

IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH

CWP-2385 of 2017

Date of decision: 12.02.2020

Jyoti Thakaral

.... Petitioner

versus

State of Punjab and others

... Respondents

CORAM:HON'BLE MR. JUSTICE HARSIMRAN SINGH SETHI

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

Mr. Mehardeep Singh Add. A.G. Punjab.

HARSIMRAN SINGH SETHI, J.

In the present writ petition, the claim of the petitioner is for the grant of interest on the delayed release of benefits in respect of the service rendered by Sh. Chand Bajaj i.e. late father of the petitioner.

As per the facts mentioned in the writ petition Sh. Chand Bajaj, who was working as a Music teacher at Government Sr. Sec. School (Boys), Fazilka, unfortunately died while in service on 10.01.2011. Though Sh. Chand Bajaj was unmarried but, he had adopted the petitioner as daughter and she was living with him at the time of his death. After the death of Sh. Chand Bajaj, when petitioner claimed benefit in respect of the service rendered by Sh. Chand Bajaj with the respondent-department, she was asked by the respondent-department to produce succession certificate before any benefits were to be extended in her favour. The petitioner got the

succession certificate from the competent Court of law on 03.03.2014 and submitted the same with the respondent-department on 25.07.2014. After the submission of the succession certificate, the petitioner was asked to submit an indemnity bond, which was also submitted by her on 14.08.2014. After the said date, the respondents considered the claim of the petitioner for release of benefits in respect of the service rendered by Sh. Chand Bajaj and a sum of Rs.1,00,000 was released on 07.01.2015 as ex-gratia amount, a sum of Rs.6,41,743/- was released on 16.01.2015 as GPF amount and a sum of Rs.30,000/- were released on account of GIS on 18.12.2015. The claim of the petitioner is that as these benefits were released to her by the respondents after the undue and unexplained delay, she is entitled for interest on the delay in release of the benefits.

Upon notice of motion, the respondents have filed reply, in which it has been stated that as Sh. Chand Bajaj was unmarried at the time of his death and in order to ascertain that the petitioner is his adopted daughter, she was asked to submit succession certificate, which she submitted in July, 2014 and thereafter, she was also asked to submit indemnity bond, which she submitted on 14.08.2014 and it was thereafter, the claim of the petitioner was considered and payments were released to her. Learned counsel for the respondents argues that there was no delay in the release of the benefits to the petitioner after the formalities were completed by her and, therefore, petitioner is not entitled for grant of the interest.

I have heard learned counsel for the parties and have gone through the record with their able assistance.

The benefits on account of retirement or after the death of an

employee while in service are to be released within a reasonable time. A full Bench of this Court in **A.S. Randhawa vs. State of Punjab 1997(3) S.C.T. 468** has held that an employee will be entitled for release of his pensionary benefits within a reasonable time after his retirement and the reasonable time as per the Full Bench is two months. 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 retiree 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. Padmanabhan 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.”

In the present case, it is not disputed that the formalities were completed by the petitioner on 14.08.2014 and, therefore, respondents were under obligation to release the benefits within a reasonable time after the completion of formalities. The respondents have released the payment in January, 2015 and remaining in December, 2015, hence, respondents have taken time, which is much more than the reasonable time fixed by the Full Bench of this Court in **A.S. Randhawa's case (Supra)** to release the benefits. Therefore, the petitioner is entitled for grant of interest on the delayed release of payments of benefits, which were released after the expiry of two months of submission of required documents.

Keeping in view the settled principles of law as stated above, the petitioner is held entitled for grant of interest on the delayed payments of benefits from 01.11.2014 till the same were actually released in her favour @ 9% per annum.

Let computation of the interest, for which the petitioner is entitled under this order be carried out within a period of two months from the date of receipt of certified copy of this order and the payment so calculated be released to her within a period of one month thereafter.

The petition stands allowed in the above terms.

(HARSIMRAN SINGH SETHI)
JUDGE

12.02.2020.

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| 1. | Whether speaking/non-speaking? | Yes/No |
| 2. | Whether reportable? | Yes/No |