

2025 LiveLaw (SC) 847

**IN THE SUPREME COURT OF INDIA
INHERENT JURISDICTION**

B.R. GAVAI; CJI., AUGUSTINE GEORGE MASIH; J.

AUGUST 19, 2025. of 10

CONTEMPT PETITION (CIVIL) NOS.1002-1003 OF 2023 IN CIVIL APPEAL NOS.6732-6733 OF 2009

A.K. JAYAPRAKASH (DEAD) THROUGH LRs *versus* S.S. MALLIKARJUNA RAO AND ANOTHER

Contempt of Courts Act, 1971 - Civil Contempt - Wilful disobedience - Delayed compliance - Adjudication of new claims in contempt proceedings - Contempt petitions were filed by Petitioner alleging non-compliance with the Supreme Court's order dt. January 17, 2018, which directed the respondent bank to pay outstanding dues within 3 months - Delay was attributed to administrative difficulties following the merger of banks and difficulty in retrieving legacy records - While there was a delay in payment, the material on record didn't prove a wilful intent – Held, delay in complying with the Court's direction without any wilful or contumacious intent doesn't invite contempt of court - Rejected the claim for pensionary benefits citing that contempt jurisdiction cannot be used to raise new claims or seek reliefs not granted in original proceedings - Considering the prolonged litigation since 1980s and the decade long delay in disbursing retirement dues, Supreme Court deemed it appropriate to award a lump sum payment to bring the matter to a close - Directed the respondent bank to pay Rs. 3 lakhs to the LR of deceased petitioner as compensation for the protracted delay - Petition dismissed. [Relied on: *Ashok Paper Kamgar Union v. Dharam Godha and Others* 2003 11 SCC 1; *Jharieswar Prasad Paul and Anr. V. Tarak Nath Gnaguly and Ors.* 2002 5 SCC 352; Paras 16-21]

For Petitioner(s): Mr. Garvesh Kabra, AOR Mrs. Nilita Jaju, Adv. Mrs. Pooja Kabra, Adv. Mr. Shashank Pachauri, Adv.

For Respondent(s): Mr. Rajesh Kumar Gautam, AOR Mr. Anant Gautam, Adv. Mr. Deepanjali Choudhary, Adv. Mr. Dinesh Sharma, Adv. Ms. Likivi Jakhalu, Adv.

J U D G M E N T

AUGUSTINE GEORGE MASIH, J.

1. These contempt petitions have been preferred alleging non-compliance of the directions issued by this Court dated 17.01.2018 while dismissing the Civil Appeal Nos. 6732–6733 of 2009, whereby the respondent Bank was directed to release the outstanding dues payable to the Petitioner within a period of three months as ordered by the High Court.

2. The brief facts leading to the filing of the present contempt petitions are that the Petitioner - A.K. Jayaprakash was working as the Manager with the Nedungadi Bank Ltd. He was dismissed from service on the grounds of certain irregularities in the sanctioning of loans, overdrafts, cheques discounting, and delay in reporting. The dismissal was challenged before the Deputy Commissioner of Labour under the *Tamil Nadu Shops and Establishment Act, 1947*. The Deputy Commissioner of Labour, Tirunelveli set aside the dismissal order and reinstated the Petitioner - A. K. Jayaprakash.

3. Challenge to this decision was made before the Madras High Court by the Bank on the plea that the Labour Commissioner should not have proceeded to decide the matter being beyond the period of limitation, and the said plea/ground taken has not been decided. This led to the remand of the matter to the Labour Commissioner for fresh decision with the direction to decide the issue of delay first and thereafter the merits.

4. The Deputy Commissioner of Labour, on remand, proceeded to decide the said question of delay by condoning the same on the basis of the medical certificate produced. The mis-conduct as alleged against the Manager was also found to be not based on any justifiable grounds apart from the fact that there was no *mala fide* or dishonesty involved in the conduct. No loss was also caused to the Bank. Rather, the business of the Bank had improved and the loans recovered on time. Thus, reinstating the Petitioner - A.K. Jayaprakash.

5. This was again challenged before the Madras High Court, where the decision of the Deputy Commissioner of Labour was upheld. However, the back wages were limited to 60%.

6. The Division Bench of the Madras High Court, where the Bank approached, dismissed the appeal. It would not be out of the way to mention here that in the meantime, the Nedungadi Bank came to be merged with Punjab National Bank and therefore the appeals were preferred by the Punjab National Bank before this Court being Civil Appeal Nos.6732-6733 of 2009, which came to be dismissed vide order dated 17.01.2018. The said order reads as follows: -

"Heard.

We find no ground to interfere with the impugned judgment and order passed by the High Court. However, it is made clear that the outstanding amount be paid within a period of three months.

Consequently, the appeals are dismissed. No order as to costs."

7. The above direction having not been complied with which mandated payment of outstanding amount within three months, the Petitioner - A.K. Jayaprakash submitted his representation not only claiming the back wages but also the pension, pensionary benefits and the provident funds etc. The said representation of the Petitioner was considered and rejected. The benefit of back wages was also not released although the said claim was not denied. Despite various representations having been submitted with no result, the present contempt petitions have been preferred by the Petitioner- A.K. Jayaprakash.

