IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

Sr. No.300 **CWP-6837-2021**
Date of Decision: 22.09.2022

Balbir Singh .... Petitioner

Versus

Haryana Vidyut Prasaran Nigam
(HVPN) Ltd. and another ... Respondents

CORAM: HON'BLE MR. JUSTICE HARSIMRAN SINGH SETHI

Present: Mr. B.K.Bagri, Advocate
for the petitioner.

Mr. Gaurav Jindal, Advocate
for the respondents.

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<u>HARSIMRAN SINGH SETHI, J. (ORAL)</u>

Learned counsel for the petitioner submits that though after the filing of the present petition, the benefit of daily wage service has already been granted but no interest on the released arrears is being paid now. Learned counsel submits that the claim of the petitioner for grant of interest on the said delay in release of the benefits still remains and the respondents be directed to release the same.

Keeping in view the fact that the respondents themselves granted the benefit of daily wage service to the petitioner during the pendency of the present petition shows that the petitioner was entitled for the said benefit when retired on attaining the age of superannuation on 30.09.2016, which benefit has been released now in the year 2021 i.e. after five years.

As per the judgment of Hon’ble Full Bench of this Court, rendered in the case of ***<u>A.S. Randhawa Vs. State of Punjab and others”,</u>***

<u>1997(3) SCT 468,</u> an employee is entitled for the release of the pensionary benefits within a period of two months of the retirement in case there is no impediment, failing which the employee is entitled for the grant of interest on the delayed release of pensionary benefits. The relevant paragraph No. 8 of the said judgment reads 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.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.*"

Further, a Coordinate Bench of this Court in ***<u>CWP-15867-2001</u>*** titled as ***"<u>J.S. Cheema Vs. State of Haryana and others</u>"***, decided on 20.11.2013, held that even where an amount has been retained by a Department, which actually belonged to the employee, and has used the same to its benefit, and the employee has suffered prejudice due to the non-release of the said amount, the employee becomes entitled for the grant of interest, so as to compensate him for the said prejudice. The relevant paragraph No.5 of the judgment is as under:-

> "*In my opinion, even if the assertion made in the written statement is presumed to be correct it would not disentitle the petitioner for claiming interest. 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 laying 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 for the grant of interest is squarely covered by the above said judgments passed in ***A.S. Randhawa's case (supra)*** and ***J.S. Cheema's case (supra).*** In the present case, grant of benefits to the petitioner is conceded. That means, the petitioner was entitled for the said benefit from the date when he retired, hence, non grant of the said benefit to the petitioner is attributable to the respondents, for which they are liable to be directed to release the said benefit.

Keeping in view the above, the present petition is allowed and the petitioner is held entitled for the grant of interest at the rate of 6% per annum from the date the amount, which was withheld and later on released by the respondents, became due, till the date of actual payment of the same to the petitioner in case, not already paid.

Let the computation of interest, for which the petitioner becomes entitled for under this order, be carried out within a period of two months from the date of receipt of the copy of this order and the interest so calculated be paid to him within a period of next four weeks.

(HARSIMRAN SINGH SETHI)
JUDGE

22.09.2022
Maninder

Whether speaking/reasoned : Yes
Whether reportable : Yes