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IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

CWP No. 22853 of 2015 (O&M)
Date of Decision: 02.08.2016

PARAMJIT SINGH AND OTHERS ***… Petitioners***

VS.

STATE OF PUNJAB AND ANOTHER ***..Respondents***

CORAM: HON'BLE MR. JUSTICE KULDIP SINGH

Present: Mr. Vikash Chatrath, Advocate,
for the petitioners.

Mr. Harsh Chopra, Advocate,
for the respondents.

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1. *Whether the Reporters of local newspaper may be allowed to see the judgment?*
2. *To be referred to the Reporter or not.*
3. *Whether the judgment should be reported in the digest?*

KULDIP SINGH (J.)

The petitioners who are the employees of the Pepsu Road Transport Corporation seeks release of the pension and pensionary benefits i.e. gratuity, leave encashment and provident fund alongwith interest.

It comes out that the same question was raised before this Court by large number of employees which was decided by this Court vide judgment dated 23.07.2016 in the lead writ petition i.e. CWP No. 26520 of 2014 titled as ***Kulbir Singh Vs. Pepsu Road Transport Corporation and another,*** wherein following order was passed: -

> *On behalf of the respondents, the liability to pay such retiral benefits is not denied. Today, Mr. Ravinder Singh, Managing Director, PRTC is present in Court and explained that he took over the charge of office only five months back in this*

Corporation and since then lot of improvement has been brought in the working of PRTC and within this short span of five months PRTC has earned profit of ₹ 30.00 Crore. It is also stated that major amount of the pensionary benefits have been released. Since, the liability is much more, therefore, the liability is being released in installments.

It is further stated that the PRTC is not in a position to pay the entire amount of pensionary benefits in lump sum. As PRTC is running in losses and there is paucity of funds, due to which the payment could not be released, therefore, a request has been made that the interest as claimed by the petitioners should not be awarded.

The learned counsel for the petitioner has relied upon the authority of this Court passed in ***CWP No. 13405 of 2015 titled as Ashok Kumar and others Vs. State of Punjab and another 2016 (3) SCT 1*** *and other connected cases wherein interest @ 9 % has been allowed to the employees of PRTC, w.e.f. three months after the date of retirement till the payment is actually made. The relevant extract of the aforesaid judgment is reproduced as under:-*

"3. Interest is available in the writ jurisdiction with the pronouncement of the judgment by the Full Bench in ***A.S. Randhawa Vs. State of Punjab and others, 1997 (3) SCT 468.***

4. It is not disputed that in some of these cases, the full amounts have been paid and the claim is restricted to interest while in some *others, the ascertainable amounts have yet to be paid while some of them stand discharged by the State.*

5. Learned counsel relies on a decision involving the respondent-Corporation itself in a matter of award of interest for delayed payments of retiral benefits in which interest at the rate of 9% has been awarded for illegally withholding retiral benefits without any justification. There is no doubt that these petitions have to be allowed against the respondent in view of the decision of this Court relied on by Mr. Vikas Chatrath rendered in Bhawant Singh Vs. Pepsu Road Transport Coporation and others, 2015 (4) SCT 342 where the aforesaid 9 % interest was awarded on delayed payments. The onus to explain delay is on the Corporation and they have been unable to discharge it to the satisfaction of the Court of the reasons which led to the delay and consequently directions to pay interest for the period of delay has become a valuable an accrued right.

6. Accordingly, these petitions are allowed and the respondents are directed to pay interest @ 9% in CWPs 13405, 15234 and 15974 of 2015 while the respondents would calculate the delay in the remaining cases and award 9% interest on the period of delay on the amounts released and on the amounts yet to be released as they are still withheld. However, the interest would run with effect from three months after the date of superannuation in each of the cases till payment. The order be complied with within three months from the date of receipt of certified copy of this order."

I am of the view that the employees are not to be blamed for the paucity of funds. Apparently, at some point of time, there must have been some mismanagement in the Corporation due to which PRTC is running in losses. The employees after their services are entitled to all of their pensionary benefits with immediate effect and a period of 3 months is considered to be

> *reasonable for releasing the pensionary benefits. However, the respondent has expressed difficulty in releasing the payments.*
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> *In view of the matter, all the above noted petitions are allowed directing the respondent to release the pensionary benefits to the petitioners as early as possible but not later than 6 months. Further, the delayed payment shall carry 9% per annum interest which shall start running after three months from the date of retirement of the petitioners till the payment is actually made."*

The present case is squarely covered by the above noted authority of this Court. Therefore, the writ petition is allowed and the benefit of pension and pensionary benefits alongwith applicable arrears shall be allowed to the petitioner as per directions given by this Court in the case of Kulbir Singh Vs. Pepsu Road Transport Corporation (Supra).

August 2, 2016 **[KULDIP SINGH]**
Suresh Kumar **JUDGE**

Whether speaking / reasoned ✓ ***Yes / No***

Whether Reportable ***Yes / No*** ✓