



CWP-9219-2018

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

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CWP-9219-2018 (O & M)
Date of decision: 20.01.2025

Ved Parkash Taneja

...Petitioner

Versus

State of Punjab and Others

...Respondents

CORAM: HON'BLE MR. JUSTICE AMAN CHAUDHARY

Present : Mr. Harbans Lal Sharma, Advocate,
for the petitioner.

Mr. Sehajbir Singh Aulakh, AAG, Punjab.

AMAN CHAUDHARY, J. (ORAL)

1. Prayer made in the present petition is for directing the respondents to pay interest to the petitioner which accrued on account of delayed payment of retiral benefits.
2. The petitioner retired from service on 31.08.2016, however, gratuity amounting to Rs.10 lakh was paid on 16.06.2017, leave encashment amounting to Rs.7,82,350/- on 16.05.2017, GPF amounting to Rs.15,77,145/- on 24.04.2017 and GIS amounting to Rs.55,790/-.
3. Stand taken in the written statement is that the petitioner was asked to submit his pension case on 31.03.2016, which he submitted on 08.02.2017, however, there is no evidence with regard to the same, which fact has rather been controverted by filing replication. Further, there was not even any requirement for him having to do the same and as per Rule



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9.2 of Punjab Civil Service Rules, Volume II, his pension papers were to be completed by the Department itself within one year prior to the retirement.

4. Hon'ble the Supreme Court in **State of Kerala vs. M. Padmanabhan Nair**¹, 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."

5. Full Bench of this Court in **A.S. Randhawa vs. State of Punjab and others**², 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**³, 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**⁴, 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.

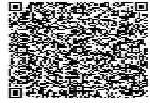
6. The delay in releasing the pensionary benefits, a treasured right, entitles the petitioner to interest thereon, having been deprived of

¹ (1985) 1 SCC 429.

² 1997(3) SCT 468.

³ 2001 (9) SCC 687.

⁴ 2014(13) RCR (Civil) 355.



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

7. In view of the above, the present petition stands disposed of by directing respondent No.1 to pay the interest to the petitioner at the rate of 6% per annum as released to him from the date, the retiral benefits fell due till were released. Needful be done within a period of two months.

20.01.2025

parveen kumar

(AMAN CHAUDHARY)
JUDGE

Whether speaking/reasoned : Yes / No

Whether reportable : Yes / No