IN THE HIGH COURT OF PUNJAB & HARYANA AT CHANDIGARH

261

CWP-24183-2022
Date of decision: 28.01.2025

Raj Kumar and others ...Petitioners
Versus
State of Punjab and others ...Respondents

CORAM: HON'BLE MR. JUSTICE AMAN CHAUDHARY

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Present: Mr. P.K. Goklaney, Advocate
for the petitioner.

Mr. Sehajbir Singh Aulakh, AAG, Punjab.

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AMAN CHAUDHARY, J. (Oral)

1. Prayer made in the present petition is for directing the respondents to pay the interest on delayed release of retiral benefits.

2. Alongwith reply the details with regard to every petitioner has been given, most of whom have been released the payment prior to the period of Covid-19 pandemic but still there is a delay in the same, for which there is no justification offered much less plausible in the written statement, are thus, entitled to interest on the amount that the respondents benefitted from, while the retirees were deprived of it.

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

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

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. Insofar as the petitioners, who retired during Covid and released the amount also during the said period would however, not been entitled to any interest for the reason that the unprecedented global catastrophe had rendered normal governmental functioning virtually impossible. The imposition of interest liability would be juridically untenable in circumstances where administrative delay stems not from willful neglect or mala fide intent. The restriction imposed by circumstances that lay far beyond the realm of bureaucratic control, as even the administrative machinery was brought to its knees.

6. The principles of equity and good conscience, which form the bedrock of judicial decision-making, must necessarily take cognizance of these extraordinary set of conditions that prevailed during the period of lockdown that would fall squarely within the ambit of force majeure.

7. In view of the above, the present petition stands disposed of by directing the respondents to pay the interest @ 6% per annum to petitioner Nos.12-Kewal Krishan, 7-Raj Kapoor, 8-Sarla Sachdeva, 9-Vijay Kumar,

14-Gurdeep Singh and 10-Sushma Rani from the due date till realisation and to petitioner No. 16-Reshma Rani, till the date of imposition of the lockdown. Needful be done within a period of three months.

(AMAN CHAUDHARY)
JUDGE

28.01.2025
Hemant

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