IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

(227) **CWP-24565-2019**
Date of Decision : October 14, 2024

Karnail Singh .. **Petitioner**

Versus

Punjab State and others .. **Respondents**

CORAM: HON'BLE MR. JUSTICE HARSIMRAN SINGH SETHI

Present: Mr. H.K. Brinda, Advocate, 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 the petitioner retired from service on attaining the age of superannuation on 31.10.2012 but his pensionary benefits were not released due to the pendency of the disciplinary proceedings and the disciplinary proceedings were dropped by the respondents in the year 2019 and thereafter, the pensionary benefits have been released to the petitioner but the interest has only been granted from the date the disciplinary proceedings have been dropped and not from the date of retirement.

2. Learned counsel for the respondents appears and concedes the factum that the petitioner retired in October 2012 and as there were disciplinary proceedings pending, his certain pensionary benefits were withheld and after the dropping of the said disciplinary proceedings in the

year 2019, the same have been released and from the date of dropping of the disciplinary proceedings, 9% interest has been paid to the petitioner.

3. Learned counsel for the respondents submits that once, withholding of the certain pensionary benefits was within the jurisdiction keeping in view the pending disciplinary proceedings, the interest can only be granted from the date when the disciplinary proceedings were dropped and not from the prior date i.e. date of retirement.

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

5. Once, the disciplinary proceedings were dropped by the respondents and no allegation was proved in those proceedings, the petitioner cannot be caused prejudice.

6. As per the judgment of the Full Bench of this Court in ***A.S. Randhawa Vs. State of Punjab and others, 1997(3) SCT 468,*** employee is entitled for the grant of pensionary benefits within a period of two months of retirement in case there is no impediment failing which, employee will be entitled for interest and in the present case, though the charge-sheet was pending but the same has been dropped and no allegation has been proved and therefore, the petitioner will be entitled for the grant of interest from the date the petitioner became entitled for the grant of pensionary benefits i.e. from the date of retirement. 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."

7. The respondents cannot be allowed first to initiate disciplinary proceedings and then to stop the pensionary benefits and then, even when they failed to prove the allegations against an employee, employee cannot be prejudiced so as to grant the interest only from the date when the proceedings are dropped.

8. Keeping in view the above, the claim of the petitioner for the grant of interest from the date of retirement is perfectly valid and legal and within the four corners of the settled principle of law as settled by the Full Bench of this Court in ***A.S. Randhawa's case (supra).*** The respondents are directed to calculate the interest @ 6% per annum from the date the petitioner retired till the actual payment of the same. The 9% interest paid to the petitioner already from the year 2019 onwards, will be adjusted while calculating the release of the amount, which petitioner becomes entitled for as interest under the present order. Let the present order be complied with within a period of eight weeks of the receipt of copy of this order.

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

October 14, 2024 **(HARSIMRAN SINGH SETHI)**
harsha **JUDGE**

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