examining whether interest is required to be paid and has held as under:-

“7. It may be mentioned that there is misconception about interest. Interest is not a penalty or punishment at all, but it is the normal accretion on capital. For example if A had to pay B a certain amount, say 10 years ago, but he offers that amount to him today, then he has pocketed the interest on the principal amount. Had A paid that amount to B 10 years ago, B would have invested that amount somewhere and earned interest thereon, but instead of that A has kept that amount with himself and earned interest on it for this period. Hence equity demands that A should not only pay back the principal amount but also the interest thereon to B.”

9. The facts of the present case are different. In this case, Government-Corporation was wound up and the amount is not required to be paid by the individual but by the Government and the Government does not earn interest on the amount, thus, the amount cannot be said to be withheld by the Government.

10. In the case of Puran Singh (Supra), the punishment order was set aside directing for payment of salary for the said period for which interest has been directed to be paid. Here it is not a case where the amount was due to the petitioner, but has been claimed on the basis of the revision of the pay scale. Thus, the petitioner is not entitled to the interest on the said amount.

11. The Writ Petition stands dismissed accordingly.

12. All pending applications in this Writ Petition stand disposed of accordingly.

January 19, 2024
Ess Kay

[SANJEEV PRAKASH SHARMA]
JUDGE

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