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

**246** **CWP-7557-2021**
**Date of Decision :10.03.2022**

**Bhagwan Singh** **..Petitioner**

**Versus**

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

**(Through Video Conferencing)**

**CORAM: HON'BLE MR. JUSTICE HARSIMRAN SINGH SETHI**

Present: Mr. Sukhandeep Singh, Advocate for the petitioner.

Mr. Navdeep Chhabra, DAG, Punjab.

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***Harsimran Singh Sethi, J. (Oral)***

Present petition has been filed for the grant of interest on the delayed release of the pensionary benefits of the petitioner.

Learned counsel for the petitioner argues that the petitioner retired from service after attaining the age of superannuation on 29.02.2020 but, the pensionary benefits, for which, the petitioner became entitled were not released to him by the respondents and that too without any valid justification.

Learned counsel for the petitioner submits that there was no impediment for the release of pensionary benefits of the petitioner as there were no proceedings either departmental or before any competent Court of law pending against the petitioner so as to give justification to the respondents to withhold his pensionary benefits, hence, 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*****,** as the retiral benefits of the petitioner have been released after a delay of more than two months, the petitioner becomes entitled for the grant of interest on delayed payments.

Learned State counsel submits that though, it is a conceded position that keeping in view the reply filed by the respondent-State, there is a delay in releasing the pensionary benefits of the petitioner but, as the same was procedural one and not intentional, the prayer of the petitioner for the grant of interest may kindly be rejected especially, keeping in view the fact that there was lock down due to the pandemic of Covid-19.

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 pensionary benefits within a period of two months of his retirement in case there is no impediment. 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."*

It is a conceded position that as of now the payments which were released to the petitioner were released after a period of two months. Even para-4 of the reply filed on behalf of the respondent-State shows that the payments were released to the petitioner after a period of two months of his retirement. 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 @ 9% per annum on the payment, which have been released after a delay of two months of his retirement. The petitioner will be entitled for interest from 01.05.2020 onwards 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 receipt of certified 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.

**March 10, 2022** **(HARSIMRAN SINGH SETHI)**
*aarti* **JUDGE**

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