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

(273) CWP-18154-2024
Date of Decision : January 28, 2025

Jasveer Singh .. Petitioner

Versus

State of Punjab and others .. Respondents

CORAM: HON'BLE MR. JUSTICE HARSIMRAN SINGH SETHI

Present: Mr. N.K. Manchanda, Advocate, for the petitioner.

Mr. Solomon Partap Singh, AAG, Punjab.

HARSIMRAN SINGH SETHI J. (ORAL)

1. In the present writ petition, the grievance being raised by the petitioner is qua the non-release of his gratuity and interest @ 24% per annum on the delayed release of the pensionary benefits.

2. As per the reply filed, the benefits have already been released to the petitioner in September, 2024.

3. The question which remains to be decided is whether, the delay in releasing the benefits is attributable to the State and not the petitioner so as to decide the said issue.

4. Learned counsel for the petitioner submits that the petitioner retired from service on attaining the age of superannuation as Junior Technician on 31.05.2023 after service of more than 34 years from the office of respondent No.3.

5. 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,*** the employee is entitled for the release of pensionary benefits within a period of two months from the date of the retirement, in case there is no impediment failing which, the employee is entitled to be compensated for the grant of 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."*

6. Apart from this, a Coordinate Bench of this Court in of ***J.S. Cheema Vs. State of Haryana, 2014(13) RCR (Civil) 355,*** has held that where an amount belonging to an employee, has been retained and used by the respondents, upon the release of the said amount, on a later date, the interest has to be given. 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."

7. In the present case, no impediment in the release of the pensionary benefits has been brought to the notice of this Court and it is conceded that the benefits were released to the petitioner in August/September, 2024 i.e. after a period of one year and four months of retirement.

8. Keeping in view the above and the settled principle of law stated hereinbefore, the claim of the petitioner is covered for the grant of interest as the delay is attributable to the respondents and not on the part of the petitioner.

9. Keeping in view the above, the payments which have been released to the petitioner, will carry interest @ 6% per annum from the date the petitioner retired i.e. 01.06.2023 till the actual payment of the same. Amount of interest for which the petitioner becomes entitled for, be released to him within a period of eight weeks from the date of receipt of copy of this order.

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

January 28, 2025 **(HARSIMRAN SINGH SETHI)**
harsha **JUDGE**

Whether speaking/reasoned : Yes
Whether reportable : No