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

219 CWP-2942-2016 (O&M)
Date of decision: 02.04.2024

Charanjit Kaur ...Petitioner

Vs.

State of Punjab and others ...Respondents

CORAM: HON'BLE MR. JUSTICE AMAN CHAUDHARY

Present: Mr. Ravi Malhotra, Advocate for the petitioner.

Mr. Arun Gupta, DAG, Punjab.

Mr. NK Suneja, Advocate for respondent No.3.

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AMAN CHAUDHARY, J. (Oral)

1. The present Civil Writ Petition has been filed under Article 226 of the Constitution of India for issuance of directions to respondent No.2 to release the arrears of Gratuity, Leave Encashment, PPF and other retiral benefits of the husband of the petitioner with interest @ 18% per annum from the date of retirement.

2. Learned counsel would submit that husband of the petitioner, employed as a Mali-cum-chowkidar, was due to retire on 30.11.2012, but was relieved by respondent No.3 only on 31.01.2014. He passed away on 28.11.2015. Though, the family pension was granted vide order dated 30.07.2014 w.e.f. 01.12.2012 and leave encashment amounting to Rs.2,44,760/- on 06.08.2014. However, the payment under Group Insurance Scheme of Rs.19,518/-, General Provident Fund of Rs.8,16,697/- and DCRG of Rs.4,27,494/- were made vide vouchers dated 03.11.2016, 01.06.2017 and 16.06.2017 respectively, as is discernible from para 5 of merit of the reply. On instructions, learned counsel

restricts his prayer for grant of interest on the above amounts paid that have been paid during the pendency of the present petition, by placing reliance upon the judgments in **Megh Varan Sharma vs. State of UP and others,** 2015(1) SCT 12 and **Dr. A. Selvaraj vs. C.B.M. College and others**, 2022 (1) SCC (L&S) 839.

3. Contrarily, learned State counsel as also learned counsel for respondent No.3 submit that the petitioner has taken double benefits, by drawing salary while simultaneously taking pension for the period of 01.12.2012 to 31.01.2014. They, however, are unable to dispute insofar as the dates of release of retiral benefits are concerned.

4. Heard learned counsel on either side.

5. The retiral benefits are a valuable right in the hand of the petitioner, which in the present case were disbursed apparently, after an inordinate delay.

6. In **A.S. Randhawa vs. State of Punjab and others,** 1997(3) SCT 468., it was held that an employee would be entitled to be compensated by granting interest by the State on account of delayed disbursal of retiral benefits.

7. Hon'ble the Supreme Court in **Vijay L. Mehrotra vs. State of UP**, 2001 (9) SCC 687, held that in case there is no justification or reason for delayed payment of retiral benefits, interest would be liable to be paid.

8. This Court in **J.S. Cheema vs. State of Haryana**, 2014(13) RCR (Civil) 355, observed that, the interest has to be given to an employee where an amount belonging to him, was retained and utilised by the respondents, has been released on a later date.

9. The release of the amount came about only after filing of the present petition and attributing the delay to the lengthy procedure of sanctioning and excess amount received, are not sufficient enough to justify the same.

10. The grant of interest in the present case is not penal in nature but

compensatory, having been deprived of an amount, with which the respondents unjustly enriched themselves with.

11. After giving due regard to the facts and circumstances of the case, the the respondents are directed to pay interest at the rate of 6% per annum on the arrears of GIS, GPF and DCRG released to the petitioner, from the date they fell due till the date of its realization within a period of two months.

(AMAN CHAUDHARY)
JUDGE

02.04.2024
ashok

Whether speaking/reasoned : Yes / No
Whether Reportable : Yes / No