



CWP-23063-2021 :1:

IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

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CWP-23063-2021 (O&M)
Date of decision : 19.11.2025

BALWINDER KAUR

..... Petitioner

VERSUS

STATE OF PUNJAB AND OTHERS

..... Respondents

CORAM : HON'BLE MR. JUSTICE DEEPINDER SINGH NALWA

Present :- Mr. Sahil Nain, Advocate with
Mr. Sandeep Kumar, Advocate
for the petitioner.

Mr. N. P. S. Hira, DAG, Punjab.

Deepinder Singh Nalwa, J. (Oral)

1. In the present writ petition, the petitioner has challenged the order dated 23.09.2021 (Annexure P-17) whereby, the claim of the petitioner for grant of interest on delayed payments of retiral benefits has been rejected.

2. Brief facts of the case are that the petitioner was appointed as a JBT Teacher in the respondent-department on 06.06.1979. Thereafter, she was promoted on the post of B.P.O. and retired on attaining the age of superannuation on 30.04.2020. It transpires that the petitioner is a person with disability. As per the instructions of the Department, a person with disability has the right to continue in service till the age of 60 years. One person, namely Sachin Sharma filed a complaint against the petitioner



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alleging that the petitioner did not possess a genuine disability certificate. In view of the above said complaint, an inquiry was conducted regarding the disability certificate. However, nothing was found against the petitioner in the inquiry and the complaint filed by Sachin Sharma was closed.

3. Respondent No.4 vide letter dated 19.04.2021 (Annexure P-12) requested the District Treasury Officer to release the retiral benefits of the petitioner, stating that the Accountant General, Punjab has approved the pension of the petitioner vide letter dated 15.06.2020 and complaint against the petitioner has been closed. Despite the closure of the complaint, the retiral benefits were not released to the petitioner.

4. However, later on the retiral benefits were released to the petitioner, the relevant chart showing the dates of release of retiral benefits are reproduced below:-

S.N.	HEAD	AMOUNT	DATE OF RECEIPT
1.	Gratuity	Rs.10,00,000/-	19.07.2021
2.	Commutation of Pension	Rs.5, 06,488/-	19.07.2021
3.	Amount of due pension from the date of retirement	Rs.5,82,840/-	19.07.2021
4.	Leave encashment	Rs.7,52,406/-	28.09.2020
5.	GPF	Rs.29,90,473/-	14.05.2020

5. A perusal of the above chart reproduced would show that retiral benefits i.e. gratuity, commutation of pension and arrears of pension were released to the petitioner after almost 01 year and 03 months after her retirement. Consequently, the petitioner submitted a representation dated

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18.08.2021 (Annexure P-13) seeking interest @ 22% per annum on delayed payment of retiral benefits, but all went in vain. As a consequence of this, the petitioner has filed a civil writ petition in this Court being CWP No.17739 of 2021. The above said writ petition was disposed of vide order dated 09.09.2021 (Annexure P-16) with a direction to the respondents therein to decide the representation dated 18.08.2021 by passing a speaking order within a period of one month and in case, the petitioner was found entitled, the same be released without the delay.

6. In compliance with the above said order dated 09.09.2021 (Annexure P-16), the respondents passed an order dated 23.09.2021 (Annexure P-17) whereby, the request made by the petitioner for grant of interest on account of delayed payment of retiral benefits has been declined. Aggrieved against the above said order dated 23.09.2021 (Annexure P-17), the petitioner has filed the present writ petition.

7. The only contention raised by learned counsel appearing on behalf of the petitioner is that some retiral benefits i.e. gratuity, commutation of pension and arrears of pension were not released to the petitioner within a reasonable time from the date of retirement due to a complaint filed by one Sachin Sharma regarding the disability certificate of the petitioner. In the inquiry nothing was found against the petitioner and the above said complaint was closed. It is the case of the petitioner that there was no fault on the part of the petitioner in regard to delay in release of the retiral benefits, as such, the petitioner is entitled for interest on account of delayed payments.

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8. Learned counsel appearing on behalf of the respondents-State submits that in fact the delay in release of some of the retiral benefits to the petitioner was on account of a complaint filed against the petitioner in regard to her disability certificate. In pursuance to the above said complaint, inquiry was held and after inquiry was concluded, it was found that there was nothing against the petitioner and the complaint was closed. Thereafter, the necessary retiral benefits were released to the petitioner. As such, the petitioner is not entitled for grant of interest on alleged ground of delay in release of retiral benefits to the petitioner.

9. After hearing learned counsel for the parties at some length, a perusal of the facts of the case would show that the reason for delay in releasing some of the retiral benefits to the petitioner i.e. gratuity, commutation of pension and arrears of pension was on the ground that the complaint was filed in regard to the disability certificate of the petitioner. An inquiry was held and in the inquiry nothing was found against the petitioner and a complaint was closed. A perusal of the above said facts would show that in fact there was no fault on the part of the petitioner and the complaint filed against the petitioner was closed. It is well settled law that retiral benefits are not a bounty, it is a right of an employee.

10. Reliance has been placed upon the judgment passed by Co-ordinate Bench of this Court in CWP No.19759 of 2023 titled as Parveen Kumar Vs. State of Punjab and others, decided on 15.03.2024, wherein the Court had directed the respondents to pay interest on the delayed payment of



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retiral dues. The relevant extract from the aforesaid judgment in Parveen Kumar's case (supra), is reproduced herein below:-

“9. Since either before or after the retirement of the petitioner, no departmental proceedings were pending against him, therefore, the retiral benefits of the petitioner were required to be released within a reasonable time after his premature retirement and since there is a delay of more than 01 year and 08 months in releasing the same, therefore, the petitioner cannot be denied the benefit of interest on the delayed payment of retiral dues.

*10. A Full Bench of this Court in **A.S. Randhawa Vs. State of Punjab and others : 1997(3) S.C.T. 468** has held that where there is an inordinate delay in releasing benefits and the delay is not justifiable, employee will be entitled for interest. 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 retiree 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 from 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.”*

11. 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

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an employee will be entitled for the interest on an amount which has been retained by the respondents without any valid justification. The relevant paragraph of the said judgment 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. In view of the above factual position and settled principles of law, the present petition is disposed of with a direction to the respondents to pay interest @ 6% per annum to the petitioner, on the delayed payment of retiral dues w.e.f. 01.09.2022 (after two months of his retirement) till the actual date of payment, within a period of 03 months from the date of receipt of certified copy of this order.”

12. Taking into consideration the facts of the case and the above-referred judgment, as there was no fault on the part of the petitioner for delay in respect of release of his retiral benefits, the petitioner is held entitled for grant of interest on delayed payment of retiral benefits i.e. gratuity, commutation of pension and arrears of pension.

13. As regards leave encashment and GPF is concerned, a perusal of the chart reproduced above would show that the above said benefits were released to the petitioner within a reasonable time, as such, the petitioner will not be entitled for any interest on the above said amount.



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14. In view of above, the petitioner is held entitled for grant of 6% interest per annum on delayed payment of gratuity, commutation of pension, and arrears of pension w.e.f. two months after the date of retirement till the actual realization of above said amount of retiral benefits.
15. The writ petition is allowed in above said terms.
16. Pending application(s), if any, shall also stand(s) disposed of accordingly.

(DEEPINDER SINGH NALWA)
JUDGE

19.11.2025
Rimpal

Whether speaking/reasoned	Yes/No
Whether Reportable :	Yes/No