IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

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CWP-19083-2020
Date of decision : 28.08.2024

Sukhjinder Singh .....Petitioner

V/S

The Punjab State Cooperative Supply & Marketing Federation Limited ....Respondents

CORAM : HON'BLE MR. JUSTICE NAMIT KUMAR

Present: Mr. Shiv Kumar, Advocate with
Mr. Lovedev Singh, Advocate for the petitioner.

Mr. Kavinder S. Chhibber, Advocate for
Mr. T.V.S. Lehal, Advocate for the respondent.

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NAMIT KUMAR, J. (ORAL)

1. The petitioner has filed the instant writ petition under Article 226/227 of the Constitution of India, seeking a writ in the nature of mandamus, directing the respondent to release the retiral dues of the petitioner along with interest @ 18% per annum on the delayed payment.

2. Brief facts of the case, as have been pleaded in the present petition, are that the petitioner had joined the Markfed on 27.06.1987 and his services were regularized on 31.07.1990 as Chowkidar. He retired from service on attaining the age of superannuation on 31.03.2020 as Assistant Field Officer. However, the Markfed has unnecessarily withheld the retiral dues of the petitioner such as gratuity, leave encashment and security. The petitioner requested the Management personally to release his retiral dues and also sent a legal

notice dated 22.08.2020 to the respondent in this regard but to no avail. Hence, this petition.

3. Pursuant to notice of motion, reply on behalf of the respondent has been filed wherein it has been stated as under :-

> *“xx xx xx xx xx*
> *6. xx xx xx It is submitted that in compliance of the office order no.3521 dated 18.11.2020 issued by Additional Managing Director (G), MARKFED whereby sanction was granted to release the retiral dues i.e. 14 months last drawn wages as Gratuity maximum to Rs.10 Lakh under Payment of Gratuity Act, 1972, 300 days leave encashment and secruity amount including up-to-date interest of the petitioner, a calculated amount of Rs.9,68,841/- was paid to the petitioner vide Cheque no.484778 dated 11.12.2020 through RTGS in the account of the petitioner. The office order no. 3521 dated 18.11.2020 issued by Additional Managing Director (G), MARKFED is annexed herewith as* ***Annexure R-1****. The details of the cheque as well as the calculation sheet are annexed herewith as* ***Annexure R-2*** *and* ***Annexure R-3****.*
> *xx xx xx xx xx”*

4. Learned counsel for the petitioner submits that the petitioner has retired from service on 31.03.2020 and his retiral dues amounting to Rs.9,68,841/- have been paid to the petitioner vide cheque dated 11.12.2020 which was credited in his account on 14.12.2020. He submits that although during the pendency of the present petition all the retiral dues have been released to the petitioner, however, the same have been released after a considerable delay. Therefore, the petitioner is entitled for interest on the same.

5. Per contra, learned counsel for the respondent submits that since all the retiral dues of the petitioner have been released and nothing

remains to be paid, therefore, the instant petition has been rendered infructuous.

6. I have heard learned counsel for the parties and have gone through the relevant documents.

7. Since either before or after the retirement of the petitioner, no departmental/criminal proceedings were pending against him, therefore, the retiral benefits of the petitioner were required to be released within a reasonable time after his retirement. Since there is a considerable delay in releasing the retiral dues to the petitioner, therefore, the petitioner cannot be denied the benefit of interest on the same.

8. A Full Bench of this Court in ***A.S. Randhawa Vs. State of Punjab and others : 1997(3) S.C.T. 468*** has held that where there is an inordinate delay in releasing benefits 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 retiree 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 from 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."*

9. 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 the said judgment 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."*

10. In view of the above factual position and settled principles of law, the present petition is disposed of with a direction to the respondent to pay interest @ 6% per annum to the petitioner, on the delayed payment of retiral dues, w.e.f. 01.06.2020 (i.e. after two months of his retirement) till the actual date of payment, within a period of 02 months from the date of receipt of certified copy of this order.

28.08.2024 **(NAMIT KUMAR)**
kothiyal **JUDGE**

Whether speaking/reasoned: Yes/No

Whether Reportable: Yes/No