8. Upon notice having been issued, reply has been filed, wherein it is found that the Petitioner would not be entitled to the pensionary benefits. As regards the other benefits relating to the back wages and the provident fund dues are concerned, the same stands disbursed. The details thereof are as follows: -

Sl. No.	Particulars	Amount	Paid on	Details of the Bank Account in which the amount was credited.
1	Arrears of Salary for the period (60% back wages from 1.8.1985 to 10.12.2004	Rs.16,11,330.52	04.03.2019	4299000100928859
2	Gratuity	Rs.3,50,000.00	06.03.2019	4299000100928859
3	PF Dues	Rs.2,16,438.34	17.05.2019	4299000100928859
4	PF Dues	Rs.1,82,633.70	22.06.2023	4299000100928859

9. It would not be out of the way to mention here that during the pendency of the contempt petitions, the Petitioner has expired and the legal representatives of the deceased Petitioner have been brought on record vide order dated 14.08.2023.

10. The factum with regard to the payment having been made has not been disputed by the counsel for the Petitioner. Although, the prayer for grant of pension has been sought to be projected which claim has been opposed by the counsel for the Respondent(s) on the ground that he is not entitled to the said benefits.

11. Having considered the submission made by the counsel for the parties, we proceed to decide by observing that the Petitioner- A.K. Jayaprakash would have superannuated in or around the year 2006, whereas no retiral dues were released until 2019. The record reflects that certain payments towards arrears of salary, gratuity and provident fund came to be made between March and June 2019. The present contempt petitions were thereafter instituted.

12. Learned Counsel for the Petitioner contends that the respondent-Bank failed to comply with the explicit mandate of this Court directing payment within three months from 17.01.2018 i.e. the date of the order. It is submitted that the delay reflects wilful and deliberate disobedience. Learned Counsel further submits that the Petitioner was entitled to pensionary benefits which were not paid, thereby further aggravating the contempt.

13. Per contra, Learned Counsel appearing for the Respondents submits that the entire amount directed by this Court has been duly paid, *albeit* belatedly. The delay is sought to be explained on account of administrative difficulties arising out of the amalgamation of Nedungadi Bank Ltd. with Punjab National Bank and the non-availability of legacy records. It is contended that no direction as to the grant of pension was issued in the judgment dated 17.01.2018, and, therefore, the same cannot constitute the foundation for the present contempt.

14. At the outset, we find that there is no dispute regarding the operative portion of the order dated 17.01.2018. The direction reads: -

“...the outstanding amount be paid within a period of three months.”

15. There is equally no dispute that the amount was not paid within the period of three months. In fact, letters annexed to the contempt petitions show that the payments commenced in 2019, well beyond the timeline fixed by this Court.

16. The question that arises for consideration is whether the delayed compliance constitutes wilful disobedience so as to attract the jurisdiction of this Court under the Contempt of Courts Act, 1971.

17. In ***Ashok Paper Kamgar Union v. Dharam Godha and Others***¹, this Court has held that contempt jurisdiction is intended to uphold the majesty of law and not to settle personal grievances. Similarly, in ***Rama Narang v. Ramesh Narang and Another***², in a case of civil contempt, the breach must be deliberate and intentional.

18. Tested on the anvil of the above principles, we find that although the Bank did not effect payment within the time permitted by this Court, the material placed on record do not demonstrate that the delay in compliance was borne out of any wilful or contumacious intent. The explanation tendered refers to administrative hurdles post-merger and retrieval of records dating back over three decades. While such circumstances cannot justify laxity

¹ (2003) 11 SCC 1

² (2006) 11 SCC 114

in complying with orders of this Court, the element of *mens rea*, essential for sustaining a charge of civil contempt, cannot be inferred merely from the factum of delay.

19. Insofar as the claim for pension is concerned, it is evident that no such relief was ever sought in the Civil Appeal Nos. 6732-6733 of 2009 or any other earlier proceedings or submissions moved by the Petitioner, nor was there any adjudication to the said effect by the courts below. Contempt jurisdiction is not a forum for asserting new claims or seeking substantive reliefs which were neither raised nor granted earlier. In ***Jhareswar Prasad Paul and Another v. Tarak Nath Ganguly and Others***³, this Court held that contempt proceedings cannot be used to circumvent proper adjudication mechanisms. Accordingly, the prayer for pension cannot be entertained at this stage.

20. At the same time, it cannot be lost sight of that the Petitioner, who was dismissed in 1985 and secured favourable orders as early as 2004, attained the age of superannuation in or around 2006. Notwithstanding the final adjudication by this Court in 2018, the retirement dues lawfully accruing to him but remained undisbursed for over a decade. The prolonged non-disbursal of funds, despite successive directions at various stages of the litigation, and the fact that litigation has remained pending since the 1980s, we are of the considered view that a reasonable lump sum payment is warranted, both in acknowledgement/recognition of the protracted delay in disbursal of the dues and to bring a quietus to future litigation by granting compensation.

21. For the reasons aforesaid, the contempt petitions are disposed of with the following observations/directions:

- (i) The prayer for initiation of contempt proceedings is disposed of and rule issued stands discharged qua the Respondents for now.
- (ii) The claim for pensionary benefits is rejected as the same does not form part of the directions passed by the Court in the case in question.
- (iii) The respondent-Bank shall pay a sum of Rs. 3,00,000/- (Rupees Three Lakhs only) to Smt. Vimala Prakash, the widow of the deceased Petitioner and in her absence to the other legal representatives on record within a period of eight weeks from today failing which interest at the rate of 8% will be payable till the date of disbursement.
- (iv) No further proceedings shall be entertained in relation to the present subject matter on compliance of direction (iii) above.

22. Pending application(s), if any, shall stand disposed of.

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³ (2002) 5 SCC 352