



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

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CWP-26664-2021

Date of decision: 29.01.2025

Manju Bala

...Petitioner

Versus

State of Punjab and others

...Respondents

CORAM: HON'BLE MR. JUSTICE AMAN CHAUDHARY

Present: Mr. Rajinder Sharma, Advocate for the petitioner.

Mr. Manipal Singh Atwal, DAG, Punjab.

(through hybrid mode)

AMAN CHAUDHARY, J. (Oral)

1. Prayer made in the present petition is for setting aside the order dated 29.11.2021, Annexure P-6 and directing to grant interest on delayed release of retiral benefits @ 12% interest.

2. The petitioner is stated to have retired on 30.09.2020 from the post of JBT Teacher. Reference is made to para 5 of the petition, wherein it has been stated that pension case of one Amarjit Kaur was forwarded on 11.08.2020 and cleared on 29.09.2020, who retired on 30.09.2020 whereas that of the petitioner was forwarded on 02.07.2020 and cleared on 03.02.2021, likewise that of Kuldeep Kaur, Headmistress with regard to leave encashment, the same was released immediately after retirement but to the petitioner after 5 months, which facts have not been denied in para 5 of the corresponding reply filed by way of affidavit of District Education Officer (Elementary Education) dated 02.05.2022, wherein it has been stated that it was the Accountant General Office, who sanctioned it only on 10.02.2021 and it was procedural delay.

3. 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.”

4. 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 disbursement 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.

5. There being no plausible justification having come forth for 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, the present petition is disposed of directing the respondents to pay the interest to the petitioner at the rate of 6% per annum on the retiral benefits from the date it was due till realisation. Needful be done within a period of three months.

(AMAN CHAUDHARY)
JUDGE

29.01.2025

Hemant

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