

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

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CWP-5165-2017

Date of decision: 01.04.2024

Jagar Ram

...Petitioner

Versus

State of Punjab and others

...Respondents

CORAM: HON'BLE MR. JUSTICE AMAN CHAUDHARY

Present : Mr. Dhruv Walia, Advocate (Legal Aid Counsel)
for the petitioner.

Mr. Arun Gupta, DAG, Punjab.

AMAN CHAUDHARY. J (Oral)

1. The prayer in the present Civil Writ Petition filed under Articles 226/227 of the Constitution of India is to issue a writ in the nature of mandamus, directing the respondents to pay interest on the delayed payment of gratuity and provident fund.

2. Learned counsel would submit that the petitioner had previously approached this Court by filing CWP-4123-2015 for extension in service, which was dismissed, however with a direction that the pension and retiral benefits would be released. There were certain documents required for the same, last of which the petitioner supplied on 26.05.2016, Annexure R-6. Thereafter, the leave encashment, which though sanctioned vide order dated 31.05.2016, Annexure R-8/T and GPF on 25.10.2016, Annexure R-10/T, but were released after a long and unexplained delay on 03.12.2016 and 07.01.2017 respectively. Thus, he is entitled to interest thereon in view of the judgment of the Full Bench of this Court in **A.S. Randhawa vs. State of Punjab and others**, 1997(3) SCT 468.

3. Contrarily, the learned State counsel submits that the delay caused is only procedural and on account of the fact that the petitioner had not submitted the documents in time.

4. Heard learned counsel on either side.

5. Apparently, the prayer made in the writ petition filed was declined, *albeit* with liberty to avail civil remedy, conjoined with an observation of the Court that pension and pensionary benefits would be released to the petitioner without delay and preferably within a fortnight.

6. As is explicit from the facts narrated hereinabove that are substantiated with documents appended by the respondents themselves as per which, there has been a delay in release of the benefits, despite sanction having been granted therefor, without any satisfactory explanation offered, but for a vague reason owing to procedure.

7. In **A.S. Randhawa** (supra), 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.

8. 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.

9. 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.

10. In the case at hand, the petitioner is therefore entitled to grant of interest, which is not penal in nature but compensatory, having been deprived of an amount, which the respondents unjustly enriched themselves with.

11. Given the facts and circumstances of the case, considered in light of the afore-referred judicial pronouncements, the present writ petition is disposed of, with a direction to the respondents to pay the interest at the rate of 6% per annum on the amount of retiral benefits, from the date of sanction till actual disbursement, within a period of two months.

(AMAN CHAUDHARY)
JUDGE

01.04.2024
Hemant

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