IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

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CWP-24694-2024
Date of decision : 26.05.2026

Dr. Manjeet Singh .....Petitioner

V/S

State of Punjab and others ....Respondents

CORAM : HON'BLE MR. JUSTICE NAMIT KUMAR

Present: Mr. G.C. Dhuriwala, Advocate for the petitioner.

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

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NAMIT KUMAR, J. (ORAL)

1. The petitioner has filed the instant petition under Articles 226/227 of the Constitution of India, seeking issuance of a writ of mandamus directing the respondents to release the interest (amounting to Rs.13,36,715.33/- calculated by the petitioner) on the delayed payment of retiral benefits.

2. Brief facts of the case, as have been pleaded in the petition, are that the petitioner was selected and appointed as Medical Officer in the month of November, 1995 in District Sri Muktsar Sahib. After getting various promotions during his service tenure, the petitioner retired on attaining the age of superannuation on 31.01.2022. However, despite completing various formalities and paper work, the retiral benefits of the petitioner were released after a considerable delay of 05 to 26 months. Therefore, the petitioner, through his counsel, served the notice dated 03.12.2023 (Annexure P-2) upon the Principal Secretary,

Health and Family Welfare, Punjab, along with the attached proforma having details of received amounts and recoverable amounts on account of interest @ 9% per annum for the delayed payment of retiral benefits. Thereafter, on receipt of oral intimation from the office of Secretary, Health and Family Welfare, Punjab, the petitioner, through his counsel, again served registered notice dated 21.12.2023 (Annexure P-3), claiming interest on the delayed payment of retiral benefits. The said notice was replied to by the Senior Medical Officer, vide letter dated 18.04.2024 (Annexure P-6), wherein the information regarding payment of retiral benefits to the petitioner was furnished only and nothing was stated with regard to the interest to be payable on the delayed payment of the said benefits. Hence, the instant petition.

3. Reply by way of an affidavit of Dr. Satwant Singh Aujla, Senior Medical Officer, CHC, Dhanaula, on behalf of respondents No.1, 3 & 4, has been filed, wherein it has been stated as under :-

> *"xx xx xx xx xx*
>
> *6. That the approval regarding final payment GP Fund was received on vide letter no. 20.6.2022 and bill of the same was sent to Treasury Officer, Barnala for payment on 21.6.2022. Thereafter, payment of GPF was disbursed to the petitioner by the District Treasury Officer on 22-08-2022 vide token number 5899. A Copy of bill dated 22.08.2022 is attached as* ***Annexure R/2****.*
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> *7. That as far as payment of leave encashment is concerned, it is submitted that the letter of approval for payment of leave encashment of the concerned employee was sent by the office of respondent no. 3 vide letter E-3(4)PB/2022/5360-63 dated 27.6.2020 and Bill regarding the payment of Leave encashment was sent to the treasury officer vide bill No. 212 dated 27.09.2022. Thereafter, final payment of leave encashment was made by Treasury Office Barnala to the petitioner on 10-10-2022. A Copy of bill dated 10-10-2022 is attached as* ***Annexure R/3****.*

8. That the G.I.S case of the retired employee was sent by the office of respondent no 4 to District Treasury Officer, Barnala through Bill No.222600001410132 dated 07.07.22 for payment. Thereafter, final payment of G.I.S was made by Treasury Office Barnala to the petitioner on 07.07.2022. A Copy of bill dated 07.07.2022 is attached as Annexure R/4.

9. That it is submitted that IHRMS ID was not created by the office where the petitioner was earlier posted. Therefore, IHRMS ID of the petitioner was created at CHC Dhanaula on 16-05-2022.

10. That it is submitted as per facts explained above, there is no delay on the part of the department in releasing the amount of GPF rather the delay which had occurred in getting approval from competent authority is attributed to the petitioner himself as he did not submit required documents to the department in time despite various reminders sent by the department to the petitioner. Therefore the petitioner is not entitled to interest on GPF amount as claim in the writ petition.

