



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

225

CWP-7992-2022

Date of decision: 11.02.2026

Manraj Singh Sooch

.....Petitioner

Versus

State of Punjab and others

.....Respondents

CORAM: HON'BLE MR. JUSTICE NAMIT KUMAR

Present : Ms. Navreet Dhaliwal, Advocate
for the petitioner.

Mr. Surya Kumar, AAG, Punjab.

NAMIT KUMAR, J. (ORAL)

1. The instant petition has been filed by the petitioner under Articles 226/227 of the Constitution of India, seeking a writ of certiorari for quashing the order dated 24.03.2022 (Annexure P-22), whereby respondent No.1 has denied the claim of the petitioner for interest on the delayed payment of retiral benefits.

2. Briefly stated, the facts of the case are that the petitioner joined as Medical Officer in the Punjab Civil Medical Service Class-II, on a temporary basis, vide appointment letter dated 24.01.1985 (Annexure P-1) and he joined as such on 01.07.1985. He was further promoted to the post of Senior Medical Officer, vide order dated 05.10.2012. The petitioner was due to retire on 31.03.2016 upon attaining the age of superannuation of 58 years; however, he opted for extension of service for the period from 01.04.2016 to 31.03.2017 as per instructions of the Government dated 09.10.2012 and 31.10.2015.

Accordingly, the said extension was granted, vide order dated 08.04.2016 with endorsement dated 18.04.2016 (Annexure P-5). Thereafter, the petitioner applied for voluntary retirement during the extension period, vide his application dated 07.10.2016 and the same was accepted, vide order dated 04.01.2017 with effect from 07.10.2016 (Annexure P-7). As the pensionary benefits of the petitioner were not released, he served a legal notice dated 14.05.2018 (Annexure P-9) through his counsel, followed by further legal notices dated 01.12.2018 and 14.01.2019 (Annexures P-12 and P-14). Subsequently, the retiral dues of the petitioner were released between 23.03.2018 and 16.11.2018; however, no interest was paid on the delayed payments. Aggrieved thereby, the petitioner filed CWP No.5614 of 2019, which came up for hearing before this Court on 17.11.2021 and the same was disposed of with a direction to the respondents to consider the legal notice dated 14.01.2019, by passing a speaking order, preferably within a period of one month from the date of receipt of certified copy of that order. In compliance thereof, the claim of the petitioner for grant of interest has been rejected by the respondents, vide order dated 24.03.2022 (Annexure P-22), which has been impugned in the present petition.

3. Separate written statements on behalf of respondents No.1 to 4, respondent No.5 and respondent No.6 have been filed. In the written statement filed by way of an affidavit of Dr. Ranjit Singh, Director, Health & Family Welfare Punjab, Chandigarh, on behalf of respondents No.1 to 4, it has been stated as under:-

“3. That on the option/request given by the petitioner for grant of extension in service beyond the date of

retirement as per policy of the State Govt., he was granted extension in service for one year w.e.f. 01.04.2016 to 31.03.2017 in accordance with the policy of the State Govt. (Annexure P-5). While allowing extension beyond the date of superannuation, apart from other conditions it was specifically mentioned in the aforesaid extension order that the pensionary benefits would be paid to the petitioner only after the completion of the period of his extension granted to him. However, later on petitioner turned his mind and requested for his retirement/cancellation of the period of extension after his superannuation from the State Govt. w.e.f. 07.10.2016 (after noon) as he did not want to continue in service beyond 07.10.2016.”

