IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

264 **CWP-24853-2021 (O&M)**
Date of decision : 27.01.2025

JAGDISH CHAND

...... Petitioner

VERSUS

STATE OF PUNJAB AND OTHERS

...... Respondents

CORAM : HON'BLE MR. JUSTICE HARSIMRAN SINGH SETHI

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Present :- Mr. Neeraj Sharma, Advocate
for the petitioner.

Mr. Solomon Partap Singh, AAG, Punjab.

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Harsimran Singh Sethi, J. (Oral)

1. Reply by way of affidavit of Akash Aggarwal, Executive Engineer, Drainage-cum-Mining and Geology Division, SAS Nagar, Punjab on behalf of respondents has been filed in Court today and the same is taken on record, subject to just exceptions.

2. In the present petition, the challenge is to the order dated 15.01.2020 (Annexure P-3) by which, the petitioner has been denied the benefit of interest on the delayed released of the pensionary benefits.

3. Learned counsel for the petitioner argues that the petitioner retired on attaining the age of superannuation on 30.04.2017 but, his pensionary benefits were not released within a stipulated period of two months and therefore, petitioner was entitled to the interest on the delayed release of the pensionary benefits keeping in view the judgment of Full

Bench of this Court in **A.S. Randhawa Vs. State of Punjab and others, 1997(3) SCT 468.**

4. Upon notice of motion, the respondents have filed the reply wherein, the respondents have stated that the petitioner is at fault as, the petitioner was required to submit the pension papers six months prior from the date of retirement whereas, the same was filed just 2½ months before the date of his retirement. Hence, the GP fund took some time to get cleared but the same was paid on 23.03.2018. It is further mentioned that the leave encashment was also paid to the petitioner on 23.03.2018 with regard to the death-cum- retiral gratuity, the same was paid to the petitioner on 12.01.2019. The prayer of the respondent is that there is no delay on the part of the State and therefore, the interest has rightly not been given.

5. I have heard learned counsel for the parties and have gone through the case file with their able assistance.

6. The only question that arise is whether, the delay in attributable to the petitioner or to the respondents so as to grant the benefit of interest to the petitioner. Even if it is assumed that the petitioner had submitted the form in February 2017, then also, the same should have been released within a period of 6 months from the date of retirement, since the 6 months period ended in August 2017 whereas, the GP fund was released to the petitioner in March 2018. There is no explanation of the said delay. Even the leave encashment was released after a period of 11 months whereas, the DCRG was released after a period of one year and eight months in January 2019.

7. 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 within in a period of two months of the retirement after which the employee 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."*

8. 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."

9. Keeping in view the above, the delay is attributed to the respondents and they are liable to pay interest to the petitioner on the delayed release of the pensionary benefits. The petitioner will be entitled for interest from 01.07.2017 onwards till the payments are actually released to him 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.

10. Disposed of with the above said observations.

(HARSIMRAN SINGH SETHI)
JUDGE

27.01.2025
Rimpal

Whether speaking/reasoned	Yes
Whether Reportable :	No