225 IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

CWP No. 13610 of 2015
DECIDED ON: DECEMBER 19, 2017

BALKARAN SINGH

.....PETITIONER

VERSUS

STATE OF PUNJAB AND ORS

.....RESPONDENTS

CORAM: HON'BLE MR. JUSTICE JASPAL SINGH

Present: Mr. P.K. Bansal, Advocate, for the petitioner.

Ms. Devaki Anand Sullar, AAG, Punjab.

Mr. Baldev Singh Sidhu, Advocate, for respondent No.5.

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JASPAL SINGH, J (ORAL)

Through the instant petition, petitioner has sought a writ especially in the nature of mandamus directing the respondents to release all the retiral benefits accrued to the petitioner on account of his retirement i.e. gratuity, pension, leave encashment, provident fund etc along-with interest @18% per annum on the delayed payment(s) from the date it became due till its actual realization.

2. At the very outset of arguments, it has been submitted by learned counsel for the respondent No.5 that all the retiral benefits have been released/disbursed to the petitioner. Learned counsel for the petitioner has not disputed the above-said fact, he however, submits that, no interest has been paid to the petitioner on the delayed payment(s) to which he is legally entitled.

3. However, the claim of the petitioner, which remains for interest on the delayed payment(s).

4. The question of grant of interest on the delayed payments of retiral benefits is no more *res-integra*, as by now it is pretty settled that the retiree who has been deprived of the use of his retiral benefits at the appropriate time, is deserves to be compensated by way of interest. It is expected that all the payment of the retiral benefits should be paid on the date of retirement or soon thereafter if for some unforeseen reasons or circumstances the payment(s) of the retiral benefits could not be disbursed earlier i.e. on the date of retirement.

5. It is a settled principle that grant of interest on the delayed payment is on account of the fact that retiree was unable to enjoy its fruits immediately on his retirement and then a right accrues to him to be compensated and the only way to compensate him is to pay interest for the period of delayed payments. Therefore, the State is liable to pay interest on the delayed payment.

6. Accordingly, this Court awards an interest @9% per annum on the delayed payment(s), which shall be calculated after the expiry of three months from the date of retirement of petitioner till its actual payment..

7. Disposed of, accordingly.

DECEMBER 19, 2017 **(JASPAL SINGH)**
sham **JUDGE**

Whether speaking/reasoned *Yes/No*
Whether reportable *Yes/No*