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IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

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CWP-11812-2026
Date of decision: 20.04.2026

Rajinder Pal Singh

....Petitioner

Versus

State of Punjab and others

....Respondents

CORAM: HON'BLE MR. JUSTICE HARPREET SINGH BRAR

Present: Mr. Narinder Pal Sharma, Advocate
for the petitioner.

Mr. Vikas Sonak, AAG, Punjab
for respondent No.1.

HARPREET SINGH BRAR J. (Oral)

1. Prayer in this writ petition filed under Articles 226/227 of the Constitution of India, is for issuance of a writ in the nature of *certiorari*, for quashing the office letter No.PUDA/TA/EA-7/2025/125124 dated 22.08.2025 (Annexure P-4) whereby the claim of the petitioner for grant of interest on delayed retiral benefits has been declined/rejected. Further a writ of *mandamus* has been sought, directing the respondents to grant interest to the petitioner @ 12% per annum on account of delayed payment of retiral benefits.

2. Learned counsel for the petitioner, *inter alia*, contends that the petitioner is seeking interest on account of delay in releasing the retiral benefits in terms of the judgments passed by this Court in ***A.S. Randhawa vs State of Punjab, 1997(3) SCT 468*** and ***J.S. Cheema vs State of Haryana and others, 2014(1) SCT 782***. He further submits that

it is a trite law that when any admissible retiral benefits is due to an employee, which has been illegally retained and used by the respondents, then upon the release of the said amount on a later date, the retired employee is entitled to interest.

3. Learned State counsel, who is appearing on advance notice, on behalf of respondent No.1 is not in a position to controvert the factual position.

4. Having heard learned counsel for the petitioner as well as learned State counsel and after perusing the record of the case with their able assistance, the present petition is being decided *in limine* without issuing notice to respondents No.2 and 3 in order to save judicial time of the Court and also the litigation costs of respondents No.2 and 3.

5. A gainful reference can be made to the judgment rendered by a Full Bench of this Court in ***A.S. Randhawa's case (supra)*** wherein it was opined that disbursement of pension and other benefits payable at retirement must be done in a timely manner. Any delay over a period of two months, qua the said disbursement would entitle the retired employee to claim interest on the amount due. Speaking through Justice N.K. Sodhi, the following was held:

> "*9. 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*

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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. Again, as to what should be the rate of interest, it should, in our view, be generally 12% unless the circumstances of a particular case warrant the payment of a higher rate which may extend to even 18%."(emphasis added)

6. Reliance in this regard may also be placed on the judgments rendered by the Hon'ble Supreme Court in ***S.K. Dua vs. State of Haryana (2008) 3 SCC 44*** and ***State of Kerala vs. M. Padmanabhan Nair (1985) 1 SCC 429***.

7. The stand of respondents No.2 and 3 is clearly discernible from the impugned order (Annexure P-4), which clearly indicates that the petitioner stood retired on 31.01.2023 and sanction for payment was made on 22.05.2023. The details of the sanction and payment of the retiral dues by respondents No.2 and 3, reads as follows:-

Sr. No	**Retiral Benefit**	**Due Date of Payment**	**Amount**	**Date of Payment**	**Period of delay**		
					Years	**Months**	**Days**
1.	C.P.F.	01.02.2023	8,12407/-	25.05.2023	–	2	25
2.	Gratuity	01.02.2023	12,44,345/-	18.12.2024	1	10	–
3.	Group Gratuity	01.02.2023	11,85,767/-	23.12.2024	1	10	20
4.	Leave Encashment	01.02.2023	6,74,020/-	10.01.2025	1	11	10
5.	G.I.S.	01.02.2023	11,358/-	09.11.2023		09	07

8. From the perusal of the paperbook, it is clearly discernible that the petitioner, before his retirement, was not facing any disciplinary proceedings and full and final payment of C.P.F. was made on

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25.05.2023 whereas gratuity, group gratuity and leave encashment was released only on 18.12.2024, 23.12.2024 and 10.01.2025, respectively and as such, the petitioner is entitled for interest on account of delayed payment of his retiral dues.

9. In the view of the admitted facts and settled law, the present petition is allowed and the impugned dated 22.08.2025 (Annexure P-4) is set-aside. The respondents are directed to release the payment of interest @ 6% per annum to the petitioner on account of delayed payment of his retiral dues, to be calculated after the expiry of two months from the date of his retirement, till its actual realization. The aforesaid payment shall be made to the petitioner within a period of 03 weeks from the date of receipt of a certified copy of this order.

(HARPREET SINGH BRAR)
JUDGE

20.04.2026
yakub

Whether speaking/reasoned: Yes/No

Whether reportable: Yes/No