IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

221

CWP-25710-2022
Date of decision : 19.11.2025

Chand Rani .....Petitioner

V/S

State of Punjab and others ....Respondents

CORAM : HON'BLE MR. JUSTICE NAMIT KUMAR

Present: Mr. Surinder Garg, Advocate for the petitioner.

Mr. Swapan Shorey, D.A.G., Punjab

****

NAMIT KUMAR, J. (ORAL)

1. The petitioner has filed the instant writ petition under Article 226/227 of the Constitution of India, seeking a writ of mandamus, directing the respondents to release the statutory interest from 01.04.2012 to 12.03.2013 on the delayed payment of GPF amount of Rs.7,42,116/- as the petitioner retired on 31.03.2012, whereas the amount of GPF was paid to her on 12.03.2013.

2. Brief facts of the case, as have been pleaded in the petition, are that the petitioner was working as Chief Pharmacist and she retired as such on 31.03.2012 from the office of respondent No.3. However, her GPF amounting to Rs.7,42,116/- was released to her on 12.03.2013 i.e. after about one year of her retirement without any interest. The petitioner had submitted various representations i.e. on 16.12.2013, 26.02.2014, 12.04.2021 to the respondents for releasing the interest on the delayed payment of GPF amount but to no avail. Thereafter, the

petitioner served a legal notice dated 26.02.2022 to respondents No.2 & 3 with a request to release the interest on the delayed payment of GPF amount. The petitioner received the reply of the said legal notice from the office of respondent No.3, vide memo dated 06.06.2022, stating therein that the claim of the petitioner is hit by the principal of delay and latches and the petitioner has received the amount without any protest. Hence, the instant petition.

3. Learned counsel for the petitioner submits that the petitioner retired from service on 31.03.2012 and GPF amount of Rs.7,42,116/- was released to her on 12.03.2013 i.e. after a delay of about one year. Since the said GPF amount was released after a considerable delay, therefore, the petitioner is entitled for interest on the same.

4. Per contra, learned State counsel, while referring to the averments made in the reply filed on behalf of the respondents, has vehemently opposes the prayer made by learned counsel for the petitioner. He submits that the petitioner had applied for final payment of GPF on 16.01.2012 in the office of respondent No.3 and thereafter, the office of respondent No.3 had forwarded the case to the office of respondent No.2, vide letter dated 15.02.2012, which was received on 05.03.2012. However, there were certain discrepancies in the records, therefore, the office of respondent No.2 sent back the case to respondent No.3 on 08.05.2012. After clearing the objections raised by the office of respondent No.2, the case was again sent by Respondent No.3 to the office of respondent No.2, vide letter dated 05.10.2012 and thereafter,

sanction had been issued by the office of respondent No.2, vide order dated 29.11.2012. As per rules the employee has to apply for pensionary benefits with complete documentation before 6 months from the date of retirement. As mentioned above, the petitioner applied for the payment of GPF on 16.01.2012 i.e. just before 2 months from the date of her retirement. Therefore, the petitioner herself applied for the GPF payment very late and hence, there is no delay on the part of the respondents-department.

5. I have heard learned counsel for the parties and have gone through the relevant documents.

6. Admittedly, the petitioner retired from service, on attaining the age of superannuation, on 31.03.2012 and no departmental/criminal proceedings were pending against the petitioner before or after her retirement, therefore, she is entitled for the release of her retiral benefits immediately. However, the GPF amount of Rs.7,42,116/- was released to the petitioner on 12.03.2013 i.e. after a delay of about one year from her retirement. Since there is a considerable delay in releasing the GPF amount to the petitioner, therefore, she cannot be denied the benefit of interest on the same as per settled principles of law.

7. 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."

8. Apart from this, in ***J.S. Cheema Vs. State of Haryana : 2014(13) RCR (Civil) 355***, this Court had held that 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."

9. In view of the above factual position and settled principles of law, the present petition is allowed and the respondent-department is

directed to pay statutory interest applicable on GPF to the petitioner, on the delayed payment of GPF amount of Rs.7,42,116/-, w.e.f. 01.04.2012 till the actual date of payment, within a period of 02 months from the date of receipt of certified copy of this order.

19.11.2025 **(NAMIT KUMAR)**
kothiyal **JUDGE**

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