



IN THE HIGH COURT OF PUNJAB & HARYANA
AT CHANDIGARH

108+253

CWP-19009-2025 (O&M)
Date of decision: 29.04.2026

Dr. Des Raj Mal

.....Petitioner

Versus

State of Punjab and others

.....Respondents

CORAM: HON'BLE MR. JUSTICE NAMIT KUMAR

Present : Mr. Ranjit S. Bajaj, Advocate
for the petitioner.

Mr. Swapan Shorey, DAG, Punjab.

NAMIT KUMAR, J. (ORAL)

CM-6576-CWP-2026

The present application has been filed by the respondent-State for placing on record short reply by way of affidavit of Dr. Sanjiv Bhagat, Civil Surgeon, Kapurthala, Punjab, on behalf of respondents No.1 to 3.

Allowed as prayed for.

CWP-19009-2025

1. The instant petition has been filed by the petitioner under Articles 226/227 of the Constitution of India, seeking issuance of a writ of mandamus, directing the respondents to release interest @ 12% per annum on the delayed payments of all his retiral dues.
2. Briefly stated, the facts of the case, as pleaded in the petition, are that the petitioner was appointed as Medical Officer on regular basis on 24.01.1997 and thereafter he was promoted as Senior

Medical Officer in January, 2021 and he retired as such on attaining the age of superannuation on 28.04.2023. While the petitioner was in service, he was implicated in FIR No.8 dated 30.08.2014 registered at Police Station Vigilance Bureau, Jalandhar, under Sections 7, 13(2) of the Prevention of Corruption Act, 1988, wherein the petitioner has been acquitted, vide judgment dated 30.09.2019, passed by the Special Judge, Kapurthala.

3. Learned counsel for the petitioner submits that at the time of the retirement, no disciplinary proceedings were pending against the petitioner, however, his retiral dues were withheld by the respondents and the same were released after a considerable delay in the following manner:-

Sr. No.	Particulars	Amount	Date of release	Delay
1.	GPF	Rs.40,43,807	23.09.2023	5 months
2.	Leave Encashment	Rs.28,15,610	25.06.2024	1 year 2 months
3.	GIS	Rs.85,248	17.12.2024	1 year 7 months
4.	Gratuity	Rs.20,00,000	01.07.2025	2 years 2 months
5.	Pension	Rs.1,13,869	01.07.2025	2 years 2 months

4. Learned counsel for the petitioner further submits that since there is a considerable delay in releasing the said benefits, therefore, the petitioner is entitled for grant of interest on the delayed payments of his retiral dues.

5. *Per contra*, learned State counsel, while referring to the

averments made in paras 5, 6, 7, and 9 of the written statement filed on behalf of respondents No.1 to 3, submits that the petitioner submitted the required documents for preparation of his pension case on 22.04.2025 and on the same day, his pension case was sent to the office of Accountant General, Punjab, vide letter dated 22.04.2025 and sanction for pension was given by the office of Accountant General, Punjab, vide letter dated 08.05.2025 and after receipt of the same, pension and death-cum-retirement gratuity was released to the petitioner without any delay. He further submits that the pension case of the petitioner had not been delayed intentionally or wilfully rather, the delay has been caused due to lengthy paper formalities.

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

7. Admittedly, the petitioner retired from service on attaining the age of superannuation on 28.04.2023 and on the said date, no disciplinary proceedings were pending against him, therefore, his retiral dues ought to have been released on the date of retirement or in a reasonable time. However, the same were released after a considerable delay. Accordingly, the petitioner is held entitled for the grant of interest @ 7% per annum.

8. So far as the contention raised by the learned State counsel that the pension papers were submitted by the petitioner on 22.04.2025 is concerned, the said assertion seems to be incorrect, as payments of leave encashment, GPF and GIS had already been released to the petitioner on 25.06.2024, 23.09.2023 and 17.12.2024 respectively.

Even otherwise, it was the duty of the department to ensure that all

pension papers of the petitioner were completed well before the date of his retirement.

9. 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”

10. 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.”

11. 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.

12. In this view of the matter, the present petition is allowed. The respondents are directed to grant interest @ 7% per annum to the petitioner on the delayed payment of retiral dues, with effect from 01.07.2023 (i.e. after two months from the date of retirement) till actual date of payment(s). The necessary benefits shall be calculated and released to the petitioner within a period of two months from the date of receipt of certified copy of this order.

29.04.2026

Vinay

(NAMIT KUMAR)
JUDGE

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