



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

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CWP-2420-2023

Date of decision : 20.04.2026

Ramesh Kumar

....Petitioner

V/S

State of Punjab and others

...Respondents

CORAM : HON'BLE MR. JUSTICE NAMIT KUMAR

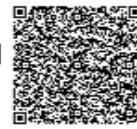
Present: Mr. Vikas Chatrath, Senior Advocate assisted by
Ms. Tanya Bhurji, Advocate for the petitioner.

Mr. Satnampreet Singh Chauhan, D.A.G., Punjab.

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 due pensionary benefits along with interest @ 18% per annum on the delayed payment of pensionary benefits.

2. Brief facts of the case, as have been pleaded in the petition, are that the petitioner had joined the service of the respondent-department on 10.07.1987 and retired, on attaining the age of superannuation, on 30.06.2018. Just before one month from his retirement, a case bearing FIR No.118 dated 30.05.2018 under Sections 354 & 354A of Indian Penal Code, 1860 and Section 8 of Protection of Children from Sexual Offences Act, 2012 was registered against the petitioner. The petitioner was suspended from service, vide order dated 10.05.2018, passed by the District Education Officer (Secondary

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Education), Bathinda, under Rule 4(2) of the Punjab Civil Services (Punishment and Appeal) Rules, 1970. Thereafter, on 18.05.2018, a charge sheet under Rule 8, Rule 5(v to ix) of the Punjab Civil Services (Punishment and Appeal) Rules, 1970 was issued to the petitioner. After his retirement, some of his retiral benefits were released, while others were withheld by the respondent-department due to pendency of criminal case against the petitioner. In the said criminal case, the petitioner was acquitted by learned Additional Sessions Judge, Bathinda, vide judgment dated 05.03.2021 (Annexure P-1) and thereafter, his remaining retiral benefits were released by the respondent-department. Since the petitioner was acquitted in the criminal case, he had approached the respondent-department seeking interest on the delayed payment of retiral benefits, but to no avail. Thereafter, he served a legal notice dated 26.11.2022 (Annexure P-4) upon the respondents for the release of interest on the delayed payments of gratuity, leave encashment, commuted value of pension and LTC but the respondent-department had not taken any action on the same. Hence, the instant petition.

3. Reply by way of affidavit of respondent No.3-Sh. Shiv Pal, District Education Officer (Secondary Education), Bathinda, on behalf of respondents No.1 to 3, has been filed, wherein it has been stated as under :-

“xx xx xx xx xx

4. *That an FIR was lodged against the petitioner on 30.05.2018 and the petitioner superannuated on 30.06.2018 but the pension case of the petitioner could not be settled due to pendency of the criminal*



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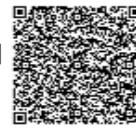
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case against the petitioner. So far as the payment of retiral benefits are concerned except gratuity, Pension and commutation of pension all other retiral benefits were paid to the petitioner well before the conclusion of the criminal trial against the petitioner. So far as the gratuity, Pension and commutation of pension are concerned the same were released after conclusion of the criminal trial against the petitioner. So far as the LTC is concerned the same is directly paid by the concerned bank/treasury office to the retirees directly into their bank accounts once in the block of 2 year as such delay in payment of LTC cannot be attributed to the respondents, as such the writ petition is liable to be dismissed being devoid of merits.

xx xx xx xx xx”

4. Learned Senior counsel for the petitioner submits that the respondent-department had withheld certain retiral benefits of the petitioner on account of the pendency of a criminal case against him. He further submits that since the petitioner was acquitted in the criminal proceedings, vide judgment dated 05.03.2021, passed by learned Additional Sessions Judge, Bathinda, therefore, he is entitled for interest on the delayed payment of the retiral benefits. He further submits that even the retiral benefits released to the petitioner prior to his acquittal in the criminal case were also disbursed after a considerable delay. The retiral benefits of the petitioner were released in the following manner :-

Head of Payment	Amount Paid (in Rs.)	Date of Payment
Gratuity	10,00,000/-	01.09.2022
Commutation of Pension	4,52,326/-	01.09.2022
G.P.F.	15,39,946/-	19.11.2018

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Leave Encashment	5,61,811/-	21.03.2019
GIS	41,400/-	20.12.2018
Provisional pension 90% period (w.e.f. 01.07.2018 to 31.08.2020)	5,78,854/-	22.01.2022
Arrears of 10% pension (w.e.f. 01.07.2018 to 31.05.2022)	1,75,649/-	01.09.2022

5. Per contra, learned State counsel, while referring to the averments made in the written statement filed on behalf of respondents No.1 to 3, submits that that the delay in releasing the retiral benefits of the petitioner is not intentional and purely procedural. He submits that certain retiral benefits of the petitioner were withheld by the respondent department due to the pendency of a criminal case against him, and the said benefits were released to the petitioner after his acquittal in the said case. Therefore, the petitioner is not entitled for any interest.

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 30.06.2018 and just before one month from his retirement, a criminal case bearing FIR No.118 of 30.05.2018 under Sections 354 & 354A of IPC and Section 8 of POCSO Act was registered against him and he was placed under suspension, vide order dated 10.05.2018 and was issued a charge-sheet on 18.05.2018. After retirement of the petitioner, the respondent-department released the retiral benefits qua GPF, Leave Encashment and GIS to the petitioner on 19.11.2018, 21.03.2019 & 20.12.2018, respectively, i.e. after a delay of more than 04 to 08 months from the date of his retirement. Therefore,



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the petitioner is entitled for interest on the delayed payment of said benefits.

8. Due to pendency of the abovesaid criminal case, the respondent-department withheld some of the retiral benefits of the petitioner and therefore, withholding of those benefits by the respondent-department during the pendency of the criminal proceedings cannot be held to be unjustified. However, once the petitioner has been acquitted in a criminal case by learned Additional Sessions Judge, Bathinda, vide judgment dated 05.03.2021, his remaining retiral benefits should have been released immediately or within a reasonable time, whereas the same have been released to the petitioner on 22.01.2022 & 01.09.2022 i.e. after a delay of more than 01 year and 05 months from the date of his acquittal and no valid justification has been given by the respondent-department for such delay. Therefore, the petitioner cannot be denied the benefit of interest on the delayed payments of Gratuity, Commutation of Pension and Arrears of pension. Reference can be made to the judgment passed by this Court in ***Ranjit Singh Vs. Financial Commissioner, Excise and Taxation, Department of Excise and Taxation and others : 2019(4) SCT 528.***

9. Further, 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



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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 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.”

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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 GPF, Leave Encashment and GIS w.e.f. 01.09.2018 (i.e. after two months from the date of retirement of the petitioner) and on the delayed payments of Gratuity, Commutation of Pension and Arrears of pension w.e.f. 06.05.2021 (i.e. after two months from the date of acquittal of the petitioner in a criminal case) till the actual date of payment(s), within a period of 03 months from the date of receipt of certified copy of this order.

20.04.2026*kothiyal***(NAMIT KUMAR)
JUDGE**

Whether speaking/reasoned:

Yes/No

Whether Reportable:

Yes/No