

**IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH**

(246)

RSA No. 3572 of 2014 (O&M)
Date of Decision: 22.10.2016

The State of Haryana and Others

.....Appellant(s)

Versus

Raj Kumar

.....Respondent(s)

CORAM: HON'BLE MR. JUSTICE P.B. BAJANTHRI

Present: Mr. J.S. Bedi, Additional AG, Haryana
for the appellant.

Mr. Deepak Sharma, Advocate
for the respondent.

P.B. BAJANTHRI, J. (Oral)

In the present Regular Second Appeal, the appellants have questioned the validity of the Trial Court order dated 31.10.2012 as well as Appellate Court order dated 06.03.2014.

2. The grievance of the respondent is relating to belated settlement of retiral benefits like pension, gratuity, GPF, and Leave Encashment etc. Therefore, he filed a suit before the Trial Court to release all the pensionary benefits along with the interest @ 24% per annum. Trial Court decreed the suit directing the respondent to settle full pensionary benefits like pension, gratuity, GPF, Leave Encashment etc. along with the interest @ 18% per annum till realization. The appellant preferred an appeal before the Civil Court. On 06.03.2014, the Civil Court decided the appeal and affirmed the order of decree passed by the Trial Court. The

appellants are aggrieved by the decree insofar as granting 18% interest on retiral benefits.

3. Learned counsel for the appellants submitted that respondent took voluntarily retirement w.e.f. 28.07.2010. His retiral benefits were not settled. Thus, he is aggrieved by the non-settlement of retiral benefits filed a suit before the Civil Court. Civil Court decreed the suit and further granted interest @ 18% per annum. As per the policy of the Government, the respondent is not entitled for interest @ 18% per annum. Therefore, the same is required to be modified.

4. Learned counsel for the respondent submitted that appellants are harassing the respondent from time to time, since the respondent took voluntarily retirement on 28.07.2010. His retiral benefits should have been settled within a reasonable period of three months from the date he was permitted retire voluntarily. Thus, they have compelled the respondent to file a suit in the year 2011. Thereafter, the appellants preferred an appeal before the Appellate Court and it was dismissed. Hence, there is no infirmity in awarding the interest @ 18% per annum on the pensionary benefits from 2010 to 2016. It is stated to have been settled pensionary benefits in the month of February 2016. However, interest part is concerned, the same was not settled due to pendency of this appeal. The retiral benefits along with interest @ 9% has been paid. The appellants by virtue of order passed by this Court on 30.06.2015 settled the principal amount as well as interest @ 9% per annum on 27.11.2015. Normally, if there is a belated settlement of retiral benefits of an employee, interest would be paid @ 9% to 12% per annum. Therefore, the respondent is entitled to interest on belated settlement of retiral benefits @ 9% per

from 18% to 9% per annum. Since the appellants have paid interest @ 9%, therefore nothing survive in the present appeal.

5. Appeal stands disposed of.

(P.B. BAJANTHRI)
JUDGE

22.10.2016

sahil soni

Whether speaking/reasoned : Yes/No

Whether reportable : Yes/No