2024:PHHC:116998

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

(212) **CWP-20662-2018**
Date of Decision : September 06, 2024

Jasbir Singh Bedi **.. Petitioner**

Versus

State of Punjab and another **.. Respondents**

CORAM: HON'BLE MR. JUSTICE HARSIMRAN SINGH SETHI

Present: Mr. Rajwant Singh Chahal, Advocate and
Mr. Pranav Chadha, Legal-Aid-Counsel for the petitioner.

Mr. Satnam Preet Singh, Deputy Advocate General, Punjab.

HARSIMRAN SINGH SETHI J. (ORAL)

1. In the present writ petition, the grievance being raised by the petitioner is that he retired from service on attaining the age of superannuation on 31.05.2012 and despite the fact that there was no impediment in the release of the pensionary benefits, the same have been delayed by the respondents hence, the petitioner is entitled for the grant of interest on the delayed release of the pensionary benefits.

2. Learned counsel for the respondents, on the other hand, submits that after the retirement, the claim of the petitioner for the release of the pensionary benefits was dealt with and after completing all the formalities required for, the pensionary benefits have been released to the petitioner hence, as the delay was procedural, no interest is liable to be paid to the

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petitioner either on the pensionary benefits or on the arrears of pay keeping in view the recommendation of the 5th Pay Commission.

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

4. As per the settled principle of law settled by the Full Bench of this Court in ***A.S. Randhawa Vs. State of Punjab and others, 1997(3) SCT 468,*** the respondents are under an obligation to release the pensionary benefits of an employee within a period of two months of his/her retirement in case there is no impediment failing which, the 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."*

5. In the present case, the petitioner retired from service on 31.05.2012 and keeping in view the details of the payment released as depicted in paragraph 6 of the petition, which has not been rebutted by the respondents, it is clear that there is a delay of more than two months with

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regard to the release of the pensionary benefits as well as the arrears, which the petitioner became entitled for upon the revision of the pay scale on the recommendation of the 5th Pay Commission.

6. 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."*

7. Keeping in view the above, once no impediment has been brought to the notice of this Court due to which, there was a delay in the release of the pensionary benefits of the petitioners, the respondents were under an obligation to release the pensionary benefits within a period of two months of the retirement hence, the petitioner will be entitled for interest on the delayed release of the pensionary benefits as well as on the arrears of salary and other benefits which were released to the petitioner in the year 2017-2018 @ 6% per annum. The interest will be calculated from the date the amount became due till the same was actually paid. Let the present

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

8. The present writ petition is disposed of in above terms.

September 06, 2024 **(HARSIMRAN SINGH SETHI)**
harsha **JUDGE**

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

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