2025:PHHC:011712

IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

216 CWP-28414-2018 (O&M)
Date of decision: 27.01.2025

Om Parkash ..Petitioner

Versus

State of Punjab and others ..Respondents

CORAM: HON'BLE MR. JUSTICE AMAN CHAUDHARY

Present: Mr. Rishabh Gupta, Advocate for the petitioner.

Mr. Arun Gupta, DAG, Punjab.

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AMAN CHAUDHARY, J. (Oral)

1. Prayer made in the present petition is for directing the respondents to release the benefit of 2nd, 3rd and 4th ACP scheme from the date of his entitlement along with 18% interest till the date of realization.

2. As is admitted in the written statement filed by the respondents that amount was paid during the pendency of the matter, there being no plausible justification for the delay having been caused but for certain amendments that were to be carried out service book, for which the petitioner cannot said to be at fault and accordingly deprived of the dues on account thereof, to which he was legally entitled, which the respondents benefited from, thus entitles him to interest, as compensation, serving as reparation rather than a penalty.

3. Hon'ble the Supreme Court in the case of **The State of Andhra Pradesh and another vs. Smt. Dinavahi Lakshmi Kameswari,** SLP (C) No.12553 of 2020, decided on 08.02.2021, wherein on account of deferred

salaries and pensions, interest at the rate of 6% per annum was granted, reduced the same from 12% as granted by the High Court.

4. In **A.S. Randhawa vs. State of Punjab and others**[1], **Vijay L. Mehrotra vs. State of UP**[2] and **J.S. Cheema vs. State of Haryana**[3] it was held that indisputably a retiree is entitled to compensation for delayed payments, most equitably addressed through interest on the due amount from the date of superannuation, particularly when no valid justification for the delay exists, emphasizing that the retirement of a government employee triggers an immediate entitlement to pension and related benefits, placing a statutory obligation on the State to ensure disbursement within a reasonable timeframe, typically no longer than two months. Failure to do so entitles the retiree to compensation via interest and the Court likened such interest to “rent for the usage of money” that rightfully belonged to the petitioner but was unjustly retained and utilized by the State.

5. In view of the above, the present petition stands disposed of by directing the respondents to pay the interest to the petitioner at the rate of 6% per annum from the due date of said benefits till its realization. Needful be done within a period of three months.

(AMAN CHAUDHARY)
JUDGE

27.01.2025
ashok

Whether speaking/reasoned : Yes/No
Whether reportable : Yes/No

[1] 1997(3) SCT 468
[2] 2001 (9) SCC 687
[3] 2014(13) RCR (Civil) 355