IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

(240) **CWP-4320-2018**
Date of Decision : May 19, 2022

Jaspaul Garg **.. Petitioner**

Versus

State of Punjab and others **.. Respondents**

CORAM: HON'BLE MR. JUSTICE HARSIMRAN SINGH SETHI

Present: Mr. R.K. Girdhar, Advocate, for the petitioner.

Ms. Ambika Bedi, AAG, Punjab.

<u>HARSIMRAN SINGH SETHI J. (ORAL)</u>

In the present petition, the grievance of the petitioner is that his pensionary benefits are not being released to him and that too without any valid justification.

Learned counsel for the petitioner argues that the petitioner retired from service on 31.08.2017 on which date, no proceedings were pending against the petitioner so as to give jurisdiction to the respondents to withhold the pensionary benefits of the petitioner but still, the benefits of the petitioner were released in March, 2018 and hence, keeping in view the settled principle of law settled by the Full Bench of this Court in ***A.S. Randhawa Vs. State of Punjab and others, 1997(3) SCT 468***, the petitioner is entitled for the grant of interest on the delayed release of the pensionary benefits.

A short reply has been filed on behalf of the respondents-State wherein, it has been mentioned that the pensionary benefits admissible to the petitioner have already been released. Nothing has been mentioned in the reply as to why the same were released after a reasonable period.

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

As per the judgment of the Full Bench of this Court in ***A.S. Randhawa's case (supra),*** an employee is entitled to receive the pensionary benefits within reasonable time in case there is no impediment failing which employee is entitled for the grant of interest. The reasonable time period fixed by the Full Bench is two months after the retirement. 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."*

In the present case, the retiral benefits have been released to the petitioner after a period of about seven months. No justification has been given by the respondents as to why the respondents took seven months to release the pensionary benefits of the petitioner. In the absence of any justification, it can be safely said that the delay is attributable to the respondents and hence, the said act makes the petitioner entitle for the grant of interest.

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 prayer of the petitioner is allowed. Petitioner is held entitled for the interest @ 6% per annum on the retiral benefits from the date it became due till the release of the same. Let the calculation of interest 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 shall be paid to the petitioner within a period of one month thereafter.

The writ petition is allowed in above terms.

May 19, 2022 **(HARSIMRAN SINGH SETHI)**
harsha **JUDGE**

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