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**IN THE HIGH COURT OF MADHYA PRADESH
AT JABALPUR**

**BEFORE
JUSTICE SUJOY PAUL
ON THE 10th OF AUGUST, 2023**

WRIT PETITION No. 16962 of 2018

BETWEEN:-

**A.S. PATEL S/O SHRI RAMSINGH PATEL, AGED ABOUT
69 YEARS, OCCUPATION: RETIRE ASSOCIATE
PROFESSOR, DEPARTMENT OF FARM MACHINERY
AND POWER COLLEGE OF AGRICULTURAL
ENGINEERING, JABALPUR 144 JANKI NAGAR,
JAGDAMBA COLONY, JABALPUR (MADHYA PRADESH)**

.....PETITIONER

(BY SHRI NITIN AGRAWAL - ADVOCATE)

AND

- 1. THE STATE OF MADHYA PRADESH THR.
PRINCIPAL SECRETARY DEPARTMENT OF
FARMER WELFARE AND AGRICULTURE
DEVELOPMENT MANTRALAYA VALLABH
BHAWAN, BHOPAL (MADHYA PRADESH)**
- 2. JAWAHARLAL NEHRU KRISHI
VISHWAVIDYALAYA THR. ITS REGISTRAR DISTT-
JABALPUR (MADHYA PRADESH)**
- 3. THE COMPTROLLER JAWAHARLAL NEHRU
AGRICULTURE UNIVERSITY, JABALPUR DISTT-
JABALPUR (MADHYA PRADESH)**

.....RESPONDENTS

***(BY SHRI RITWIK PARASHAR - GOVERNMENT ADVOCATE FOR THE
STATE AND SHRI TABREZ SHEIKH - ADVOCATE FOR THE RESPONDENT
NOS.2 AND 3)***

.....
*This petition coming on for admission this day, the court passed the
following:*

ORDER

The petitioner in this case is only interested in getting the amount of

interest on delayed payment of certain dues. The short point involved in this case is whether petitioner, who retired on attaining the age superannuation on 31.01.2015 is entitled to get interest on belated payment of dues relating to arrears of Sixth Pay Commission, gratuity, arrears on pension, arrears on DA and leave encashment.

Learned counsel for the petitioner fairly submits that respondents have paid the aforesaid amounts belatedly. The due dates and the dates when amounts aforesaid have been paid are mentioned in a chart Annexure P/5. The delay in making payment is solely attributable to the respondents. Thus, petitioner is entitled to get interest on belated payment. He prayed for grant of 18% interest in view of order of the Supreme Court reported in **2001 9 SCC 687 (Vijay L. Mehrotra vs. State of U.P. and others)**. He has also placed reliance on a recent judgment of the Supreme Court in **Cr.A. No.1698/2022 (Dr. A. Selvaraj vs. C.B.M. College and others)** decided on 4th March, 2022.

Shri Ritwik Parashar, Learned Government Advocate submits that State is a formal party.

Shri Tabrez Sheikh, learned counsel for the respondent Nos.2 and 3 submits that this Court by order dated 01.09.2022 permitted the petitioner to point out whether there exists any provision for grant of interest. Shri Sheikh by taking this Court to the reply filed on behalf of respondent Nos.2 and 3 submits that the payment of pension depends on the fund received by respondent Nos.2 and 3 from the State Government. The Self Financial Pension Scheme of the University came into being on 11.09.2015, which is evident from order dated 14.10.2015 (Annexure R/1). Thus, the University cannot be blamed for belated payment. The reason for delayed payment are justifiable. There are sizable

number of similarly situated employees, who have not received any interest on delayed payment of certain dues.

The parties confined their arguments to the extent indicated above.

I have heard the parties at length and perused the record.

This is trite that retiral dues of an employee are not bounty. The same are earned by rendering long services. The pension and retiral dues must be paid on due date and with quite promptitude. If there is a delay in making payments and same is not attributable to the employee, employee deserves the benefit of interest. The curtains are drawn on this aspect way back in **(1994) 2 SCC 240 (Union of India vs. Justice S.S. Sandhawalia (retd.) and others)**, the relevant para reads as under:-

"4. Once it is established that an amount legally due to a party was not paid to it, the party responsible for withholding the same must pay interest at a rate considered reasonable by the Court."

(Emphasis supplied)

The same principal was followed by this Court in **2013 (1) MPLJ 53 (State of M.P. and others vs. Ramji Das Agarwal)**.

In the recent judgment, in **Dr. A. Selvaraj (supra)**, the Apex Court opined as under:-

"However, because of the inter se dispute between the Management, Secretary and the Government on who is responsible for the delay in making the payment and/or settling the dues, the retired employee should not be made to suffer for no fault of his."

(Emphasis supplied)

In para-5 of this judgment, the Apex Court directed the respondent to pay the interest.

In view of aforesaid judgment, there is no cavil of doubt that the

petitioner is entitled to get interest on delayed payment. Moreso, when respondents have not disputed the contents of chart (Annexure P/5) while filing return and not averred that petitioner is responsible for the delay in making aforesaid payments.

The ancillary question is about rate of interest. A careful reading of order of Supreme Court in **Vijay L. Mehrotra (supra)** shows that no principle of law is laid down that 18% interest should be granted.

In the facts and circumstances of the case, in the opinion of this Court, the petitioner is entitled to get 6% interest on delayed payment. The said interest shall be calculated on the basis of chart Annexure P/5 because correctness of Annexure P/5 was not disputed while filing reply. The interest amount @ 6% on each of the head shall be calculated by respondent Nos.2 and 3 and interest amount arising thereupon shall be paid to the petitioner within 90 days from the date of production of copy of this order. It is made clear that since Pension Scheme is made applicable w.e.f. 14.10.2015, interest on arrears of pension be counted from November, 2015 only.

Petition is **allowed** to the extent indicated above.

(SUJOY PAUL)
JUDGE