IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

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CWP-4429-2000
Date of decision : 08.08.2024

Jokhu Ram ......Petitioner

V/S

State of Punjab and others ...Respondents

CORAM : HON'BLE MR. JUSTICE NAMIT KUMAR

Present: Mr. Ashish Gupta, Advocate for
Mr. V.K. Shukla, Advocate for the petitioner.

Mr. Surya Kumar, A.A.G., Punjab for respondent No.1.

None for respondents No.2 to 4.

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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 mandamus, directing respondents No.2 to 4 to release the pensionary benefits of the petitioner, along with interest @ 18% per annum.

2. Brief facts of the case, as have been pleaded in the present petition, are that the petitioner was initially appointed as Assistant Lineman on 28.03.1966 on work-charge basis and subsequently his services were regularized as such in October, 1968. Thereafter, he was promoted as Lineman on 05.05.1977 and retired as such on 31.03.1998 on the medical ground. The petitioner had completed all the formalities for releasing his retiral benefits. However, the petitioner was paid the payment on account of G.P. Fund only by respondent No.2 vide letter

dated 07.05.1999 i.e. after more than 01 year from his retirement and no other retiral dues have been paid to him. The petitioner made various representations to the respondents for releasing his retiral dues, however, no action was taken on the same. Thereafter, he served a demand notice dated 22.02.2000 to the respondents for releasing his retiral dues through registered post but to no avail. Hence, this petition.

3. Learned counsel for the petitioner submits that the petitioner was earlier retired w.e.f. 31.03.1998 on medical ground, however, as the petitioner remained on extraordinary leave from 06.12.1997 to 31.03.1998, an objection was raised by the pension sanctioning authority to the effect that the petitioner cannot be retired during the period on which he was on extra ordinary leave. Therefore, his date of retirement was revised and the petitioner was ordered to be retired w.e.f. 05.12.1997 instead of 31.03.1998, vide order dated 05.03.2000. He further submits that although during the pendency of the present petition all the retiral dues have been released to the petitioner, however, the same have been released after a considerable delay, therefore, the petitioner is entitled for interest on the same. The retiral dues have been released to the petitioner in the following manner :-

Sr. No.	**Category**	**Amount (Rs.)**	**Date**
1.	Death-cum-retirement Gratuity	1,23,098/-	26.07.2000
2.	Arrears of Pension w.e.f. 01.04.1998 to 30.06.2000	1,22,778/-	26.07.2000
	Total	**2,45,876/-**	

4. No one had put in appearance on behalf of contesting respondents No.2 to 4 since 28.04.2017.

5. Learned State counsel, while referring to the contents of written statement filed on behalf of respondents No.2 to 4, submits that during the pendency of the present petition, all the retiral benefits of the petitioner have been released and nothing is remained to be paid.

6. I have heard learned counsel for the petitioner and learned State counsel and have gone through the relevant documents.

7. Since either before or after the retirement of the petitioner, no departmental/criminal proceedings were pending against him, therefore, the retiral benefits of the petitioner were required to be released within a reasonable time after his retirement. Since there is a considerable delay in releasing the retiral benefits to the petitioner, therefore, the petitioner cannot be denied the benefit of interest on the same.

8. 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."

9. 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 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."*

10. In view of the above factual position and settled principles of law, the present petition is disposed of with a direction to respondent No.2 to pay interest @ 6% per annum to the petitioner, on the delayed payment of retiral dues, w.e.f. 06.03.1998 (i.e. after three months of his retirement i.e. 05.12.1997) till the actual date of payment, within a period of 03 months from the date of receipt of certified copy of this order.s

08.08.2024 **(NAMIT KUMAR)**
kothiyal **JUDGE**

Whether speaking/reasoned: Yes/No

Whether Reportable: Yes/No