IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

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CWP-12441-2022 (O&M)
Date of decision : 29.02.2024

Amarjit Singh ….Petitioner

V/S

State of Punjab and others ….Respondents

CORAM : HON'BLE MR. JUSTICE NAMIT KUMAR

Present: Mr. Lalit Goyal, Advocate for
Mr. Aman Dhir, Advocate for the petitioner.

Ms. Arundhati Kulshreshtha, A.A.G., Punjab.

Mr. Mandeep Kumar, Advocate for
Mr. Jastej Singh, Advocate for respondents No.3.

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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 for setting aside the impugned order dated 23.11.2021 (Annexure P-5) passed by respondent No.3, whereby it has been decided that the retirement dues amounting to Rs.8,36,508/- will be released to the petitioner in the monthly installment of Rs.1,00,000/-, without any interest on the delayed payment and a writ in the nature of mandamus directing the respondents to grant/release the complete service benefits of the petitioner along with interest @ 18% per annum on the delayed payment of retiral dues.

2. Brief facts as necessitated for the disposal of the present petition are that the petitioner had joined the Nagar Council, Gidderbaha

as Fireman on 24.04.1997. Thereafter, he was promoted to the post of Leading Fireman on 06.11.2019 and retired as such on 31.01.2021, on attaining the age of superannuation. Since his retiral benefits were not released promptly, therefore, he made a representations dated 10.08.2021 and 20.09.2021 to the respondent-Nagar Council but to no avail. Aggrieved against the same, the petitioner approached this Court by way of filing CWP No.20095 of 2021 which stands disposed of on 01.10.2021 with directions to the respondent-authorities to duly consider the representations dated 10.08.2021 and 20.09.2021 and decide the same in accordance with law by passing a speaking order, preferably, within a period of one month from the date of passing of the said order and if the petitioner is held entitled for so claimed relief and there is no impediment for granting the same, the relief be released to him without any delay as per law. Pursuant to the said order, the respondent-Nagar Council has passed the impugned order dated 23.11.2021, vide which the petitioner was held entitled to total retirement dues amounting to Rs.13,86,508/- out of which Rs.5,50,000/- have been released to the petitioner and the remaining amount of Rs.8,36,508/- is decided to be released to the petitioner in the monthly installment of Rs.1,00,000/- without any interest on the delayed payment. Hence, this petition.

3. Learned counsel for the petitioner submits that the petitioner is entitled for interest on the delayed payment of retiral dues in view of the law laid down by a Full Bench of this Court in ***A.S. Randhawa Vs. State of Punjab and others : 1997(3) S.C.T. 468*** and

J.S. Cheema Vs. State of Haryana : 2014(13) RCR (Civil) 355. He further submits that for the said claim, he has been forced to come again to this Court.

4. On the other hand, learned counsel for respondents No.3 submits that out of total amount of Rs.13,86,508/-, amount of Rs.13,61,486/- has already been released to the petitioner and the remaining amount of Rs.25,022/- shall be released to the petitioner very soon. However, he conceded the fact that some delay has occurred in releasing the retiral dues to the petitioner. Learned counsel for the respondent has produced a letter dated 28.02.2024, which is taken on record. As per the said letter, the retiral dues of the petitioner have been disbursed to him in installments on various dates which are as under :-

Sr. No.	**Details**	**Payable amount**	**Paid amount**	**Cheque No.**	**Date**	**Balance amount**
1.	Gratuity	6,47,931/-	1,000,00/-	091740	29.01.2021	
			1,00,000/-	097389	26.04.2021	
			50,000/-	097619	06.07.2021	
			2,00,000/-	101589	22.10.2021	
			1,00,000/-	104527	22.11.2021	
			97,931/-	104594	10.12.2021	
2.	Leave Encashment	4,67,950/-	2069/-	104594	10.12.2021	
			1,00,000/-	104694	28.01.2022	
			1,00,000/-	112072	12.08.2022	
			1,00,000/-	112190	06.10.2022	
			1,00,000/-	117121	02.02.2023	
			65,881/-	118841	18.05.2023	
3.	Balance amount in P.F. Account	24,719/-	24,719/-	108397	17.08.2022	

4.	Insallments of P.F. (along with advance P.F.) which is due to be deposited.	1,51,342/-	50,000/-	080535	06.07.2023	
			50,000/-	112745	29.08.2023	
			51,342/-	123289	26.09.2023	
5.	The amount increased in scales which was pending to deposit in P.F.	31,345/-	31,345/-	123289	26.09.2023	
6.	Increased D.A. which was pending deposit in P.F.	63,221/-	17,822/-	123289	26.09.2023	25,022/-
			20,377/-	125340	04.01.2024	
		13,86,508/-	**13,61,486/-**			**25,022/-**

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

6. It is an admitted fact that no disciplinary proceedings/criminal case were pending against the petitioner before or after his retirement, therefore, he is entitled for the release of his retiral benefits at least within a period of 03 months from the date of his retirement i.e. upto 30.04.2021. However, the petitioner has received his retiral benefits after a stipulated period of 03 months.

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, 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."*

9. In view of the above factual position, the present petition is allowed and the respondents are directed to pay the remaining amount of Rs.25,022/- and interest @ 6% per annum to the petitioner on the

delayed payment of retiral dues w.e.f. 01.05.2021 (after a period of 03 months from the date of retirement) till the date of payment, within a period of 03 months from the date of receipt of certified copy of this order.

29.02.2024 **(NAMIT KUMAR)**
kothiyal **JUDGE**

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