4. Along with the said written statement details with regard to release of pensionary benefits of the petitioner have been given in Annexure R-1, which reads thus:-

Sr. No .	The Nature of pensionary payment	When applicant submitted for withdrawal	Date of Sanction	Bill sent to Treasury Officer	Amount	Payment made by treasury	Remarks
1.	Pension Case	27.07.2017	27.09.2017				Payment made by treasury
2.	D.C.R.G.	27.07.2017	27.09.2017	08.11.2017	10,00,000/-	23.03.2018	
3.	Leave Encashment		11.12.2017 Revised sanction 06.07.2018	24.01.2018 Re-submit 17.05.2018 13.07.2018	18,61,500/-	16.11.2018	
4.	G.P. Fund	01.06.2018	14.08.2018	24.08.2018	23,36,666/-	16.11.2018	
5.	Group Insurance Scheme Benefits	01.06.2018	02.09.2018	05.09.2018	1,13,464/-	12.09.2018	

5. With regard to pension, it has been stated in the reply filed by way of a short affidavit of Ashok Kumar, District Treasury Officer, SAS Nagar, Mohali, respondent No.6, that the pension and commutation has been paid to the petitioner on 27.03.2018.

6. Learned counsel for the petitioner submits that the petitioner was due to retire from service on attaining the age of superannuation on 31.03.2016 and was granted extension of service

from 01.04.2016 to 31.03.2017. However, the petitioner applied for voluntary retirement on 07.10.2016, which request was accepted by the respondents, vide order dated 04.01.2017, permitting the petitioner to retire with effect from 07.10.2016. However, the pensionary benefits of the petitioner have been released after a considerable delay, therefore, in view of the law laid down by a Full Bench of this Court in ***A.S. Randhawa Vs. State of Punjab : 1997(3) S.C.T. 468*** and ***J.S. Cheema Vs. State of Haryana and others : 2014(13) RCR (Civil) 355***, the petitioner is entitled for grant of interest on the delayed payments of pensionary benefits.

7. *Per contra*, learned State counsel has opposed the claim of the petitioner for grant of interest and submitted that the petitioner himself is responsible for the delay in the release of retiral dues, as on his own request, he was granted extension in service from 01.04.2016 to 31.03.2017 and lateron he applied for retirement on 07.10.2016 which was accepted, vide order dated 04.01.2017, with effect from 07.10.2016 and, therefore, he is not entitled for the interest on the delayed payment(s) of pensionary benefits.

8. I have heard learned counsel for the parties and perused the record.

9. The facts are not in dispute that the request of the petitioner for retirement dated 07.10.2016 was accepted by the respondents, vide order dated 04.01.2017 with effect from 07.10.2016. It was, therefore, expected from the respondents to release the pensionary benefits of the petitioner within a reasonable period. However, the same were released after a delay ranging from 16 to 25

months, as is evident from the chart reproduced hereinabove. Consequently, the petitioner cannot be denied the benefit of interest on the delayed payments of his retiral dues, as the delay is clearly attributable to the respondents and not to any act or omission on the part of the petitioner. It is well settled proposition of law that pension and other retiral benefits are not a matter of grace or bounty, but constitute a vested and enforceable right accruing to an employee upon retirement, governed by statutory rules. The timely release of such benefits is a legal obligation of an employer, and any delay therein, unless justified by cogent and lawful reasons attributable to the employer, is impermissible.

10. The Full Bench of this Court in *A.S. Randhawa's case (supra)* 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”

11. Apart from this, in *J.S. Cheema's case (supra)*, 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: -

“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.”

12. The State, being a model employer, is expected to act fairly, reasonably and expeditiously in settling retiral claims. Any unexplained delay not only causes financial hardship to the retiree, who is dependent upon such dues for post-retiral sustenance, but also amounts to arbitrary deprivation of property, offending the mandate of Articles 14, 21 and 300-A of the Constitution of India. Therefore, denial of interest in cases of unjustified delay would amount to allowing the State to take advantage of its own lapse, which is impermissible in law.

13. Keeping in view the above, the petitioner is held entitled for the grant of interest on his retiral dues at the rate of 7% per annum from 04.04.2017 (after 03 months of acceptance of his retirement application) till the actual date of payment(s). The necessary benefits shall be calculated and be released to him within a period of two months from the date of receipt of certified copy of this order.

14. Disposed of in the above terms.

11.02.2026

Vinay

(NAMIT KUMAR)
JUDGE

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