109+289 IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

CM-17373-CWP-2024 in/and
CWP No.16776 of 2023
Date of Decision : 20-11-2024

AMARJIT KAUR ....Petitioner

VERSUS

STATE OF PUNJAB AND OTHERS ....Respondent(s)

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CORAM: HON'BLE MR. JUSTICE HARSIMRAN SINGH SETHI

Present: Mr. Surmukh Singh, Advocate for the petitioner.

Mr. Satnampreet Singh Chauhan, DAG Punjab.

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HARSIMRAN SINGH SETHI, J. (Oral)

CM-17373-CWP-2024

This is an application for placing on record reply by way of affidavit of Shish Ram, Deputy Accountant General, Respondent (Pension) on behalf of Accountant General (A&E), Punjab, Sector-17, Chandigarh respondent No.5.

Keeping in view the contents mentioned in the application, the same is allowed. Reply of respondent No.5 is taken on record subject to all just exceptions.

CWP No.16776 of 2023

In the present petition, the grievance being raised by the petitioner is that the PPO No.Pb/1121074634 was not corrected so as to give the revised pensionary benefits to the petitioner after retirement.

Learned counsel for the petitioner submits that though, after the filing of the present petition, the benefits have been released after correcting the PPO number but as there is a delay in the release of the pensionary benefits, the petitioner is entitled for the grant of interest on the delayed release the pensionary benefits keeping in view the settled principle of law in **A.S. Randhawa Vs. State of Punjab and others, 1997(3) SCT 468.**

Upon notice of motion, the respondents have filed their reply. In the reply, the respondents have conceded the fact that there was a discrepancy in the pension payment order which was rectified and the amount for which the petitioner is entitled for, have been released to him.

The respondent Nos.1 to 4 are holding respondent No.5 responsible for the delayed release of payment.

I have heard learned counsel for the parties and have gone through the records of the present case with their able assistance.

It may be noticed that 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 of more than two months keeping in view the date of retirement 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."*

Apart from this, 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."*

Learned State counsel submits that wrong PPO was prepared which fault lies on respondent No.5 hence, the State cannot be burdened with interest keeping in view the mistake of respondent No.5.

It may be noticed that respondent No.5 is the only the Agent of the Administrative Department for releasing the pensionary benefits of employee. Any mistake on the part of the respondent No.5 to release the pension within timeframe is to be attributed to the Administrative Department only. Hence, the Administrative Department cannot escape the liability to pay interest on the delayed release of pensionary benefits by putting the blame upon respondent No.5 i.e., the Agent.

Keeping in view of above, the petitioner is held entitled for interest @ 6% per annum from the date the amount became due till the actual payment of the same.

Present petition is disposed of.

Let the order be complied with within a period of 8 weeks from the receipt of copy of this order.

Pending application, if any, also stands disposed of.

20-11-2024
Sapna Goyal

(HARSIMRAN SINGH SETHI)
JUDGE

NOTE: Whether speaking: YES/NO
Whether reportable: YES/NO