

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

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CWP-19162-2019

Date of Decision : 25.03.2022

Raj Rani

... Petitioner

Versus

Punjab Water Resources Management and Development Corporation Limited
and others

... Respondents

CORAM: HON'BLE MR. JUSTICE HARSIMRAN SINGH SETHI

Present: Mr.Vinod Kumar Kaushal, Advocate
for the petitioner.

Mr. Kannan Malik, AAG, Punjab.

Mr. Aman Sharma, Advocate
for respondents No.1, 2, 3, 5 and 6.

Harsimran Singh Sethi, J.(Oral)

The present petition has been filed for grant of interest to the petitioner on the basis of delayed payment of the pensionary benefits.

Learned counsel for the petitioner argued that in the present case, the husband of the petitioner, who was working as a Mechanic, unfortunately died while in service on 23.01.2011 but, the benefits in respect of the service rendered by the late husband of the petitioner, were not released to her within a reasonable time, hence, the petitioner is entitled for the grant of interest on the said delayed payments.

As per the petitioner, the amount of the gratuity was released to the petitioner after approximately 11 months from the death and the leave encashment was released after a delay of more than 2 years, therefore, the petitioner is entitled for grant of interest on the said payments.

Learned counsel appearing on behalf of the respondents submits that though, there is a delay in release of the pensionary benefits but the same was not intentional due to the fact that the financial status of the respondents was unstable and due to the same, the payment could not be released to the petitioner immediately after the death of her husband and therefore, the claim of the petitioner for 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 conceded fact that there is a delay in release of the benefits in favour of the petitioner after the death of her husband. The gratuity was released approximately after 11 months of the death of her husband and the leave encashment was paid after more than 2 years of the death. That being so, the said act has caused prejudice to the petitioner as she was not able to get and utilise the benefits especially when the bread earner had died.

Furthermore, the reason given for the said delay being financial instability of the respondents, cannot be sustained, keeping in view the settled principles of law settled by the Division Bench in ***Ram Karan Vs. Managing Director, Pepsu Road Transport Corporation and another 2005(4) SCT, 438.*** That being so, the respondents are liable for failing to release the benefits in respect of the service rendered by the late husband of the petitioner within a

reasonable time.

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.”

Keeping in view the above, the delay is attributable to the respondents and the respondents have used the money belonging to the petitioner and therefore, the petitioner is held entitled for grant of interest on the delayed release of all the benefits @ 6% per annum from the date the amount became due till the payment of the same. Let the interest be computed 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 one month thereafter.

The writ petition is allowed in above terms.

25.03.2022

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(HARSIMRAN SINGH SETHI)
JUDGE

<i>Whether speaking/reasoned?</i>	<i>Yes/No</i>
<i>Whether reportable?</i>	<i>Yes/No</i>