

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

RSA-808-2016 (O&M)

Date of Decision:01.02.2018

Union of India and others

... Petitioners

Vs.

Jitender Singh

... Respondent

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

Present : Mr. G.S. Jaswal, Advocate for the appellants.

Mr. Vivek Singla, Advocate for the respondent.

P.B. BAJANTHRI J. (Oral)

In the instant appeal, appellants have questioned the validity of the orders passed by the trial as well as appellate court dated 26.10.2012 and 8.7.2015.

2. Respondent was retired in the year 1999. He was entitled for benefit of Group Insurance Scheme (for short "GIS"). Due to appellants' inaction in not approaching the concerned insurance company, insurance company refused to entertain the claim of the appellant. Thus, there is a delay in settling benefit of GIS to the respondent. Appellant filed a suit on 29.5.2009. During pendency of the suit, appellants have settled the claim while extending the benefit of GIS to the respondent. Therefore, while decreeing the suit, trial court has considered only to the extent of payment of interest on the benefit of GIS to the respondent. Feeling aggrieved by the decree, appellants have approached appellate court. Appellate court affirmed the decision passed by the trial court. Hence, the present appeal.

3. Learned counsel for the appellant submitted that there is a delay and laches on the part of the respondent in claiming the benefit of GIS.

Therefore, award of 8% interest on the date of retirement would be too

harsh on the appellants so also having regard to the conduct of the respondent that he has filed suit only in the year 2009 and he had attained the age of superannuation and retired from service in the year 1999. Therefore, the respondent had cause of action in the year 1999-2000, the date on which he attained the age of superannuation and retired from service. Therefore, trial court erred in extending the benefit of interest on GIS @ 8% per annum from the date of retirement is incorrect.

4. Learned counsel for the respondent submitted that due to inaction on the part of appellant, GIS benefit was settled belatedly. Therefore, there is no infirmity in the orders of the courts below.

5. Heard.

6. No doubt there are lapses on both appellant and respondent in respect of disbursement of GIS benefits. Having regard to the conduct of the respondent to the extent of filing suit belatedly, he is not entitled to interest @ 8% per annum from the date of reinstatement. Accordingly, courts below decree and order are to be modified and it is modified to the extent that respondent is entitled to interest 38 months prior to filing of suit. Petitioners are hereby directed to calculate and disburse interest amount within three months from today.

7. Accordingly, petition stands allowed in part.

01.02.2018
rajeev

(P.B. Bajanthri)
Judge

Whether speaking/reasoned **Yes/No**

Whether reportable **Yes/No**