



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

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CWP-6444-2023

Date of decision : 01.04.2026

Balbir Singh

.....Petitioner

V/S

State of Punjab and others

....Respondents

CORAM : HON'BLE MR. JUSTICE NAMIT KUMAR

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

Mr. Surya Kumar, A.A.G., Punjab.

NAMIT KUMAR, J. (ORAL)

1. The petitioner has filed the instant writ petition under Articles 226/227 of the Constitution of India, seeking issuance of a writ of certiorari for quashing the order dated 02.01.2023 (Annexure P-5), vide which the interest on the delayed payment of GPF amount has been declined. Further, seeking issuance of a writ of mandamus directing the respondents to pay interest @18% per annum on the delayed payment of retiral benefits.

2. Reply by way of an affidavit of respondent No.3-Mr. Ishan, Block Development and Panchayat Officer, Anandpur Sahib, District Rupnagar, on behalf of respondents No.1 to 3 has been filed, wherein it has been stated as under :-

“xx xx xx xx xx

7. *That further it has been held, that the retiral benefits which include pension, gratuity, leave encashment and G.I.S. had been already paid to the petitioner. However, the amount of Gross Provident Fund could not be granted to*



the petitioner earlier on the ground that he had not submitted certain mandatory forms/documents which are included as Form No. PF-X. It may be mentioned here in that it is the responsibility of the subscriber to apply for final payment for withdrawing GPF by submitting Form No. PF-X which he has subsequently submitted on 27.09.2022 after his retirement on 31.10.2018. Then after the receipt of the above said forms and other documents, the sum of Rs. 14,29,001/- as G.P.F amount has been deposited into the bank account of the petitioner vide voucher no. 1 dated 13.01.2023. As such, there is no delay on the part of the answering respondents and the alleged interest on delayed payments as demanded by the petitioner in the present writ petition is not payable.”

3. Learned counsel for the petitioner submits that the petitioner retired from service, on attaining the age of superannuation, on 31.10.2018, as Social Education and Panchayat Officer (SEPO). However, the retiral dues of the petitioner have been released in the following manner :-

Sr. No.	Particulars	Amount (in Rs.)	Date
1.	Gratuity	7,59,709/-	20.11.2019
2.	Leave Encashment	4,67,890/-	17.05.2021
3.	G.P.F.	14,29,001/-	13.01.2023

He further submits that since there is a considerable delay in releasing the retiral dues, therefore, the petitioner is entitled for interest on the delayed payment of said amounts.

4. Per contra, learned State counsel, while referring to the averments made in the reply filed on behalf of respondents No.1, 2 & 3, submits that the G.P.F. amount could not be released to the petitioner as he had not submitted certain mandatory forms/documents including Form No.PF-X and it is the responsibility of the subscriber to apply for

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final payment for withdrawing G.P.F. by submitting Form No.PF-X which the petitioner has submitted on 27.09.2022 after his retirement on 31.10.2018 and on receipt of the said form, a sum of Rs.14,29,001/- as G.P.F. amount has been deposited in the bank account of the petitioner vide voucher No.1 dated 13.01.2023. Therefore, the delay in releasing the G.P.F. amount to the petitioner cannot be attributed to the respondents, and as such, the petitioner is not entitled for any interest.

5. No replication has been filed by the petitioner controverting the assertions made in the reply filed on behalf of respondents No.1 to 3.

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

7. Admittedly, the petitioner retired from service, on attaining the age of superannuation, on 31.10.2018 and the stand taken by the respondents in their reply is that since the petitioner had not submitted certain mandatory forms/documents including Form No.PF-X with the department in time and had submitted the same on 27.09.2022 after his retirement, his G.P.F. amount could not be released in time. However, no explanation has been given in the reply with regard to delay in releasing the other retiral benefits such as Gratuity and Leave Encashment. In view of the considerable delay in releasing the retiral benefits, the petitioner cannot be denied the benefit of interest on the delayed payment of the said benefit.

8. A Full Bench of this Court in *A.S. Randhawa Vs. State of Punjab : 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 the said judgment is as under:-

“8. 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. xx xx xx xx”

9. Apart from this, in **J.S. Cheema Vs. State of Haryana and others : 2014(13) RCR (Civil) 355**, this Court has 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: -

“5. xx xx xx xx 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 laying 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.”

10. In view of the above factual position and settled principles of law, the present petition is partly allowed with a direction to the



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respondents to pay interest @ 6% per annum on the delayed payment of G.P.F. amount w.e.f. 28.11.2022 (i.e. after two months from the date of submission of Form No.PF-X by the petitioner) and on the delayed payment of Gratuity and Leave Encashment amounts w.e.f. 01.01.2019 (i.e. after two months from the date of retirement of the petitioner) till the actual date of payments, within a period of 02 months from the date of receipt of certified copy of this order.

01.04.2026

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(NAMIT KUMAR)
JUDGE

Whether speaking/reasoned:
Whether Reportable:

Yes/No
Yes/No