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

(215) **CWP No. 8142 of 2016**
Date of Decision : 17.05.2022

Prem Singh

...Petitioner

Versus

Dakshin Haryana Bijli Vitran Nigam Limited and others

...Respondents

CORAM: HON'BLE MR. JUSTICE HARSIMRAN SINGH SETHI

Present: Mr. Gaurav Indra Sharma, Advocate for
Mr. Ram Niwas Sharma, Advocate for the petitioner.

Mr. Pardeep Rajput, Advocate for the respondents.

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Harsimran Singh Sethi J. (Oral)

Though, there are certain prayers, which have been made in the present petition with regard to the recovery, which has been imposed upon the petitioner, the grant of 3rd ACP and the interest on the delayed release of the pensionary benefits but, petitioner is only pressing his claim with regard to the grant of interest on the delayed release of the pensionary benefits.

Learned counsel for the petitioner argues that petitioner retired from the post of Assistant Foreman on attaining the age of superannuation on 29.02.2012. Learned counsel for the petitioner submits that on the said date, there was no proceeding pending against the petitioner so as to give the jurisdiction to the respondents to withhold the pensionary benefits.

Learned counsel for the petitioner argues that as per the judgment of the Full Bench of this Court in **A.S. Randhawa Vs. State of Punjab and others, 1997(3) SCT 468,** the pensionary benefits are to be released to the employee within a period of two months of the retirement in case, there is no impediment, failing which, the employee is entitled for interest and, therefore, as the pensionary benefits of the petitioner were released on 01.08.2014 i.e. after a delay of two years and two months, the petitioner is entitled for the grant of interest.

After notice of motion, the respondents have filed the reply wherein, they have stated that after retirement, certain shortages were noticed in the department for which the explanation of the petitioner was asked for and, therefore, keeping in view the said proceedings, release of the pension to the petitioner was delayed. Learned counsel for the respondents concedes the factum that on the day when the petitioner retired, there were no proceedings pending against the petitioner and show cause notice was issued to the petitioner after his retirement.

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

In the present case, there is a delay in release of the pensionary benefits of the petitioner, which is beyond two months as fixed by the Full Bench of this Court in ***A.S. Randhawa's case (supra).*** 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."

A bare perusal of the above would show that in case there is no impediment in release of the pensionary benefits, the same are to be released within a period of two months from the retirement, failing which, employee is entitled for interest.

In the present case, once it is a conceded position that there was no proceeding pending against the petitioner at the time of retirement, there was no jurisdiction with the respondents to withhold the pensionary benefits on any account. The delay, which has occurred in release of the pensionary benefits is attributable to the respondents only.

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."

Keeping in view the above, the petitioner has made out a case for the grant of interest on the delayed release of pensionary benefits. Petitioner is held entitled for interest @ 6% per annum from the date the pensionary benefits became due till the release of the same. 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 17, 2022 **(HARSIMRAN SINGH SETHI)**
kanchan **JUDGE**

Whether speaking/reasoned : Yes

Whether reportable : No