IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

CWP-1606-2015 (O&M)

Date of decision : 07.05.2015

Jeet Ram

...Petitioner

Versus

State of Punjab and others

...Respondents

CORAM: HON'BLE MR. JUSTICE JITENDRA CHAUHAN

Present: Mr. R.K. Arora, Advocate,
for the petitioner.

Mr. Mehardeep Singh, DAG, Punjab.

JITENDRA CHAUHAN, J. (Oral)

Prayer in the present writ petition under Articles 226 and 227 of the Constitution of India is for direction to the respondents to release the full and final payment of GPF along with interest as well as interest on the delayed payment of other retiral benefits.

At the very outset, the learned counsel for the petitioner contends that the petitioner retired on 30.09.2013. At the time of retirement, no chargesheet, inquiry or proceedings were pending against him. It is submitted that the GPF was paid on 14.03.2015, whereas the leave encashment and DCRG were paid on 06.08.2013. However, no interest has been paid on the delayed payment. He states that the case of the petitioner is squarely covered by the ratio of law laid down in ***A.S. Randhawa Vs. State of Punjab, 1997(3) S.C.T. 468,*** and ***The Financial Commissioner, Haryana Vs. Hasan Singh Kanwar, 2010(1) SLR 788***.

Heard.

In ***A.S. Randhawa's case (supra),*** Hon'ble Full Bench of this Court has held has under:-

> "8. Since a Government employee on his retirement becomes immediately entitled to pension and other benefits in terms of the Pension Rules, a duty is simultaneously cast on the State to ensure the disbursement of pension and other benefits to the retirer in proper time. As to what is proper time will depend on the facts and circumstances of each case but normally it would not exceed two months from the date of retirement which time limit has been laid down by the Apex Court in M. Padmanabhan Nair's case (supra). If the State commits any default in the performance of its duty thereby denying o the retiree the benefit of the immediate use of his money, there is no gainsaying the fact that he gets a right to be compensated and, in our opinion, the only way to compensate him is to pay him interest for the period of delay on the amount

> as was due to him on the date of retirement. Again, as to what should be the rate of interest, it should, in our view, be generally 12% unless the circumstances of a particular case warrant the payment of a higher rate which may extend to even 18%."

In view of the above, the petitioner is held entitled to interest @ 9% per annum on the delayed payment of retiral dues from the date on which they became due till the date of payment. The amount so calculated shall be payable within a period of four months from the date of receipt of a certified copy of this order. In case, the amount is not paid within the stipulated period, the rate of interest shall be 12% per annum.

07.05.2015 **(JITENDRA CHAUHAN)**
atulsethi **JUDGE**