

IN THE HIGH COURT OF PUNJAB & HARYANA, CHANDIGARH
Sr. No.: 287/2

Civil Writ Petition No.15133 of 2017 (O & M)
Date of Decision: *October 09, 2017*

Resham Singh

..... PETITIONER

VERSUS

State of Punjab & others

..... RESPONDENTS

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CORAM: **HON'BLE MR. JUSTICE JASPAL SINGH**

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PRESENT: - Mr. Surinder Garg, Advocate, for the petitioner.

Ms. Devki Anand Sullar, Assistant Advocate General,
Punjab.

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Jaspal Singh, J

1. The instant petition has been preferred by Resham Singh under Article 226/227 of the Constitution of India, seeking issuance of a writ in the nature of Mandamus, directing the respondents to release interest @ 18% on the delayed payment of retiral benefits.

2. The only question which requires to be determined in the instant petition is whether petitioner deserves the grant of interest on the delayed payment of various retiral benefits and the answer to this question is in the affirmative in view of service rules/ instructions as well as various judgments of this Court as well as that of the Hon'ble Apex Court.

3. Undisputably, a writ in the nature of Mandamus is also

legally maintainable seeking grant of interest on the delayed payment in

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view of law laid down by the Hon'ble Apex Court in ***Vijay L. Malhotra vs. State of U.P., 2000(4) SCT 267*** as well as Full Bench of this Court in ***A.S. Randhawa vs. State of Punjab & others, 1997(3) SCT 468*** wherein it has further been categorically observed that in case of delay in payment of retiral benefits, interest has to be paid. However, interest may vary from case to case depending upon the facts & circumstances thereof. It has been further observed that a Government employee on his retirement becomes immediately entitled to pension and other benefits in terms of the Pension Rules and simultaneously a duty is cast upon the State to ensure the disbursement of pension and other benefits to the retiree in proper and reasonable time. However, the reasonable and proper time for release of the pension has also been held to be three months from the date of retirement or the accrual of cause of action. In ***State of Kerala vs. M. Padmanabhan, AIR 1985 SC 356***; ***D.D. Tewari (D) through LRs vs. Uttar Haryana Bijli Nitran Nigam Ltd., 2014(4) S.C.T. 128***; ***A.S. Randhawa vs. State of Punjab (supra)***; ***J.S. Cheema vs. State of Haryana & others, 2014(3) RCR (Civil) 355***; and ***Manohar Lal vs. State of Punjab & others, 2016(4) SCT 250*** as well as judgment of Madhya Pradesh High Court in case ***Sudha Chhipa & others vs. State of M.P. & others, 2014 LIC 2125***, it has been held that normally payment of retiral benefits should not be delayed more than three months from the date of retirement and all the benefits should be extended within the aforesaid stipulated period. Further, where there is a considerable delay, pensioner deserves to be compensated by way of grant of interest as per the service rules/ regulations as well as Government instructions issued from time to time and various judgments, referred to above.

4. Adverting to the facts of the case, petitioner retired on

September 30, 2015 after availing one year extension in service but retiral

benefits were only released and disbursed to him in the first week of July 2017, that too, after approaching this Court by way of CWP No.20809 of 2015 which was decided on December 19, 2016 (Annexure P-1). Though, out of total benefits of more than ₹ 10 lac, ₹ 1,44,000/- were paid to the petitioner in the year 2015, however, remaining amount of retiral benefits of more than ₹ 8 lac were released to the petitioner in the first week of July, 2017. There is no reason what to talk of any plausible reason or justification for delayed disbursal of retiral benefits. thus, it is also 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 payment. Now, a question arises as to the period in which the retiral benefits should be disbursed to the retiree. At the most, the respondents could have taken a period of three months from the date of retirement during which the payment of retiral benefits should have been disbursed to the petitioner.

5. As per Instructions dated May 10, 1990 issued by the Government of Punjab, Department of Finance(Finance Personnel III Branch), interest @ 9% per annum shall be paid on all delayed payment of pension and DCRG for the period beyond three months after these benefits become due to the end of the month preceding the month in which the orders for making actual payments are issued to the pensioners concerned.

6. Taking into consideration the facts & circumstances of the case in hand, this Court is of the view that grant of interest @ 9% per annum, on the delayed payment after expiry of three months from the date of retirement of petitioner till the payment, is legally and factually justified.

payment w.e.f. January 01, 2016 to actual date of payment, which shall be paid by the respondents after calculating the same within a period of three months from the date of receipt of certified copy of this judgment.

7. Disposed of.

October 09, 2017
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(Jaspal Singh)
Judge

<u>Whether Speaking/ Reasoned:</u>	<u>Yes/ No</u>
<u>Whether Reportable:</u>	<u>Yes/ No</u>