11. That from the above mentioned facts, it is clear that the pension case of the petitioner had not been delayed intentionally or willfully rather the delay has been caused due to lengthy paper formalities. Moreover the pensionary benefits of the petitioner had not been denied at any stage by the department. As soon as sanctions had been granted by the competent authority, all the payments had been made to the petitioner immediately. Therefore the petitioner is not entitled to interest as claim in the writ petition Therefore, the writ petition is devoid of merits and as such liable to be dismissed.

xx xx xx xx xx”

4. Thereafter, separate reply by way of an affidavit of Sh. Manisha Toor, Deputy Accountant General (Pension), on behalf of respondent No.2, has also been filed. The relevant portion of the said reply reads as under :-

“xx xx xx xx xx

3. That the sanction of pension in favour of the petitioner was received in the office of Answering Respondent vide letter dated 07.04.2022 and accordingly *the same was authorized by way of issuing ePPO dated 24.06.2022. Thereafter, the revised of sanction of pension in favour of the petitioner was received in the office of Answering Respondent vide letter dated 16.12.2022 and the same was authorized by way of issuing ePPO vide letter dated 31.03.2023. As of now, no action is pending on the part of this office.*

xx xx xx xx xx"

5. Learned counsel for the petitioner submits that the respondents-department had unnecessarily withheld retiral benefits of the petitioner for 05 to 26 months after his retirement. He further submits that since there is a considerable delay in releasing the retiral benefits, therefore, the petitioner is entitled for interest on the delayed payments of the said benefits. The retiral benefits of the petitioner have been released in the following manner :-

Sr. No.	Retiral Benefits	Due date	Amount (in Rs.)	Date of payment	Delay
1.	G.I.S.	01.02.2022	94,432/-	07.07.2022	05 months 06 days
2.	G.P.F.	01.02.2022	31,96,076,/-	22.08.2022	06 months 21 days
3.	Leave Encashment	01.02.2022	26,89,540/-	10.10.2022	08 months 09 days
4.	Commutation	01.02.2022	40,98,442/-	10.08.2023	18 months
5.	Gratuity	01.02.2022	20,00,000/-	01.08.2023	18 months
Pension					
6.	Feb. 2022	01.03.2022	1,05,910/-	01.08.2023	17 months
7.	March 2022	01.04.2022	1,05,910/-	01.08.2023	16 months
8.	April 2022	01.05.2022	1,05,910/-	01.08.2023	15 months
9.	May 2022	01.06.2022	1,05,910/-	01.08.2023	14 months
10.	June 2022	01.07.2022	1,05,910/-	01.08.2023	13 months
11.	July 2022	01.08.2022	1,05,910/-	01.08.2023	12 months
12.	August 2022	01.09.2022	1,05,910/-	01.08.2023	11 months
13.	Sept. 2022	01.10.2022	1,05,910/-	01.08.2023	10 months
14.	Oct. 2022	01.11.2022	1,10,838/-	01.08.2023	09 months
15.	Nov. 2022	01.12.2022	1,10,838/-	01.08.2023	08 months
16.	Dec. 2022	01.01.2023	1,10,838/-	01.08.2023	07 months
17.	January 2023	01.02.2023	1,10,838/-	01.08.2023	06 months
18.	Feb. 2023	01.03.2023	1,10,838/-	01.08.2023	05 months

19.	March 2023	01.04.2023	1,10,838/-	01.08.2023	04 months
20.	April 2023	01.05.2023	1,10,838/-	01.08.2023	03 months
21.	May 2023	01.06.2023	1,10,838/-	01.08.2023	02 months
22.	June 2023	01.07.2023	1,10,838/-	01.08.2023	01 month
23.	Commutation Arrears	01.02.2022	1,22,953/-	28.03.2024	26 months

6. Per contra, learned State counsel, while referring to the averments made in the separate replies filed on behalf of respondents No.1, 3 & 4 and 2, submits that the delay occurred in releasing the retiral benefits of the petitioner is not intentional and is purely procedural. Therefore, the petitioner is not entitled for any interest on the delayed payments of retiral benefits.

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

8. Admittedly, the petitioner retired from service on attaining the age of superannuation on 31.01.2022 and no departmental/criminal proceedings were pending against him before or after his retirement, therefore, he was entitled for the release of his retiral benefits immediately after his retirement and there was no legal impediment for denying the same. However, his retiral benefits have been released between 07.07.2022 to 28.03.2024 i.e. after an inordinate delay of 05 to 26 months from the date of his retirement. In view of the considerable delay in releasing the retiral benefits of the petitioner, he cannot be denied the benefit of interest on the delayed payments of the said benefits.

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 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"*

10. 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."*

11. In view of the above factual position and settled principles of law, the present petition is disposed of with a direction to the respondents to pay interest @ 7% per annum on the delayed payments of retiral benefits of the petitioner w.e.f. 01.04.2022 (i.e. after two months from the date of retirement of the petitioner) till the actual date of payment(s), within a period of 02 months from the date of receipt of certified copy of this order.

26.05.2026 **(NAMIT KUMAR)**
kothiyal **JUDGE**

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