IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

(220) **CWP-26345-2016**
Date of Decision : March 15, 2022

Pritam Singh Bedi and others **.. Petitioners**

Versus

State Bank of Patiala and others **.. Respondents**

(220-2) **CWP-16153-2016**

Prem Singh Hooda and others **.. Petitioners**

Versus

State Bank of Patiala and others **.. Respondents**

(220-3) **CWP-19461-2016**

Ashwani Sood **.. Petitioner**

Versus

State Bank of Patiala and others **.. Respondents**

(Through Video Conferencing)

CORAM: HON'BLE MR. JUSTICE HARSIMRAN SINGH SETHI

Present: Mr. Ramesh Sharma, Advocate, for the petitioners.

Mr. Amrinder Vir Singh Barsat, Advocate,
for the respondents.

HARSIMRAN SINGH SETHI J. (ORAL)

By this common order, three writ petitions, the details of which have been given in the heading of the order, are being decided as same question of law has been raised in these petitions.

Present petitions have been filed for the grant of interest on the retiral benefits which have been paid to the petitioners after a delay of approximately 14 years.

Learned counsel for the petitioners argues that initially, after the petitioners were extended the voluntary retirement scheme in the year 2001, the petitioners were not extended the pensionary benefits and the said aspect was agitated by the petitioners by filing various writ petitions. Learned counsel for the petitioners submits that petitioner No.1 filed Civil Writ Petition No.6540 of 2003, which came to be decided by a Coordinate Bench of this Court vide order dated 22.10.2008 wherein, the petitioners were found entitled for the grant of pensionary benefits. Learned counsel for the petitioners further submits that though, the claim of the petitioners was adjudicated in their favour for the grant of pension but the respondents did not release the same till March, 2015 on the pretext that they were availing their legal remedies against the order passed by the Coordinate Bench dated 22.10.2008. The order passed by the Coordinate Bench dated 22.10.2008 was upheld upto the Hon'ble Supreme Court of India.

Learned counsel for the petitioners submits that once, the petitioners were found entitled for the grant of pension w.e.f. 2001, the petitioners are entitled for the grant of interest also from the date the pension is to be paid. Learned counsel for the petitioners further submits that the petitioners approached the respondents for the grant of interest, which benefit was declined to them by the respondents vide order dated 12.10.2016 (Annexure P-12), which order is under challenge in the present petition.

After notice of motion, the respondents have appeared.

Learned counsel for the respondents contends that the impugned order dated 12.10.2016 (Annexure P-12) is perfectly valid and legal for the reason that the Coordinate Bench of this Court only held the petitioner entitled for the grant of pension, which benefit has already been extended and there is no direction to grant the interest, hence, the claim of the petitioners for the grant of interest is beyond the direction given by the Coordinate Bench of this Court and therefore, the prayer of the petitioners for the grant of interest may kindly be declined.

Learned counsel for the respondents further argues that there is no provision with the respondent-Bank to grant the interest even on the delayed release of the pensionary benefits as the Banks are only operating the public funds, which belonged to the public in general and therefore, on this account also, the prayer of the petitioners 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.

No doubt, the petitioners were retired in the year 2001 after they were offered voluntary retirement scheme. It is only on 22.10.2008, the entitlement of the petitioners for the grant of pensionary benefits was adjudicated in the favour of the petitioners for the first time. That being so, the petitioners cannot claim the interest starting from the year 2001 till 22.10.2008 on two accounts: firstly that the same was never claimed in the first round of litigation, secondly, even upon pursuing the said claim, it was not allowed in the favour of the petitioners.

But once, the petitioners were found entitled for the pensionary benefits in the year 2008, the respondent-Bank was under obligation to release the same without any delay. It is a conceded position that while the respondent-Bank was pursuing the legal remedy against the order passed by the Coordinate Bench dated 22.10.2008, the pensionary benefits for which the petitioners were found entitled for, were not released to them and the same were only released to them in March, 2015 i.e. after a period of seven and half years of the judgment passed by the Coordinate Bench holding the petitioners entitled for the grant of pensionary benefits.

A Full Bench of this Court in ***A.S. Randhawa Vs. State of Punjab and others, 1997(3) SCT 468,*** has held that employees are entitled for the release of the pensionary benefits within a reasonable time of their retirement unless there is a justifiable cause to withheld the same. In the present case, there was no justifiable cause with the respondents to retain the pensionary benefits of the petitioner. 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."

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, no valid justification has come forward with regard to the delay in releasing the pensionary benefits to the petitioners after they were held entitled for the same by the Coordinate Bench on 22.10.2008. It cannot be said that the delay of seven and half years, which is attributable to the respondent-Bank, will deny the petitioners the benefit of interest as the petitioners could not use the amount to their benefits despite being found entitled for.

As far as the objection being raised by the learned counsel for the respondents that there is no provision in Bank to grant interest, the same cannot be made applicable for the reason that there is no provision with the Bank also that once an employee has been entitled for the grant of pensionary benefits, the same can be retained by the respondent-Bank that too without giving any justifiable explanation. That being so, the ground being raised by the respondents is without any merit and cannot be accepted.

Keeping in view the above, the prayer of the petitioners is allowed. The petitioners are held entitled for the grant of interest @ 6% per annum from 01.01.2009 till the actual payments were released. Let the computation of interest for which the petitioners are entitled for under this order, 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 by the respondent-Bank be furnished to the petitioners within a period of four weeks thereafter.

The petitions are allowed in above terms.

March 15, 2022 **(HARSIMRAN SINGH SETHI)**
harsha **JUDGE**

Whether speaking/reasoned : Yes
Whether reportable : Yes