2026:CGHC:12580

AFR

HIGH COURT OF CHHATTISGARH AT BILASPUR

WPS No. 4546 of 2025

1. Jagannath Singh S/o Lt. Bhulan Singh Aged About 78 Years Retired R/o Village Dew Bahuara, Tehsil Marhaura, District Saran, Bihar.

... Petitioner

versus

1. State Of Chhattisgarh Through Director General Of Police (D.G.P) Police Headquarters (P.H.Q.), Sector 19, Police Station And Post Rakhi, Atal Nagar, Nawa Raipur, District Raipur, Chhattisgarh.
2. Principal Accountant General (Audit And Entitlements), Office At Zero Point, Baloda Bazar Road, P.O. Vidhan Sabha, Raipur- 492005, Chhattisgarh.
3. Commandant Officer 9th Battalion C.A.F. Dantewada, Chhattisgarh.
4. Company Commander 9th Battalion C.A.F. Dantewada, Chhattisgarh.
5. Pension Redressal Committee Through Its President, Mantralaya, Mahanadi Bhawan, Atal Nagar, Naya Raipur, Chhattisgarh.

... Respondents

For Petitioner	:	Mr. Ankit Singh, Advocate
For Respondent No.1 to 1, 2 to 5	:	Ms. Poorva Tiwari, Panel Lawyer
For Respondent No.2	:	Mr. R.K. Gupta, Advocate

S.B.: Hon'ble Shri Parth Prateem Sahu, Judge

Order on Board

16/3/2026

1. Learned counsel for petitioner submits that petitioner has filed this writ petition seeking multiple reliefs, however, petitioner is pressing relief No.10.2 only which is with regard to grant of interest on the amount of Provident Fund of Rs.1,55,924/-, which has been disbursed to the petitioner after 12 years of his retirement, that is to say, petitioner stood retired on 30.9.2011 upon attaining age of superannuation, and the amount of Provident Fund is released on 6.2.2023.
2. Learned State Counsel submits that in the reply specific stand has been taken that petitioner joined services on 18.3.1972 and thereafter from time to time benefit of revised pay-scale has been extended to petitioner. In the year 2011 petitioner stood retired while drawing salary as per 5th Grade pay-scale. On the date of retirement, petitioner was entitled for Rs.6,62,536/- towards Provident Fund and out of aforementioned amount, a sum of Rs.5,07,062/- was paid at the time of his retirement, however, remaining amount of Rs.1,55,294/- has been paid to petitioner on 24.1.2023.
3. Learned counsel appearing on behalf of respondent No.2 would submit that in the reply filed on behalf of respondent No.2 it is specifically pleaded that on 26.9.2022 it was informed by respondent Department that departmental

provident fund for the period from 1972 to 1982-83 has not been paid to the petitioner as the entries in the passbook of petitioner maintained by the department have not been made. After scrutiny of the documents sent by the department and after computation, residual amount of Rs.1,55,294/- with interest upto September 2011 was authorized in favour of petitioner. He also pointed out that according to the circular issued by the State Government dated 1.2.2016, whenever part payment of provident fund is paid, interest is payable on remaining amount up to the date of issuance of authorization letter, to which office of respondent No.2 has issued on 6.9.2011 and therefore, petitioner is not entitled for further interest.

4. Heard learned counsel for the parties and perused the documents available in record of writ petition.

5. Perusal of record would show that petitioner retired on 30.9.2011. Out of total provident fund of Rs.6,62,356/-, petitioner was paid Rs.5,07,062/- on 6.5.2011 and a sum of Rs.1,55,924/- was withheld on the ground that entries in the passbook maintained by the respondent department of petitioner are not made. Petitioner submitted various letters/ representations before the authority concerned of his department for release of balance amount of provident fund, but he has not been paid entire amount of provident fund.

Petitioner also asked for details of deduction towards provident fund for the period from 1972 to 1982-83. However, respondent Department did not wake up and rectify the mistake and slept over till the office of respondent No.2 wrote letter on 29.6.2022. Payment of remaining amount of provident fund was made to the petitioner on 24.1.2023.

