2024:PHHC:100290

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

CWP-24835-2023 (O&M)
Date of Decision : 05-08-2024

RENU PURI **........Petitioner**

VERSUS

STATE OF PUNJAB AND OTHERS **........Respondent(s)**

CORAM: HON'BLE MR. JUSTICE HARSIMRAN SINGH SETHI

Present: Mr. Kuljit Singh, Advocate for
Mr. Peeyush Gagneja, Advocate for the petitioner.

Mr. Swapan Shorey, DAG Punjab.

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HARSIMRAN SINGH SETHI, J. (Oral)

In the present case, the grievance being raised by the petitioner is that retiral benefits were not released to the petitioner upon her retirement they were subsequently released and the petitioner is entitled for interest on the delayed released of the pensionary benefits.

Learned counsel for the petitioner argues that the petitioner retired on 31.01.2023 whereas, pensionary benefits were released in November, 2023 hence, in view of the Full Bench of this Court in **A.S. Randhawa Vs. State of Punjab and others, 1997(3) SCT 468,** in case there is no impediment, the employee is entitled for the release of pensionary benefits within a period of 2 months of the retirement failing which the employee will be entitled for interest hence, the respondents are liable to be directed to pay interest for a period of 10 months from the amount which was retained by them.

Notice of motion.

Mr. Swapan Shorey, DAG Punjab appears and accepts notice on behalf of the respondent-State.

Learned counsel for the respondents submits that one all the benefits have been released, no ground is made out for the grant of interest.

I have heard learned counsel for the parties and have gone through the records of the present case with their able assistance.

As per the settled principle of law laid down by the Full Bench of this Court in **A.S. Randhawa Vs. State of Punjab and others, 1997(3) SCT 468,** has held that where there is an inordinate delay in the release of the pensionary benefits of an employee and the delay is not justifiable, 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 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."*

Apart from this, a 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 **J.S. Cheema's case (supra)** 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."*

Once, the respondents themselves have released all the pensionary benefits, it becomes clear that there is no impediment and the delay is on the part of the respondents. Once the delay is on the part of the respondents and the pensionary benefits of the petitioner were retained by the respondents without any justification, the petitioner is held liable for interest on the pensionary benefits which were released in November, 2023 @ 6% per from the date the pensionary benefits became due till the actual date of payment

Let the interest under this order be calculated and released to the petitioner within a period of 8 weeks from the receipt of copy of this order.

Present petition is disposed of in above terms.

Pending application, if any, also stand disposed off.

05-08-2024
Sapna Goyal

(HARSIMRAN SINGH SETHI)
JUDGE

NOTE: Whether speaking: YES/NO
Whether reportable: YES/NO