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

262 **CWP-6217-2022 (O&M)**
Date of decision : 06.02.2025

SHAM SINGH

...... Petitioner

VERSUS

STATE OF PUNJAB AND OTHERS

...... Respondents

CORAM : HON'BLE MR. JUSTICE HARSIMRAN SINGH SETHI

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Present :- Mr. R. K. Gautam, Advocate
for the petitioner.

Mr. Solomon Partap Singh, AAG, Punjab.

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<u>Harsimran Singh Sethi, J. (Oral)</u>

1. In the present petition, the grievance being raised by the petitioner is that the petitioner is entitled for interest on the delayed released of the pensionary benefits, which benefit has been declined wrongly by the respondents while passing the impugned order dated 17.02.2020, copy of which has been appended as Annexure P-11.

2. Learned counsel for the petitioner submits that the petitioner retired from service on 30.09.2017 and despite the fact that there was no impediment in the release of the pensionary benefits of the petitioners , some of the pensionary benefits were released after a period of one year and one month in October 2018 and the rest of the amount alongwith arrears were only released in April 2019 hence, keeping in view the settled principle of

law settled by the Full Bench of this Court in ***A.S. Randhawa Vs. State of Punjab and others, 1997(3) SCT 468***, to the effect that in case the retiral benefits of an employee are not released within a period of two months of the retirement without there being any impediment, the employee concerned will be entitled for interest on the said delayed amount. Hence the respondents are under obligation to grant interest on the delayed release of pensionary benefits.

3. Learned counsel for the respondents submits that the petitioner was supposed to submit the pension papers six months prior to the retirement whereas the same were only submitted two months prior to the retirement due to which the pensionary benefits of the petitioner could not be released within time as the petitioner was responsible for the delay and the delay is attributable to the petitioner himself hence, his claim for the interest has rightly been rejected.

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

5. The petitioner retired on attaining the age of superannuation on 30.09.2017 even if, the petitioner was liable to submit the pension papers 06 months prior to the retirement and the petitioner submitted the same two months prior to the retirement, the respondents could not have taken approximately two years to release the pensionary benefits of the petitioner. It is a conceded position that the pensionary benefits of the petitioner were released for the first time in October 2018 and the remaining arrears in April 2019. Even if, the respondents took six months to process and release the

benefit, the same should have been released by 30.11.2017 whereas, the same were released much after the said date.

6. Keeping in view the facts and circumstances of the present case, the delay which is being attributed to the petitioner, is not proved. The respondents were under obligation to release the retiral benefits of the petitioner within in a period of two months of his retirement after which he is entitled for interest as per the judgment of Full Bench of this Court in **A.S. Randhawa** (supra) as there was no impediment to release the same. 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. 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 any amount which has been delayed by the respondents and used to their benefits, the employee is entitled for interest. 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."*

8. Keeping in view the above, the delay which has been caused is not attributable to the petitioner entirely hence, keeping in view facts and circumstances of the present case, the petitioner is held entitled for the interest on the retiral benefits released to him starting from 01.12.2017 onwards till the actual payment was released at the rate of 6% per annum. Let the order be complied with within a period of 8 weeks of the receipt of copy of this order.

9. Present petition is disposed of with the above said observations.

10. Pending applications, if any, also stand disposed of accordingly.

(HARSIMRAN SINGH SETHI)
JUDGE

06.02.2025
Rimpal

Whether speaking/reasoned	Yes
Whether Reportable :	No