IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

1. CWP No.751 of 2015

Ram Bharos Mehto ... Petitioner

Versus

State of Punjab and others ... Respondents

2. **CWP No.762 of 2015**

Dharampal ... Petitioner

Versus

State of Punjab and others ... Respondents

3. **CWP No.781 of 2015**

Ajit Singh ... Petitioner

Versus

State of Punjab and others ... Respondents

Date of Decision: 02.03.2016

CORAM:- HON'BLE MR. JUSTICE RAJIV NARAIN RAINA

Present: Mr. Surinder Garg, Advocate,
for the petitioner.

Mr. Inqulab Nagpal, AAG, Punjab.

Mr. Nitin Kaushal, Advocate,
for respondent No.4.

1. To be referred to the Reporters or not?
2. Whether the judgment should be reported in the Digest?

<u>RAJIV NARAIN RAINA, J.</u>

1. This order will dispose of CWP No.751 of 2015 titled *Ram*

Bharos Mehto v. State of Punjab and others, CWP No.762 of 2015 titled *Dharampal v. State of Punjab and others* & CWP No.781 of 2015 titled *Ajit Singh v. State of Punjab and others.*

2. The claim for money in each of the cases has been satisfied by payment. The retiral dues though have been paid but were paid after a delay of about three years etc. However from these, two issues arise for determination. One, whether the petitioner would be entitled to interest on delayed payments of pensionary benefits for loss of use of money not released to the petitioner/s when he/they retired from service in the Municipal Council Tapa, District Barnala. The fact remains that money was legally due and was illegally withheld without a just cause or legal justification either by the Council or the State Government as explained below.

3. In the circumstances, respecting Issue-1, the petitioners have a right to assert that they are entitled to interest on the outstanding sums of money which were not disbursed in due time. The prayer is accepted and the amounts already paid would earn interest on principal at the same rates as are currently fixed by Nationalized Banks on Fixed Deposit Receipts, which is in the nature of compensation for money lying with the employer, which if had been available when they became due on retirement, could have been invested by free choice of its rightful owners if the payments were made on time.

4. Therefore, a direction is issued to 4th respondent to calculate interest on the delayed payments starting three months from the date of

retirement running till realization.

5. The second issue relates to non-payment of Contributory Provident Fund amounts which was deducted from pension benefits adjustable towards service pension fund, which money though appropriated and remitted to state Government coffers but has not been released so far. This amount also becomes the rightful due payable to the petitioners with interest calculated from the date of retirement and the sums withheld also shall be paid to the petitioners within six weeks from the date the certified copy of this order is made available. The amounts require no computation as the figure stands committed on record.

6. Interest on the sums of money due under the first issue would be calculated after supplying the calculation sheet to the petitioner/s for his/their satisfaction affirming that the figures are correctly worked out. The interest so determined shall also be paid within the same time set to six weeks (supra) together with sums computed under Issue-2, but the liability and responsibility of giving effect to this issue falls admittedly on the exchequer of the State of Punjab and therefore, the respondents 1 to 3- State Government would be liable to pay that amount to the petitioners.

7. Accordingly, the petition is allowed with the above observations and directions for compliance.

(RAJIV NARAIN RAINA)
JUDGE

02.03.2016
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