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

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CWP-32363-2019 (O&M)
Date of decision: 08.05.2024

Manjit Singh ...Petitioner

Vs.

State of Punjab and others ...Respondents

CORAM: HON'BLE MR. JUSTICE AMAN CHAUDHARY

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Present: Mr. KR Dhawan, Advocate for the petitioner.

Mr. Satnam Preet Singh, DAG, Punjab
assisted by Mr. Dharam Singh, Clerk,
Food Civil Supplies and Consumer Affairs Dept. Punjab.

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AMAN CHAUDHARY, J. (Oral)

1. The present petition has been filed for directing the respondents to release all the retiral benefits i.e. gratuity and leave encashment to the petitioner along with interest on the delayed payment.

2. Learned counsel would contend that the petitioner had retired from the Department of Food Civil Supplies and Consumer Affairs on 31.03.2010, after rendering 37 years of service. No dues certificate was issued to him vide order dated 28.05.2010, the pensionary benefits were to be released, but for the recovery of Rs.77,265/-. However, no chargesheet or departmental proceedings came to be initiated against him. Though, an issue with regard to handing over charge was raked up on 07.11.2014, however, it had been taken over by him on 31.03.2010 as has been intimated by the Inspector, Food and Supplies, PR Centre, Ludhiana vide memo dated 31.03.2010. A representation dated 11.12.2015, Annexure P-7, was submitted

for release of gratuity and leave encashment with interest, as well as to fix his regular pension. It was in the year 2020, 2021 and 2022 that the amounts have been released, for which interest is payable in terms 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. Learned State counsel affirms the amount released on the dates as mentioned, the delay of which, he attributes to the procedure, while referring to para 10 of the reply, which reads thus:-

> "10. That in view of the above, a matter has again been taken up by the concerned branch circle office Ludhiana with the higher authorities i.e. Head Office concerned branch vide letter memo No…Amla Lekha-2020/788 dated 04.06.2020 (Annexure R-3/3) for release of pending amount in respect of the petitioner and head office concerned branch have issued instructions vide their letter memo No.02/71/2019-A2(3)/Court Case)-2020/780 dated 30.06.2020 to release the amount due in respect of the petitioner. A copy of the letter dated 30.06.2020 is annexed as Annexure R-3/4. The matter was further taken up with the office of Accountant General, Punjab vide memo No.Amla Lekha-2020/8198 dated 24.07.2020 (Annexure R-3/5) for issuance of fresh sanction for release of gratuity amount since the previous sanction-cum-gratuity pay order & bills have been found to have been rendered time bar. Therefore, the matter is under process for release of gratuity. Simultaneously, matter has been taken up with Head Office for release of applicable dues/arrears of pension withheld in respect of the petitioner vide letter No.Amla Lekha-2020/1250 dated 29.07.2020 (Annexure R-3/6). At this stage formal fresh sanction is awaited from the office of Accountant General, Punjab and head office concerned branch."

4. Heard learned counsel on either side.

5. It is incumbent on the State to grant pension to employees, after availing their life long services, as was held by Hon'ble the Supreme Court in **State of Kerala vs. M. Padmanabhan Nair,** (1985) 1 SCC 429 that, "Pension and gratuity are no longer any bounty to be distributed by the Government to

its employees on their retirement but have become, under the decisions of this Court, valuable rights and property in their hands and any culpable delay in settlement and disbursement thereof must be visited with the penalty of payment of interest at the current market rate till actual payment.”

6. Notably, the petitioner, who retired on 31.03.2010, was paid leave encashment of Rs.2,43,495/- on 28.09.2020, Rs.77,265/- directed to be deducted, on 18.11.2021 and gratuity amounting to Rs.5,29,254/- on 02.05.2022. Even the shortfall of an amount of Rs.1,37,000/- of the pension was made good only recently on 07.05.2024, as it was the fault of the Department to have transferred the same into the account of one Manjit Singh, Chowkidar, for all of which the petitioner needs to be compensated by way of an interest, as was held in **A.S. Randhawa** (supra).

7. Hon’ble the Supreme Court in **Vijay L. Mehrotra vs. State of UP**, 2001 (9) SCC 687, ruled that in case there is no justification or reason for delayed payment of retiral benefits, interest would be liable to be paid, while 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 utilized by the respondents, has been released on a later date.

8. But for blaming the procedure, by which also the humongous delay of more than a decade in release of the retiral benefits remained unexplained, the respondents have failed to offer any other plausible justification, to have deprived the petitioner of an amount that he was legally entitled to, with which they unjustly enriched themselves.

9. In wake of the aforesaid, the present petition is disposed of with a

direction to the respondents to pay interest at the rate of 6% per annum on the retiral benefits from the date they fell due till its realization, within a period of two months.

(AMAN CHAUDHARY)
JUDGE

08.05.2024
ashok

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