



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

256

CWP-27615-2022

Date of decision: 19.02.2025

Harbans Lal

...Petitioner

Versus

State of Punjab and others

...Respondents

CORAM: HON'BLE MR. JUSTICE AMAN CHAUDHARY

Present: Mr. Harnek Singh, Advocate for the petitioner.

Mr. Amarpreet Singh Bains, AAG, Punjab.

Mr. Akshay Jain, Advocate for respondent No.4-SBI.

AMAN CHAUDHARY, J. (Oral)

1. Prayer made in the present petition is for directing the respondents to revise the pension from Rs.5115/- to Rs.7710/- w.e.f. 01.01.2006 as per letter dated 08.07.2010.

2. Learned counsel for the petitioner submits that during the pendency of the case, the payment has been released, however, no interest has been paid. The petitioner retired from service on 31.01.2006 and was granted the pensionary benefits in the pre-revised scale, while the 5th Pay Commission report was made applicable w.e.f. 01.01.2006 and as stated in the reply filed by respondent Nos.1 to 3 by way of affidavit of general Manager, Punjab Roadways, that it was sanctioned by the Accountant General on 08.07.2010, therefore, it is the negligence on the part of the Chief Manger, State Bank of India to have not released the revised pension at the basic pay of Rs.7710/- per month.

3. Learned counsel for respondent No.4-Bank states that it was merely a disbursing agency and the department ought to have issued the revised pension pay order under the signatures of the competent authority,



thus, is required to pay any interest.

4. Be that as it may, the fact still remains that a pensioner has not been given the revised scale for which he was constrained to knock the doors of this Court and it is only during the pendency of the case that the amount was released is entitled to interest for the delayed release thereof, there being no justification much less plausible having come forth either in the reply of respondent-State or during the course of arguments.

5. Hon'ble the Supreme Court in **State of Kerala vs. M. Padmanabhan Nair**, (1985) 1 SCC 429 held that, "Pension and gratuity are no longer any bounty to be distributed by the Government to its employees on their retirement but have become, under the decisions of this Court, valuable rights and property in their hands and any culpable delay in settlement and disbursement thereof must be visited with the penalty of payment of interest at the current market rate till actual payment."

6. Full Bench of this Court in **A.S. Randhawa vs. State of Punjab and others**, 1997(3) SCT 468 held that an employee would be entitled to be compensated by granting interest by the State on account of delayed disbursal of retiral benefits. In **Vijay L. Mehrotra vs. State of UP**, 2001 (9) SCC 687, it was ruled that in case there is no justification or reason for delayed payment of retiral benefits, interest would be liable to be paid, while this Court in **J.S. Cheema vs. State of Haryana**, 2014(13) RCR (Civil) 355, observed that, the interest has to be given to an employee where an amount belonging to him, was retained and utilized by the respondents, has been released on a later date.

7. The delay in releasing the pensionary benefits, a treasured right, entitles the petitioner to interest thereon, having been deprived of the amount



with which, the respondents unjustly enriched themselves, which is by way of compensation and not penalty.

8. In view of the above, the present petition stands disposed of by directing the respondent-Department to pay the interest to the petitioner at the rate of 6% per annum from the date the amount released fell due till realization and is at liberty to settle the same with the Bank, if required. Needful be done within a period of three months.

(AMAN CHAUDHARY)
JUDGE

19.02.2025
Hemant

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