**IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH**

(245) **CWP No. 10995 of 2021 (O&M)**
Date of Decision : 03.10.2024

Jagdish Singh

...Petitioner

Versus

State of Punjab and others

...Respondents

CORAM: HON'BLE MR. JUSTICE HARSIMRAN SINGH SETHI

Present: Mr. Rakesh Sobti, Advocate for the petitioner.

Mr. Amarpreet Singh Bains, Asstt. Advocate General, Punjab.

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Harsimran Singh Sethi J. (Oral)

1. In the present petition, the grievance of the petitioner is that though the petitioner retired from service on attaining the age of superannuation on 28.02.2018 but his pensionary benefits were delayed by more than two months, hence, the petitioner is entitled for the grant of interest on the delayed release of the pensionary benefits.

2. Learned counsel for the petitioner submits that the detail of the amount released has already been mentioned in paragraph 11 of the writ petition, hence, as there was no impediment in the release of the pensionary benefits, the respondents are liable to be directed to grant the petitioner the benefit of interest.

3. Upon notice of motion, the respondents have filed the reply, wherein, in paragraph 5 of the reply, the detail of the amount released to the petitioner along with the date has been mentioned. The respondents have

conceded that the release of the pensionary benefits only started from the month of August, 2018 onward till May, 2019 but, it is submitted that as certain service period of the petitioner was required to be regularized, the delay was only with regard to taking the appropriate decision in the said regard and the delay is not intentional or malafide. Learned counsel for the respondents further submits that the petitioner had made an application for release of the GPF only on the last date of his retirement, hence, there was no intentional delay on the part of the department.

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

5. It is a 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,*** that an employee is entitled for the release of the pensionary benefits within a period of two months of his/her retirement, in case there is no impediment and in case of failure, the employee is 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 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."

6. 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 ***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."*

7. In the present case, the petitioner retired in February, 2018 though his pensionary benefits were released starting from August, 2018 onwards till May, 2019. There is no impediment in the release of the same. Qua the argument of learned counsel for the respondents that some service period of the petitioner was needed to be regularized, due to which, the delay occurred and the petitioner had applied for release of the GPF on the last date of his retirement, it may be noticed that the respondents are under obligation to decide the service period at the time of retirement. The department cannot

take a plea that in order to take a sympathetic view, delay of six months occurred in release of the pensionary benefits. The department is required to decide about the service period upto the date of retirement as the same is their duty and not the duty of an employee. Further, with regard to the GPF, the same was applied upto the last date of retirement but still, the respondents took their own sweet time to release the same as and it was released in August, 2018 i.e. after more than six months. As mentioned earlier, the respondents cannot take approximately six months to decide and release the pensionary benefits.

8. Keeping in view the above, the petitioner is held entitled for interest on the delayed release of the pensionary benefits @ 6% per annum from the date the amount became due till the actual payment of the same. Let the respondents comply with the said order within a period of eight weeks of the receipt of copy of this order.

9. Petition is disposed of in above terms.

10. Pending miscellaneous application, if any, also stands disposed of.

October 03, 2024 **(HARSIMRAN SINGH SETHI)**
kanchan **JUDGE**

Whether speaking/reasoned : Yes

Whether reportable : No