IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

(218) **RSA-3540-2014 (O&M)**
Date of Decision : May 24, 2023

Union of India and others **.. Appellants**

Versus

Salinder Singh **.. Respondent**

CORAM: HON'BLE MR. JUSTICE HARSIMRAN SINGH SETHI

Present: Mr. Bharat Bhushan Sharma, Sr. Panel Counsel,
for the appellants-UOI.

Mr. Surinder Sharma, Advocate, for the respondent.

HARSIMRAN SINGH SETHI J. (ORAL)

1. Present Regular Second Appeal has been filed challenging the judgment of the lower Appellate Court dated 29.10.2010 by which, the interest has been granted on the delayed release of the provident fund.

2. Learned counsel for the appellants argues that in the present case, the lower Appellate Court has not taken into consideration the fact that the documents which were submitted for the consideration of the Accountant General, Punjab for the release of the benefits, were returned citing certain discrepancies and after the said discrepancies were removed, the benefits of GPF was released to the respondent and the delay was only due to the removal of the discrepancies pointed out by the office of the Accountant General, Punjab, hence, as there was no intentional delay on the part of the Department, the grant of interest by the lower Appellate Court on the amount of GPF is bad and is liable to be set aside.

HARSHA RANI
2023.05.30 16:17
I attest to the accuracy and
integrity of this
order/judgment

3. Learned counsel appearing on behalf of the respondent, on the other hand, submits that as per the Rules, all the documents required to be submitted for the release of the pensionary benefits, are to be completed prior to the date of retirement but in the present case, the Department was not vigilant to send the pension papers as required and it was only the Department, who rectified their mistake upon being pointed out by the office of the Accountant General, Punjab, hence, the delay which has occurred in release of the GPF, is attributed to the Department and hence, the Department has rightly been burden with the interest on the delayed release of GPF.

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

5. In the present case, the lower Appellate Court vide judgment and decree dated 29.10.2010, has rightly granted the interest on the delayed release of the GPF. The Department was required to complete the pension papers before the retirement of the employee so that the employee does not suffer as the employee is dependent upon the release of the pensionary benefits as he/she has no other source of income after retirement.

6. In the present case, the objection raised by the Accountant General were rectified by the Department. Hence, it is the Department, who should have been vigilant enough to send the correct pension papers to the Accountant General for the release of the pensionary benefits of the respondent. Hence, the delay which has occurred in the release of the pensionary benefits, cannot be attributed to the respondent.

7. 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

HARSHA RANI
2023.05.30 16:17
I attest to the accuracy and
integrity of this
order/judgment

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."*

8. In the present case, the amount of GPF was retained by the Department, hence, the respondent-plaintiff has rightly been extended the benefit of interest on the delayed release of GPF.

9. Keeping in view the facts and circumstances of the present case coupled with the settled principle of law noticed hereinbefore, the judgment of the lower Appellate Court dated 29.10.2010 needs no interference by this Court in the present regular second appeal and the same is accordingly dismissed.

CM-8191-C-2014

As the main appeal has been dismissed, present application also stands dismissed.

May 24, 2023 **(HARSIMRAN SINGH SETHI)**
harsha **JUDGE**

Whether speaking/reasoned : Yes
Whether reportable : No

HARSHA RANI
2023.05.30 16:17
I attest to the accuracy and
integrity of this
order/judgment