2024:PHHC:170667

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

CWP-31472 of 2024
Date of decision: 19.12.2024

Ramesh Kumar

......Petitioner

Versus

State of Punjab and others

......Respondents

CORAM: HON'BLE MR. JUSTICE NAMIT KUMAR

Present: - Ms. Meenu, Advocate,
for the petitioner (through V.C.).

Mr. Surya Kumar, AAG, Punjab.

Mr. R.P.S. Bara, Advocate,
for respondents No.2 to 5.

NAMIT KUMAR, J. (ORAL)

1. Prayer in the present writ petition is for quashing/recalling the order bearing No.214 dated 29.07.2024 (Annexure P-5) vide which the claim of the petitioner for grant of interest on delayed payment of general provident fund has been rejected by the respondents. Further prayer has been made for directing the respondents to make the payment of remaining interest amount on account of delayed payment of general provident fund.

2. Only dispute in the present petition is as to whether the petitioner is entitled for grant of interest on the delayed payment of GPF payment of Rs.47,97,446/-.

3. There is no dispute regarding the fact that the petitioner retired from service on attaining the age of superannuation on

31.05.2023 and before retirement he submitted representation for release of his GPF amount. The respondent-department has taken ten months' time to release the said payment and granted six months' interest in terms of Regulation 13(4) of the PSPCL Provident Fund Regulations, 2010. Regulation 13 of the Regulations reads as under: -

> *"13. (1)Subject to the provisions of clause (5) below, the Trust shall pay to the credit of the account of a subscriber interest at such rate as may be determined for each year according to the method prescribed from time to time by the Corporation.*
>
> *(2) Interest shall be credited with effect from the first day of April each year in the following manner:*
>
> *(i) on the amount at the credit of a subscriber on the last day of the preceding year, less any sums withdrawn during current year-interest for twelve months:*
>
> *(ii) on sums withdrawn during the current year interest from the beginning of the current year up to the last day of the month preceding the month of withdrawal;*
>
> *(iii) on all sums credited to subscriber's account after the last day of the preceding year interest from the date of deposit up to the end of the current year or up to the last day of month in which the amount outstanding of the subscriber become payable on superannuation, death etc.; and*
>
> *(iv) the total amount of interest shall be rounded to he nearest whole rupee(fifty paisa counted as the next higher rupee.)*
>
> *(3) In these regulations, the date of deposit shall, in the case of a recovery from emoluments, be deemed to be the first day of the following month in which it is recovered; and in the case of an amount remitted by the subscriber, shall be deemed to be the first day of the month of receipt,*

if it is received by the Accounts Officer before the fifth day of that month, but if it is received on or after the fifth day of that month, the first day of the next succeeding month.

(4) In addition to any amount to be paid under Regulations-16, 17 and 30. Interest thereon up to the end of the month preceding that in which the payment is made or up to the end of the six months after the month in which such amount became payable, which ever of these period be less, shall be payable to the person to whom such amount is to be paid.

Provided that the payment of interest on the fund balances beyond the period of six months up to any period may be authorized by the Chief Accounts Officer after he has personally satisfied himself that the delay in payment was occasioned by circumstances beyond the control of the subscriber and in every such case the administrative delay involved in the matter shall be fully investigated and action, if any required, taken.

"Provided further that when a subscriber is dismissed, removed, retired prematurely or compulsorily from the services of the Corporation or the resignation of the subscriber is accepted from the back date, interest shall be payable up to six months from the date of issue of orders.

Provided further that where the Accounts Officer has intimated to the claimant (or his agent) a date on which he is prepared to make payment to that person through Authority Letter. Interest shall be payable only up to the end of the month preceding the date so intimated or up to the end of the six months after the month in which such amount became payable, which ever of these period be less.

However if the payment is delayed by more than one month from the issue of authority letter for reasons beyond the control of claimant ,interest can be paid up to the *month preceding the payment month or up to six months from the month it became payable, which ever of these periods be less.*

Provided further that where a subscriber on deputation to a Body corporate, owned or controlled by Central/State Government is subsequently absorbed in such Body Corporate with effect from a retrospective date for the purpose of calculating the interest due on the fund accumulation of the subscriber, the date of issue of the orders regarding absorption shall be deemed to be the date on which the amount to the credit of the subscriber became payable, subject, however, to the condition that the amount recovered as subscription during the period commencing from the date of absorption and ending with the date of issue of orders of absorption shall be deemed to be subscription to the fund only for the purpose of awarding interest under this sub-regulation.

(5) Interest shall not be credited to the account of a Mohammedan subscriber if he informs the Accounts Officer through DDO/Head of Office that he does not wish to receive it; but if he subsequently asks for interest, it shall be credited with effect from the first day of the year in which he asks for it.

(6) The interest on amounts which under Rgulation-16 or Regulation-17 are repaid at the credit of the subscriber in the Fund shall be calculated at such rates as may successively prescribed under clause (1) of this regulation and so far as may be in the manner described in this regulation."

4. Since the delay is on the part of the respondents, therefore, the interest beyond six months was required to be released to the petitioner in terms of proviso to sub-regulation (4) of Regulation 13 of the 2010 Regulations.

5. In this view of the matter, the present petition is allowed. Respondents are directed to release the interest for the remaining four months at the rate applicable to the GPF amount within two months from the date of receipt of certified copy of this order, in view of Full Bench judgment in ***A.S. Randhawa v. State of Punjab and others, 1997(3) S.C.T. 468*** and Co-ordinate Bench judgment in ***J.S. Cheema v. State of Haryana, 2014(13) RCR (Civil) 355***.

(NAMIT KUMAR)
JUDGE

19.12.2024
R.S.

Whether speaking/reasoned : Yes/No

Whether Reportable : Yes/No