6. In case of **S.K. Dua vs State of Haryana and another,** reported in **(2008) 3 SCC 44**, Hon'ble Supreme Court has held that an employee had a right under Articles 14,19 and 21 of the Constitution of India to claim interest on delayed payment of retirement benefits. Relevant paragraph is quoted below:-

> "14. In the circumstances, prima facie, we are of the view that the grievance voiced by the appellant appears to be well founded that he would be entitled to interest on such benefits. If there are statutory rules occupying the field, the appellant could claim payment of interest relying on such rules. If there are administrative instructions, guidelines or norms prescribed for the purpose, the appellant may claim benefit of interest on that basis. <u>But even in absence of statutory rules, administrative instructions or guidelines, an employee can claim interest under Part III of the Constitution relying on Articles 14,19 and 21 of the Constitution.</u> The submission of the learned counsel for the appellant, that retiral benefits are not in the nature of 'bounty' is, in our opinion, well founded and needs no authority in support thereof. In

that view of the matter, in our considered opinion, the High court was not right in dismissing the petition in limine even without issuing notice to the respondents."

7. In case of D.D. Tewari vs Uttar Haryana Bijli Vitran Nigam Ltd., reported in MANU/SC/0658/2014, the High Court allowed writ petition after setting aside the action of respondents in withholding the amount of gratuity on the alleged ground some amount was due to the employer, directed the respondents to release the withheld amount of gratuity within three months without awarding interest as claimed by appellant therein. Thereafter, appellant approached Hon’ble Supreme Court for grant of interest on the delayed payment on the retiral benefits. In such a situation, Hon’ble Supreme Court has observed thus:-

> “4.It is an undisputed fact that the appellant retired from service on attaining the age of superannuation on 31.10.2006 and the order of <u>the learned single Judge after adverting to the relevant facts and the legal position has given a direction to the employer-respondent to pay the erroneously withheld pensionary benefits and the gratuity amount to the legal representatives of the deceased employee without awarding interest for which the appellant is legally entitled, therefore, this Court has to exercise its appellate jurisdiction as there is a miscarriage of justice in denying the interest to be paid or payable by the employer from the date of the entitlement of the deceased employee till the date of payment as</u>

> <u>per the aforesaid legal principle laid down by this Court in the judgment referred to supra. We have to award interest at the rate of 9% per annum both on the amount of pension due and the gratuity amount which are to be paid by the respondent</u>."

8. Recently, in SLP © No.4468/2021, parties being Gagan Bihari Prusty vs Pradip Port Trust & others, decided on 3.3.2025, Hon'ble Supreme Court has observed thus:-

> "4.In our view, the said argument is of no substances, in particular where an employee retires and he has to receive the gratuity belatedly, the interest would be payable as per the notifications issued by the Central Government without having any excuse. Therefore, the direction of the Single Judge maintained by the Division Bench for payment of gratuity with interest @ 6% per annum is not justified. The petitioner would be entitled to get interest @ 10% per annum on the amount of gratuity. The differential amount of interest shall be paid by the respondent within a period of four weeks from today."

9. A bare reading of above decisions would show that if the retiral benefits are withheld by the employer erroneously without there being any fault on the part of the employee concerned, such employee would be entitled to receive interest on the same from the employer from the date of the entitlement till the day of payment.

10. In case at hand, petitioner is claiming interest on balance provident fund amount of Rs.1,55,294/- for the period from September 2011 upto 24.1.2023 as the aforementioned

amount was paid to him only on 24.1.2023 although he retired from service in 2011. Admittedly, part payment of provident fund was delayed for want of entries in the passbook of petitioner maintained by the respondent department. Thus, it is clear that delay in payment of balance amount of provident fund was attributable to administrative lapse. Under these circumstance, in the considered opinion of this Court, the petitioner is entitled to get interest for the delayed period on the amount of provident fund i.e. Rs.1,55,294/- at the rate of 8% per annum.

11. Consequently, this writ petition is disposed of directing respondents No.1, 3 and 4 to pay interest on the delayed payment of provident fund of Rs.1,55,294/- to the petitioner at the rate of 8% per annum from the date on which it fell due to petitioner till the actual payment is made, that is to say, for the period from October 2011 to 24.1.2023, within a period of four months from the date of receipt of the order.

12. Certified copy as per rules.

Sd/-
(Parth Prateem Sahu)
Judge

roshan/-