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

251 **CWP-15775-2020 (O&M)**
Date of Decision :10.09.2024

Dr. Jamshid Ali Khan and others **..Petitioners**

Versus

Punjabi University, Patiala and others **...Respondents**

CORAM: HON'BLE MR. JUSTICE HARSIMRAN SINGH SETHI

Present: Mr. Hardeep Singh, Advocate for the petitioners.

Mr. Ajaivir Singh, Advocate for respondent-University

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<u>Harsimran Singh Sethi, J. (Oral)</u>

In the present petition, grievance being raised by the petitioners is that their retiral benefits have not been released by the respondent-University, which is causing prejudice to the petitioner and hence, the respondent-University be directed to release the pensionary benefits of the petitioners along with interest and that too without deducting TDS while making the payments.

Learned counsel appearing on behalf of respondent-University submits that a status report has been filed wherein, detailed chart has been given as Annexure A-1 with regard to the payments, which have already been made to the petitioners, from which chart, it is clear that except one of the petitioner namely, Dr. Jagtar Singh against whom certain issues are pending, the benefits have already been released to all the petitioners.

Learned counsel for the respondent-University further submits that pension will be paid to the petitioners regularly without there being any default so as not to cause any prejudice to the petitioners.

At this stage, learned counsel for the petitioners submits that the petitioners have retired since long and their pensionary benefits were delayed and hence keeping in view the judgment of the Full Bench of this Court in ***A.S. Randhawa Vs. State of Punjab and others, 1997(3) SCT 468***, the petitioners are entitled for the grant of benefit of interest on the delayed release of their pensionary benefits.

Learned counsel for the respondent-University has not been able to point out any discrepancy or impediment so as not to release the pensionary benefits of the petitioners immediately upon their retirement hence, delay which has occurred in releasing the pensionary benefits of the petitioners is attributable to the respondent-University as the respondent-University has taken the shelter of paucity of funds, which is not a valid ground to deny the release of pensionary benefits to the petitioners as there is no other source with the retirees to live a dignified life after retirement.

A Full Bench of this Court in ***A.S. Randhawa Vs. State of Punjab and others, 1997(3) SCT 468***, has held that an employee is entitled for the release of his pensionary benefits within a period of two months of his retirement in case, there is no impediment. 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."*

Further, a Coordinate Bench of this Court in ***J.S. Cheema Vs. State of Haryana, 2014(13) RCR (Civil) 355*****,** has held that where an amount belonging to an employee, has been retained and used by the respondents, upon the release of the said amount on a later date, the interest has to be given. 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."*

Keeping in view the above settled principle of law as stated hereinbefore, on the arrears of pensionary benefits, which have been released to the petitioners, the petitioners will be entitled for interest @ 6% per annum from the date the amount became due till the actual payment is made.

Let the interest be released to the petitioners within a period of 08 weeks from the date of receipt of copy of this order.

With regard to one of the petitioner namely, Dr. Jagtar Singh against whom certain issues are pending, the respondents are directed to finalize the said issues also within a period of 03 months from the date of receipt of copy of this order and thereafter, whatever benefits the said petitioner Dr. Jagtar Singh is found entitled for, the same be released to him without any further delay.

Present petition stands disposed of in above terms.

Civil miscellaneous application pending,if any is also disposed of.

September 10, 2024 **(HARSIMRAN SINGH SETHI)**
aarti **JUDGE**

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