2024:PHHC:013407

IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

CWP No.902 of 2017 (O&M)
Date of decision: 31.01.2024

Rattanvir Puri

....Petitioner

Versus

Punjab State Power Corporation Limited and others

....Respondents

CORAM: HON'BLE MR. JUSTICE NAMIT KUMAR

Present: Mr. A.K. Walia, Advocate for the petitioner.

Mr. Aditya Sharda, Advocate
for Mr. Piyush Khanna, Advocate for the respondents.

NAMIT KUMAR J. (Oral)

1. The petitioner has approached this Court by filing the instant writ petition under Article 226 of the Constitution of India, seeking a writ of mandamus, directing the respondents to grant interest @ 12% on the delayed payments of pension, retirement gratuity, leave encashment, etc. from the date of his retirement till the date of actual payment as the petitioner retired from service on 30.11.2014, but his final pension/retirement gratuity was released on 06.10.2016.

2. Learned counsel for the petitioner submits that the petitioner retired from service on attaining the age of superannuation on 30.11.2014 and the gratuity and arrears of pension were released to the petitioner in the month of October, 2016. He further submits that since there is a considerable delay in release of these benefits, therefore, the petitioner is entitled for grant of interest.

3. Learned counsel for the respondents submits that a charge-sheet dated 15.03.2013 was issued to the petitioner and thereafter, an

enquiry was conducted, however, the charges were not proved in the said enquiry and ultimately vide order dated 29.07.2016, the said charge-sheet was withdrawn and immediately thereafter, within a period of 03 months, the retiral benefits were released to the petitioner.

4. I have heard learned counsel for the parties and perused the record.

5. The petitioner retired from service on attaining the age of superannuation on 30.11.2014. At the time of retirement, the charge-sheet dated 15.03.2013 was pending and the same has been withdrawn by the respondents vide order dated 29.07.2016. Since the said charge-sheet has been withdrawn by the respondents themselves, therefore, the petitioner cannot be denied interest on the delayed payment of retiral dues.

6. 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, the 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."*

7. Apart from this, the 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."*

8. Consequently, the present petition is allowed and the respondents are directed to grant interest @ 6% per annum on the delayed payment of gratuity and arrears of pension, which were released to the petitioner in the month of October, 2016 after his retirement on 30.11.2014, w.e.f. 01.03.2015 till 30.09.2016. The necessary calculations be made and payment of interest be released to the petitioner, within a period of 02 months from the date of receipt of certified copy of this order.

(NAMIT KUMAR)
JUDGE

31.01.2024
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Whether speaking/reasoned: Yes/No

Whether reportable: Yes/No