



**CM-12076-CWP-2023 in/and
CWP-15762-2021 1**

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

(110+253)

**CM-12076-CWP-2023 in/and
CWP-15762-2021
Date of Decision : November 14, 2024**

Bhinder Singh

.. Petitioner

Versus

State of Punjab and another

.. Respondents

CORAM: HON'BLE MR. JUSTICE HARSIMRAN SINGH SETHI

Present: Mr. Narinder Pal Sharma, Advocate, for the petitioner.

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

HARSIMRAN SINGH SETHI J. (ORAL)

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As prayed for, the application is allowed.

Rejoinder to the reply filed on behalf of the respondents, is
taken on record.

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1. In the present writ petition, the challenge is to the order dated 19.05.2021 (Annexure P-9) by which, the grant of benefit of interest on the delayed release of the pensionary benefits has been declined to the petitioner.



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2. Learned counsel for the petitioner submits that in the impugned order, the only reason given for delaying the release of the pensionary benefits is that there was a complaint which was filed against the petitioner and some other official, which was sent to the Vigilance Department but keeping in view the preliminary enquiry, the said complaint was filed and thereafter, the benefits admissible to the petitioner were released.

3. Learned counsel for the petitioner further submits that once there was no impediment in the release of the pensionary benefits, the petitioner is entitled for interest on the delayed release of benefits and the same cannot be denied only on the ground that the delay which occurred is only due to the official action taken against him.

4. Learned State counsel, on the other hand, submits that once there was a complaint which was pending against the petitioner and the same was under consideration of the Vigilance Department of the Government of Punjab though, the same was found to be incorrect but the pensionary benefits were withheld due to the pendency of the said complaint, which is perfectly valid and legal.

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

6. As per the judgment of the Full Bench of this Court in ***A.S. Randhawa Vs. State of Punjab and others, 1997(3) SCT 468***, in case there is no impediment in the release of the pensionary benefits, the same are to be released within a period of two months of the retirement failing which,



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the employee is entitled for the grant of interest so as to compensate the delay. 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.”

7. 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



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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.”

8. In the present case, there are no departmental proceedings which were pending against the petitioner at the time of his retirement though, as per the reply filed, there was one complaint which was under consideration of the Vigilance Department of the Government of Punjab which complaint was ultimately filed. Keeping in view the said fact, the petitioner cannot be prejudiced in any manner.

9. Further, the jurisdiction with the State to withhold certain pensionary benefits is only under the circumstances where the disciplinary proceedings are pending, which is not a case qua the petitioner.

10. Keeping in view the above, the impugned order dated 19.05.2021 (Annexure P-9) passed by the respondents denying the benefit of interest is set aside. The petitioner is held entitled for interest @ 6% per annum on the delayed of the release of the pensionary benefits from the date the petitioner retired till the actual payment of the same. Let the order be complied with within a period of eight weeks from the date of receipt of copy of this order.

11. The present writ petition is allowed in above terms.

November 14, 2024
harsha

(HARSIMRAN SINGH SETHI)
JUDGE

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