

IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH

CWP No. 19936 of 2019 (O&M)
Date of Decision:02.08.2022

Naranjan Lal Sharma

.....Petitioner

Versus

State of Punjab and others

..... Respondents

CORAM:- HON'BLE MRS.JUSTICE LISA GILL

Present: Mr. S.B.Nagpal, Advocate
for the petitioner.

Ms. Sunint Kaur, AAG., Punjab.

LISA GILL, J(Oral).

Petitioner in this writ petition seeks interest on delayed payment of retiral benefits.

Petitioner, it is stated joined service with the respondent-department on the post of Senior Lab Attendant (SLA) on 06.10.1987. In terms of order dated 30.04.2018 passed in CWP No. 20684 of 2017, petitioner was allowed to retire voluntarily (Premature) under Rule 3 (2) (3) (a) of the Punjab Civil Services (Premature Retirement) Rules, 1975 (for short 'the Rules') w.e.f., 01.05.2018. Formal order in this regard was passed on 17.05.2018. Learned counsel submits that all formalities and documentation as required on the part of the petitioner were completed by the petitioner by 4th of June 2018 but still retiral benefits due to the petitioner were not disbursed at the time of his retirement or within a reasonable time thereafter despite there being no impediment thereto. Retiral benefits were

however, released to the petitioner as detailed hereunder:-

Nature of claim	Amount	Actual date of payment	Delay	Paid on
(i) General Provident Fund	Rs. 6,40,132/-	2.05.2018	200 days	19.11.2018
(ii) DCRG	Rs. 7,16,901/-	2.05.2018	182	01.11.2018
(iii) Leave Encashment	Rs. 3,29,807/-	2.05.2018	261 days	09.01.2019
(iv)G.I.S	Rs.41,122/-	2.05.2018	114	23.08.2018

Sr. No.	Details	Bill No./Date	Token No./Date	Amount	Date of passing
1.	Earned leave	68 dated 18.12.2018	15381 dated 27.12.2018	3,29,807	09.01.2019
2.	G.P.F	92 dated 24.08.2018	9622 dated 24.08.2018	6,40,132	19.11.2018
3.	GIS	90 dated 13.08.2018	9321 dated 16.08.2018	41,122	23.08.2018

Therefore, petitioner claims interest on the delayed payment in terms of the judgment of Full Bench of this High Court in **A.S.Randhawa Vs. State of Punjab, 1997 (3) SCT 468.**

Learned counsel for the respondent-State *per contra* refutes the arguments on behalf of the petitioner while submitting that petitioner is not entitled to any interest on the delayed payment, which has occurred due to procedural difficulties and administrative delays. It is thus prayed that this petition be dismissed.

The factual aspect of release of the amount in question as detailed in the foregoing paras, is not in dispute. It is admitted that petitioner was permitted voluntary retirement w.e.f., 01.05.2018. In the reply filed on behalf of respondents no.1 to 3, it is stated that pension case of the petitioner was sent to the Accountant General (A&E) Punjab, Chandigarh, vide letter no. 948 dated 25.07.2018 by the Drawing and Disbursing Officer i.e., Principal Government Senior Secondary School Khosa Randhir (Moga) and the same was sanctioned by the Accountant General, Punjab vide dispatch

no. PEN-05/2181879772/2018-19/PE/18/10/80161279 dated 20.08.2018. In the reply filed on behalf of respondent no.4, it is stated that sanction of pension and DCRG issued by Accountant General (A&E), Punjab, was received by respondent no.4 on 23.08.2018 and therefore the Drawing and Disbursing Officer, submitted his pension documents along with DCRG payment order to respondent no.4 for transfer to the opted bank of the petitioner. Thereafter, DCRG payment order was forwarded by respondent no.4 to the opted bank vide letter dated 14.09.2018. It is denied by all the respondents that there has been any laxity in release of the dues towards the petitioner and the only explanation set-forth is that the delay, if any, is procedural.

It is relevant to note that it is not the case of the respondents that there was any shortcoming on the part of the petitioner which led to this delay or any act on his part to which the delay in release of the retiral benefits can be attributed to. A vague explanation that delay, if any, is 'procedural', cannot absolve the respondents of their liability to pay interest on the delayed payment. It has been held by the Full Bench of this High Court in **A.S.Randhawa's case (Supra)** that as a government employee becomes entitled to pension and other benefits in terms of the Pension Rules immediately on his retirement, a duty is simultaneously cast on the State to ensure the disbursement of pension and other benefits to the said retiree within proper time. It is further held that as to what is 'proper time' would depend on the facts and circumstances of each case but normally it should not exceed two months from the date of retirement and that if there is default, interest on the period of delay should be paid to the retiree as there is denial to the retiree of the benefit of immediate use of his money.

In the present case, as per petitioner's own pleading, though he

retired w.e.f. 01.05.2018, he completed all required formalities on 04.06.2018 therefore he is entitled to interest w.e.f., 04.08.2018 till date of actual deposit.

Keeping in view the facts and circumstances as above, petitioner is entitled to interest at the rate of 6% w.e.f., 04.08.2018 till the date of actual deposit of the retiral dues. Respondents are directed to pay/release the interest as aforesaid within a period of three months from the date of receipt of certified copy of this order.

Writ petition is accordingly disposed of.

02.08.2022

s.khan

**[LISA GILL]
Judge**

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