

(2003) 10 AHC CK 0162
In the Allahabad High Court
Case No : C.M.W.P. No. 7930 of 1996

Dr. H.P. Singh (D) through L.Rs.

APPELLANT

Vs

Committee of Management, Balwant Vidyapeeth Rural
Institute and Others

RESPONDENT

Date of Decision : 28-10-2003

Acts Referred:

Citation : (2004) 1 AWC 441

Hon'ble Judges : Umeshwar Pandey, J;M. Katju, J

Bench : Division Bench

Advocate : Muridhar Pradeep Kumar and R.P. Singh, for the Appellant; S.M. Tiwari, A. Goel and Anu Jaiswal and S.C., for the Respondent

Final Decision : Disposed Of

Judgement

M. Katju and Umeshwar Pandey, JJ.—Heard learned counsel for the parties.

2. The petitioner was Principal of an institute and he retired on 9.2.1988. He claimed certain amounts which were under dispute.

3. Admittedly now the Chancellor by order dated 15.1.2003 has decided in favour of the petitioner and we are informed that that order has not been challenged and has become final. Since the petitioner has died we direct that the payment should be made to his widow in accordance with the aforesaid order of the Chancellor dated 15.1.2003 within two months from today after computation.

4. If the petitioner's widow is entitled to family pension, she should also be paid the same.

5. We further direct that interest at 10% per annum shall be paid to the petitioner's widow from the date on which the amounts in question were due till the date of payment which must be made within two months from today.

6. We think it necessary to issue such a direction in this case because often there is a misconception about interest, Interest is the normal accretion on capital and

it is not a punishment or penalty at all. For instance, if "A" had to pay "B" a sum of Rs. 100 in the year 1991, and he actually paid it to "B" only in the year 2003, then in fact "A" has pocketed Rs. 300 for himself. This is because money doubles every six years (due to compound interest). Rs. 100 in 1991 becomes Rs. 200 in 1997 and it becomes Rs. 400 in the year 2003. If "A" had paid a sum of Rs. 100 to "B" in 1991 then "B" would have invested the same somewhere and earned interest thereon. Instead, "A" kept the money with himself, and thus "A" was the gainer by Rs. 300. In fact if interest is not awarded then a writ petitioner, who has managed to get a stay order from the Court, really wins the case even if he loses it ultimately because of the interim order which continued for several years. Hence, unless the statute declares otherwise, interest should normally be given in all cases wherever there is delay in payment.

7. The petition is disposed of.