



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

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CWP-24116-2022

Date of decision: 25.02.2025

Neeraj Bala

...Petitioner

Versus

State of Punjab and others

...Respondents

CORAM: HON'BLE MR. JUSTICE AMAN CHAUDHARY

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

Mr. Swapan Shorey, DAG, Punjab.

AMAN CHAUDHARY, J. (Oral)

1. Prayer made in the present petition is for directing the respondents to release the GIS amount, which has not been paid alongwith interest on delayed payment of GPF, gratuity, arrears of pension etc..

2. The petitioner, who was working as Staff Nurse in the Rajindra Medical College and Hospital, Patiala since 13.02.1990, had applied for deputation pursuant to application sought and thereafter joined BBMB Hospital, Nangal on 31.08.2012, wherefrom she retired on 31.12.2021 on attaining the age of superannuation. The gratuity was released on 01.09.2022, GPF on 30.08.2022, GIS on 15.12.2022, regular basic pension on 01.09.2022 and leave encashment on 11.02.2022. Learned counsel submits that the approval by the Accountant General was granted on 07.04.2022, however, still the amount was received after a delay of almost 5 months and from the above date petitioner is entitled to interest.

3. Learned State counsel, on the other hand, refers to preliminary submission No.3 of the reply by way of affidavit of Director Health and Family Welfare, Punjab dated 14.07.2023, wherein it has been stated that the pension case of the petitioner alongwith service book was received in the



office of respondent No.2 on 11.10.2021, but her service book was not fully verified/completed, therefore, it was sent back to BBMB, Nangal. In the meantime, the pay of the petitioner was revised according to 6th Pay Commission Notification dated July, 2021. It is after the receipt of service book and upon verification on 29.03.2022, that his pay was revised w.e.f. 01.01.2016 and sent to respondent No.3-Accountant General, Punjab, for approval on 07.04.2022. Thereafter, the sanction of final payment of GPF amount was issued on 09.05.2022, which was released by BBMB on 30.08.2022, after the new DDO powers of BBMB were issued in the month of July 2022.

4. 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."

5. 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.



6. The procedural formalities being pressed into service as a reason for delay in releasing the retiral benefits in facts and circumstances of this case cannot be said to be a plausible justification. The pensionary benefits, a treasured right, thus, entitles the petitioner to interest thereon, which is by way of compensation and not penalty, having been deprived of the amount with which, the respondents unjustly enriched themselves.

7. 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 07.04.2022 onwards and liberty is granted to respondent No.1 to settle the same with the BBMB and Accountant General, Punjab. Needful be done within a period of four months.

(AMAN CHAUDHARY)
JUDGE

25.02.2025
Hemant

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