IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH.

(225) **CWP-22425-2016**
Date of Decision: December 13, 2018

Rajinder Kumar and others **..Petitioners**

Versus

State of Punjab and others **..Respondents**

CORAM: HON'BLE MR. JUSTICE HARSIMRAN SINGH SETHI

Present: Mr. Vivek Goyal, Advocate, for the petitioners.

Mr. Sandeep Vermani, Addl. A.G., Punjab.

HARSIMRAN SINGH SETHI, J.(ORAL)

In the present writ petition, the petitioners are claiming the interest on the delayed release of the pensionary benefits keeping in view of the law laid down by the full Bench of this Court in ***A.S. Randhawa Vs. State of Punjab, 1997(3) S.C.T. 468***.

As per the averments made in the writ petition, the payments made to the four petitioners of their retiral dues is as under:-

Sr. No.	Name	Date of Retirement	Payment Due	Dates or release retiral payments.
1.	Rajinder Kumar	30.06.2014	12,43,142/-	01.07.14 -1,00,000/- 21.07.15 - 2,00,000/- 01.12.15 - 2,00,000/- 07.12.15 - 7,43,142/-
2.	Harnek Singh	31.05.2014	7,59,753/-	1.06.14-1,00,000/- 03.07.15-2,00,000/- 01.12.15-2,00,000/- 07.12.15-2,59,753/-
3.	Gurchand Singh	31.05.2014	5,92,506/-	30.06.14-1,00,000/- 10.02.16-4,92,506/-
4.	Mohinder Kaur	31.03.14	11,70,638/-	01.04.14-1,00,000/- 22.07.15-3,41,750/- 20.08.15-1,28,888/- 16.10.15-30,000/- 11.12.15-30,000/-

A bare perusal of the above chart shows that except for the initial payment of Rs. 1 lac, which was released immediately, all the other payments were released after undue and unexplained delay and the same were only released after the petitioners had approached this Court by filing various writ petitions claiming the release of the pensionary benefits.

In the reply, which has been filed by the respondents, the respondents have not denied the dates on which the payments were made to the petitioners. Further, no justifiable reason has been given for withholding the pensionary benefits of the petitioner. It is admitted that there was nothing adverse against the petitioners which would justify the action of the respondents in withholding the pensionary benefits of the petitioners.

This Court, has already settled the controversy with regard to the payment of interest on the delayed payments. A full Bench of this Court in ***A.S. Randhawa Vs. State of Punjab, 1997 (3) S.C.T. 468*** has already held that the employees whose pensionary benefits have been released after undue delay, are entitled for the interest. The relevant paragraph of the judgment is as under:-

> "*Since a Government employee on his retirement becomes immediately entitled to pension and other benefits in terms of the Pension Rules, a duty is simultaneously cast on the State to ensure the disbursement of pension and other benefits to the retirer in proper time. As to what is proper time will depend on the facts and circumstances of each case but normally it would not exceed two months from the date of retirement which time limit has been laid down by the Apex Court in M. Padmanbhan Nair's case (supra). If the State commits any default in the performance of its*

duty thereby denying to the retiree the benefit of the immediate use of his money, there is no gainsaying the fact that he gets a right to be compensated and, in our opinion, the only way to compensate him is to pay him interest for the period of delay on the amount as was due to him on the date of his retirement."

Apart from this, in ***J.S. Cheema Vs. State of Haryana and others, 2014 (13) R.C.R. (Civil) 355***, this Court also held that if the amount due to an employee has been retained by the Government, and that too without any justification, the employee will be entitled for the interest. The relevant paragraph of the said judgment is as under:-

"*The jurisprudential basis for grant of interest is the fact that one person's money has been used by somebody else. It is in that sense rent for the usage of money. If the user is compounded by any negligence on the part of the person with whom the money is lying it may result in higher rate because then it can also include the component of damages (in the form of interest). In the circumstances, even if there is no negligence on the part of the State it cannot be denied that money which rightly belonged to the petitioner was in the custody of the State and was being used by it."*

The present case of the petitioner is squarely covered by the above said decision as the amount, for which the petitioners were entitled for, were withheld by the respondents without any valid justification and the petitioners are therefore held entitled for the interest on the delayed payments of the retiral benefits.

The writ petition is allowed. The respondents are directed to pay 9% interest on the delayed payments from the day it became due till the same were released.

Let the calculations be done by the respondents of the amount for which the petitioners have become entitled for within a period of three months and the payments be also released to the petitioners within a period of next one month.

(HARSIMRAN SINGH SETHI)
JUDGE

December 13, 2018
harsha

Whether speaking/reasoned: Yes/No
Whether reportable: Yes/No