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

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**CWP-12335-2024
Date of decision: 06.04.2026**

Surinder Kaur Randhawa .....Petitioner

Versus

State of Punjab and another .....Respondents

CORAM: HON'BLE MR. JUSTICE NAMIT KUMAR

Present : Mr. Vikas Chatrath, Sr. Advocate with
Mr. Anirudh Malhani, Advocate,
Mr. Abhishek Sharma, Advocate and
Mr. B.P.S. Thakur, Advocate for the petitioner.

Mr. Swapan Shorey, DAG, Punjab.

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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 mandamus for directing the respondents to release interest on the delayed release of gratuity amount to the petitioner.

2. The undisputed facts of the case are that the petitioner retired from the service on attaining the age of superannuation on 31.03.2006, however, her gratuity was withheld by the respondents and recovery of Rs.4,03,882/- was ordered against the petitioner on account of excess payment made to her in the shape of additional increments of higher qualification. The said action of recovering a sum of Rs.4,03,882/- was challenged by the petitioner in CWP No.6830 of 2005, which was disposed of by this Court, vide order dated 30.03.2012 in terms of a judgment of a Division Bench of this Court rendered in

Beant Singh v. State of Punjab : 2010 (25) SCT 715, wherein it was held that no recovery could be made from the petitioners as there was no misrepresentation on their part and the said writ petition was allowed to the aforesaid extent leaving the official respondents to re-fix the pay of the petitioners without effecting any recovery.

3. The grievance of the petitioner is that although the payment of gratuity of Rs.2,74,050/- has been released to the petitioner on 11.07.2023, however, no interest has been paid on the said delayed payment.

4. In the written statement filed on behalf of respondents No.1 and 2 by way of short affidavit of Jatinder Kumar Bansal, Assistant Director (Establishment-2) Office of Directorate of School Education (Elementary), it has been stated as under:-

> *"4. That at the time of retirement of the petitioner i.e. 31.03.2006, the gratuity of the petitioner was withheld as per the direction of Accountant General, Punjab by the concerned Drawing and Disbursing Officer. This amount of gratuity Rs.2,74,050/- was required to be paid to the petitioner atleast after finality was attained in of her CWP No. 6830 of 2005 tilted as Gurnam Singh and others Versus State of Punjab wherein the petitioner was at Sr. No. 281. However, the concerned Drawing and Disbursing Officer failed to make this payment on 30.03.2012 (Date of Judgment of CWP No. 6830 of 2005).*
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> *5. That the department sought detailed information regarding this delayed payment from the office of District Education Officer (Elementary Education) Jalandhar vide letter dated 05.09.2025. The office of District Education Officer (Elementary Education) Jalandhar vide their letter dated 09.09.2025 informed that the concerned officers/officials did not show their seriousness for the payment of Death Cum Retiring Gratuity of the petitioner during the year of 2012.*
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> *6. That as per the information provided by District Education Officer (Elementary Education) Jalandhar, there is delay on the part of some officials of concerned Block Primary Education Officer, who was Drawing and*

Disbursing Officer. Therefore, the department has already directed the District Education Officer (Elementary Education) Jalandhar to conduct preliminary enquiry regarding this delayed payment to the petitioner in a time bound manner. A copy of this letter is annexed herewith as Annexure R-2.

7. That after receiving the report of preliminary enquiry, the department will take appropriate steps for payment of delayed payment to the petitioner. It is further submitted that the Death Cum Retiral Benefits has already been paid to the petitioner on 11.07.2023. The decision regarding interest on delayed payment will be taken up after preliminary enquiry. If the claim of the petitioner for payment of interest on delayed payment is found legally sustainable, then such payment will be made to the petitioner after adopting due procedure."

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

6. In nutshell, it has been stated by the respondent-State that the delay is on the part of some officials of the concerned Block Primary Education Officer, who was Drawing and Disbursing Officer.

7. 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 retirer 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"*

8. Apart from this, in ***J.S. Cheema Vs. State of Haryana and others : 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: -

> *"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."*

9. 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.

10. Keeping in view the aforesaid facts and circumstances, the petitioner is held entitled to the grant of interest on the delayed payment of gratuity amount at the rate of 7% per annum with effect from 01.06.2012 till 11.07.2023 (i.e. upon expiry of two months from the

date of disposal of CWP No.6830 of 2005 by this Court, vide order dated 30.03.2012) till the actual date of payment. The necessary benefits shall be calculated and be released to the petitioner within a period of two months from the date of receipt of certified copy of this order.

11. Disposed of in the above-said terms.

06.04.2026 **(NAMIT KUMAR)**
Vinay **JUDGE**

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