



IN THE HIGH COURT OF PUNJAB & HARYANA
AT CHANDIGARH

724

CWP-13110-2006 (O&M)
Date of decision: 18.09.2024

Umed Singh

...Petitioner

Versus

State of Haryana and Others

...Respondents

CORAM: HON'BLE MR. JUSTICE AMAN CHAUDHARY

Present : Mr. Tarun Yadav, Advocate for the petitioner

Ms. Vibha Tewari, AAG Haryana

AMAN CHAUDHARY, J. (ORAL)

1. The petitioner, retired as Tehsildar Sales on 30.04.2005, after attaining the age of superannuation, however, the death-cum-retiral gratuity was not released, despite there being no departmental enquiry pending against him, though one FIR had been registered, wherein till the date of retirement and filing of this petition on 21.08.2006 no charges had been framed. Consequently, gratuity was to released to him on 12.12.2008, the interest whereon is being claimed.

2. Hon'ble the Supreme Court in **State of Kerala vs. M. Padmanabhan Nair¹**, held that, "Pension and gratuity are no longer any bounty to be distributed by the Government to its employees on their retirement but have become, under the decisions of this Court, valuable rights and property in their hands and any culpable delay in settlement and disbursement thereof must be visited with the penalty of payment of interest at the current market rate till actual

¹ (1985) 1 SCC 429.



payment.”

3. Full Bench of this Court in **A.S. Randhawa vs. State of Punjab and others²**, held that an employee would be entitled to be compensated by granting interest by the State on account of delayed disbursal of retiral benefits. In **Vijay L. Mehrotra vs. State of UP³**, it was ruled that in case there is no justification or reason for delayed payment of retiral benefits, interest would be liable to be paid, while this Court in **J.S. Cheema vs. State of Haryana⁴**, observed that, the interest has to be given to an employee where an amount belonging to him, was retained and utilized by the respondents, has been released on a later date.

4. The delay of three years in releasing the pensionary benefits, a treasured right, entitles the petitioner to interest thereon, having been deprived of the amount with which, the respondents unjustly enriched themselves, which is by way of compensation and not penalty.

5. In wake of the aforesaid, the present petition is disposed of with a direction to the respondents to pay interest at the rate of 6% per annum on the retiral benefits, from the date they fell due till realisation, within a period of two months.

(AMAN CHAUDHARY)
JUDGE

18.09.2024
M.Kamra

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

² 1997(3) SCT 468.
³ 2001 (9) SCC 687.
⁴ 2014(13) RCR (Civil) 355.