IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

243 **CWP-378-2021**
Date of Decision :09.05.2022

Hira Lal **...Petitioner**

Versus

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

CORAM: HON'BLE MR. JUSTICE HARSIMRAN SINGH SETHI

Present: Mr. Varun Dhawan, Advocate for the petitioner.

Ms. Kanica Sachdeva, AAG, Punjab.

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Harsimran Singh Sethi, J. (Oral)

The present writ petition has been filed with a prayer that the retiral benefits of the petitioner, for which, he became entitled for after he attained the age of superannuation and retired on 31.03.2019 be released to him.

Learned counsel for the petitioner submits that after the filing of the present petition, all the pensionary benefits, for which, the petitioner is entitled for, have been released by the respondent-department but, as there is a delay in the release of the same, keeping in view the settled principle of law settled by the Full Bench of this Court in ***A.S. Randhawa Vs. State of Punjab and others, 1997(3) SCT 468,*** the petitioner is entitled for the grant of interest on the said delayed release of payment as there was no impediment in the release of the pensionary benefits of the petitioner, which were released to him after the delay of two months.

Learned State counsel submits that pensionary benefits of the petitioner has already been released to him and, though, there is a delay in the release of the same but, as the same is a procedural one, the prayer of the petitioner for the grant of interest on the delayed release of the payments may kindly be declined.

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

A Full Bench of this Court in ***A.S. Randhawa Vs. State of Punjab and others, 1997(3) SCT 468***, has held that an employee is entitled for the release of his/her pensionary benefits within a period of two months of his/her retirement in case there is no impediment, failing which, employee concerned will be entitled for interest on the delayed payments. The relevant paragraph of said 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 front 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, no impediment in the release of the pensionary benefits of the petitioner has been brought to the notice of this Court and the delay in the release of the same is conceded by the respondents. In the reply filed on the behalf of the respondents, the respondents themselves mentioned the dates on which the amount has been paid to the petitioner, which is as under:-

Cheque No.	**Date**	**Amount**
402619	29.03.2019	3,00,000/-
863120	27.09.2017	1,00,000/-
002920	17.03.2021	3,00,000/-
002932	24.03.2021	3,72,280/-
		10,72,280/-

A bare perusal of the above payments would show that there is a delay of more than two months in the release of the pensionary benefits of the petitioner. That being so, prayer of the petitioner for the grant of interest on delayed payment is covered by the judgement passed by the Full Bench of this Court in A.S. Rabdhawa's case (supra).

Further, a Coordinate Bench of this Court in of ***J.S. Cheema Vs. State of Haryana, 2014(13) RCR (Civil) 355*****,** has held that where an amount belonging to an employee, has been retained and used by the respondents, upon the release of the said amount, on a later date, the interest has to be given. The relevant paragraph of ***J.S. Cheema's case (supra)*** 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 case of the petitioner is squarely covered by the above said decisions in his favour for the grant of interest on the delayed payment.

Resultantly, the prayer of the petitioner is allowed. Petitioner is held entitled for the interest @ 6% per annum on the payment, which have been released to him after a delay of two months of his retirement. The petitioner will be entitled for interest from the date the amount became due till the actual payments will be released to him. Let the computation of interest be done by the respondents within a period of two months from the date of receipt of copy of this order and the amount so calculated shall be paid to the petitioner within a period of four weeks thereafter.

The writ petition is allowed in above terms.

May 09, 2022 **(HARSIMRAN SINGH SETHI)**
aarti **JUDGE**

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