IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

(269) **CWP No. 12657 of 2023**
Date of Decision : 08.08.2024

Sohan Singh

...Petitioner

Versus

State of Punjab and others

...Respondents

CORAM: HON'BLE MR. JUSTICE HARSIMRAN SINGH SETHI

Present: Mr. Dhirinder Kamal Saldi, Advocate, for the petitioner.

Mr. Charanpreet Singh, Assistant Advocate General, Punjab.

Mr. Avinit Awasthi, Advocate, for respondents No. 3 and 4.

Harsimran Singh Sethi J. (Oral)

1. In the present writ petition, the grievance being raised by the petitioner is that his pensionary benefits have not been released though he has already retired from service on attaining the age of superannuation on 28.02.2022.

2. Upon notice of motion, the respondents have filed the reply wherein, they have submitted that the pensionary benefits have been calculated and released to the petitioner. It has been further mentioned that Rs.10 lacs as gratuity and Rs.2,44,961/- as CPF, Rs.7,31,819/- as leave encashment and Rs.9,15,788/- as arrears of pension have been deposited after deducting the income tax amount of Rs.58,500/-. Learned counsel for the respondents submits that all the benefits for which the petitioner was entitled for have already been given.

3. Learned counsel for the petitioner submits that according to the petitioner, his pensionary benefits have not been calculated correctly hence, liberty be given to approach the respondents for the redressal of his grievance.

4. Ordered accordingly.

5. At this stage, learned counsel for the petitioner submits that as the petitioner retired on 28.02.2022 and the benefits have been released in the year 2024 and as there was no impediment in the release of the pensionary benefits, the petitioner be given interest.

6. Learned counsel for the respondents submits that once the pensionary benefits have been released after calculating all the pensionary benefits, the prayer for the grant of interest may kindly be declined.

7. A Full Bench of this Court in **A.S. Randhawa Vs. State of Punjab and others, 1997(3) SCT 468,** has held that where there is an inordinate delay 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 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."*

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 **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."*

9. Keeping in view the above, as no impediment has been cited so as to withhold the pensionary benefits, the petitioner is held entitled for interest on the delayed release of pensionary benefits on the arrears of pensionary benefit paid to the petitioner which have been detailed hereinbefore @ 6% per annum from the date the pensionary benefits became due till the actual payment of the same. Let the interest for which petitioner becomes entitled for under this order be calculated and paid within a period of eight weeks of the receipt of copy of this order.

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

August 08, 2024 **(HARSIMRAN SINGH SETHI)**
kanchan **JUDGE**

Whether speaking/reasoned : Yes

Whether reportable : No