

IN THE HIGH COURT OF PUNJAB AND HARYANA  
AT CHANDIGARH

(115+262)

CWP No. 12988 of 2020 (O&M)  
Date of Decision : 24.05.2022

Dr. Tarunvir Singh

...Petitioner

Versus

State of Punjab and others

...Respondents

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

Present: Mr. R.S. Bajaj, Advocate for the petitioner.

Ms. Ambika Bedi, Assistant Advocate General, Punjab.

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

**CM-7758-CWP-2022**

Present application has been filed for placing on record replication to the written statement filed on behalf of respondents No. 1 to 4 along with Annexures P-15 to P-17.

Application is allowed and replication to the written statement filed on behalf of respondents No. 1 to 4 along with Annexures P-15 to P-17 is taken on record.

**CWP No. 12988 of 2020**

In the present petition, the grievance of the petitioner is that though, the petitioner has been allowed to retire as far back as 29.06.2019 but his retiral benefits have not been released to him so far and, therefore, the respondents be directed to release all the pensionary benefits for which,

he is entitled for along with interest.

Learned counsel for the petitioner very fairly submits that during the pendency of the petition, the amount for which the petitioner was entitled for, as retiral benefits, have already been released to him and only question remains, is for the grant of interest on the delayed release of the pensionary benefits. Learned counsel for the petitioner argues that in the present case, the petitioner was allowed voluntary retirement w.e.f. 29.06.2019 and it was incumbent upon the respondents to release the pensionary benefits of the petitioner within a reasonable period of time thereafter but the respondents took their own time initially for sending the case of the petitioner to the Accountant General, Punjab and thereafter, clearing the objections raised and the net result was that the retiral benefits were given to the petitioner starting from November, 2020 onwards till March, 2021. Learned counsel for the petitioner submits that the said delay is only attributable to the respondents and hence, petitioner is entitled for the grant of interest on the said delayed release of payments.

Upon notice of motion, the respondents have filed the reply and on the basis of the said reply, the respondents have submitted that after the petitioner was granted voluntary retirement, the claim of the petitioner for the grant of retiral benefits was submitted to the competent authority but due to certain objections raised, the same could not be settled immediately after the retirement and after the claim was settled, the benefits have already been released to the petitioner and the delay which has occurred is procedural one and not intentional and, therefore, the claim of the petitioner for the grant of interest may kindly be declined.

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

It is a settled principle of law that an employee has to subsists on the basis of the retiral benefits, therefore, the same are to be released in a reasonable time after the retirement. A Full Bench of this Court in **A.S. Randhawa Vs. State of Punjab and others**, 1997(3) SCT 468, has held that in case, there is no impediment, the retiral benefits should be released within a period of two months of the retirement, failing which the employee will be entitled for interest. 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 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.”*

Apart from this, a Coordinate Bench of this Court in **J.S. Cheema Vs. State of Haryana, 2014(13) RCR (Civil) 355**, had held that an employee will be entitled for the interest on an amount which has been retained by the respondents without any valid justification. The relevant paragraph of **J.S. Cheema's case (supra)** 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 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.”*

In the present case, the delay is much beyond two months of retirement and no impediment has been brought to the notice of this Court so as to justify the delay. Keeping in view the settled principles of law noticed hereinbefore, the petitioner is entitled for interest on the delayed payment from the date, the same became due till the actual payment @ 6% per annum. Ordered accordingly.

Let the amount of interest under this order be calculated by the respondents within a period of two months of the receipt of copy of this order and the amount so calculated be released to the petitioner within a period of one month thereafter.

Petition is allowed in above terms.

**May 24, 2022**  
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**(HARSIMRAN SINGH SETHI)**  
**JUDGE**

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