IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

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CWP-3789-2021
Date of decision : 11.12.2024

Leela Singh .....Petitioner

V/S

Punjab State Power Corporation Limited and others ....Respondents

CORAM : HON'BLE MR. JUSTICE NAMIT KUMAR

Present: Mr. H.P.S. Ghuman, Advocate for the petitioner.

Mr. Parminder Singh, Advocate for the respondents.

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NAMIT KUMAR, J. (ORAL)

1. The petitioner has filed the instant writ petition under Articles 226/227 of the Constitution of India, seeking a writ in the nature of certiorari, quashing the order dated 14.10.2019 (Annexure P-7) and a writ of mandamus, directing the respondents to release the pensionary benefits of the petitioner such as leave encashment, gratuity, provident fund etc. along with interest @ 12% per annum w.e.f. 16.01.2006.

2. Brief facts of the case, as have been pleaded in the petition, are that the petitioner was recruited on 31.12.1993 as A.L.M. with the Punjab State Electricity Board (now Punjab State Power Corporation Limited). During his service, an FIR No.275 dated 10.07.2003 under Section 18/61/85 of N.D.P.S. Act was registered against the petitioner at Police Station Sunam, District Sangrur in which he was convicted and sentenced to undergo for a period of one year, vide judgment dated 25.11.2005, passed by learned Additional Sessions Judge, Sangrur.

Thereafter, the respondent-Corporation vide its order dated 16.01.2006 had terminated the services of the petitioner. Since, at the time of termination, the petitioner had not been paid the benefits such as gratuity, leave encashment, provident fund etc., therefore, he approached this Court by filing *CWP No.8429 of 2018 (Leela Singh Vs. Punjab State Power Corporation Limited and others)*, which was withdrawn by the petitioner, vide order dated 05.04.2018, with liberty to pursue the matter before the concerned authority. Thereafter, the petitioner served legal notice dated 26.11.2018 (Annexure P-4) to the respondents for releasing the pensionary benefits but no action had been taken on the same. Thereafter, the petitioner again approached this Court by filing *CWP No.1456 of 2019 (Leela Singh Vs. Punjab State Power Corporation Limited and others)* claiming his share of Provident Fund. The said writ petition was disposed of by this Court, vide order dated 05.02.2019, by directing the respondents to consider and decide the legal notice dated 26.11.2018, by passing a speaking order, within a period of three months from the date of receipt of certified copy of the order. In pursuance to the said directions, speaking order dated 30.09.2019 has been passed by the respondent-Corporation and the petitioner has been released the G.P.F. amount of Rs.66,310/- on 14.10.2019.

3. During the course of hearing, learned counsel for the petitioner restricts his prayer only qua grant of interest on the delayed payment of GPF amount of Rs.66,310/- and submits that since there is a considerable delay in releasing the said benefit, therefore, the petitioner

is entitled for interest in view of the law laid down by this Court in ***A.S. Randhawa Vs. State of Punjab and others : 1997(3) S.C.T. 468***.

4. Per contra, learned counsel for the respondents has vehemently opposed the prayer made by learned counsel for the petitioner.

5. I have heard learned counsel for the parties and have gone through the relevant documents.

6. Admittedly, the petitioner was terminated from service vide order dated 16.01.2006 and GPF amount of Rs.66,310/- has been paid to him on 14.10.2019. Since there is a considerable delay in releasing the said amount to the petitioner, therefore, he cannot be denied the benefit of interest on the same.

7. A Full Bench of this Court in ***A.S. Randhawa Vs. State of Punjab and others : 1997(3) S.C.T. 468*** has held that where there is an inordinate delay in releasing benefits and the delay is not justifiable, employee will be entitled for interest. 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 retiree 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 from 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."

8. Apart from this, in ***J.S. Cheema Vs. State of Haryana : 2014(13) RCR (Civil) 355***, this Court 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 the said judgment 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."*

9. In view of the above factual position and settled principles of law, the present petition is disposed of with a direction to the respondent-Corporation to pay interest @ 6% per annum to the petitioner, on the delayed payment of GPF amount of Rs.66,310/-, w.e.f. 16.04.2006 (i.e. after three months of his termination) till the actual date of payment, within a period of 03 months from the date of receipt of certified copy of this order.

11.12.2024 **(NAMIT KUMAR)**
kothiyal **JUDGE**

Whether speaking/reasoned: Yes/No
Whether Reportable: Yes/No