213

IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

CWP-26192-2016 (O&M)
Date of Decision : 18-11-2024

SURJIT SINGH & ORS ....**Petitioner(s)**

VERSUS

STATE OF PUNJAB AND ORS ....**Respondent(s)**

CORAM: HON'BLE MR. JUSTICE HARSIMRAN SINGH SETHI

Present: Ms . Mehak Sharma, Advocate for
Mr. Sharwan Sehgal, Advocate for the petitioner.

Mr. Arun Gupta, DAG Punjab.

***

HARSIMRAN SINGH SETHI, J. (Oral)

In the present petition, the grievance being raised by the petitioners is that though they have retired on attaining the age of superannuation starting from the year 2015 onwards till March, 2016 but their retiral benefits have been released after a delay, which is causing prejudice to them.

Learned counsel for the petitioners argues that the 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 in release of the pensionary benefits and the delay is not justifiable, employee will be entitled for interest.

Learned counsel for the respondents submits that the details of the retirement and the release of the benefit to the petitioners have been given in the affidavit dated 09.04.2024 of Harjinder Singh, Deputy Director.

Learned counsel for the respondents further submits that once all the benefits have already been released and keeping in view the administrative exigencies, the delay has occurred, for which the petitioners cannot be held entitled for the grant of interest.

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

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,** 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."*

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."*

From the affidavit of Harjinder Singh, Deputy Director it is clear that there is a delay in sanctioning the pensionary benefits but the same has been mentioned as "***routine procedure".***

Once, under the law the petitioners are entitled for the interest as the benefits have been released after a period of two months of their retirement and that too without there being any impediment, the claim of the petitioners for the grant of interest on the delayed release of pensionary benefits is allowed.

The respondents are directed to pay interest to the petitioners @ 6% per annum from the date the petitioners have retired till the actual payment of the same.

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.

18-11-2024
Sapna Goyal

(HARSIMRAN SINGH SETHI)
JUDGE

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