254 IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

CWP-3410-2023
Date of decision: 09.09.2025

Rajinder Kumar ....Petitioner

Versus

State of Punjab and others ...Respondents

CORAM: HON'BLE MR. JUSTICE HARPREET SINGH BRAR

Present: Ms. Sonia G.Singh, Advocate
for the petitioner.

Mr. Akhil Kamra, Asstt.A.G., Punjab.

Mr. Birinderpal, Advocate,
Mr. Chanranbir Singh, Advocate and
Ms. Rashmeen Randhawa, Advocate
for respondent No.7.

Ms. Ruchi Sekhri, Advocate
for respondent No.8.

HARPREET SINGH BRAR, J. (ORAL)

1. The present civil writ petition has been filed under Article 226 of the Constitution of India for issuance of a writ in the nature of *mandamus* directing the respondents to release complete retiral benefits of the petitioner in compliance of instructions dated 12.05.2000 (Annexure P-11).

2. Learned counsel for the petitioner refers to the reply filed by respondent No.8 and submits that the retiral dues of the petitioner was only released on 22.05.2024, as such, on account of delay, the case of the petitioner is squarely covered by the judgment rendered by a Full Bench of this Court in '*A.S. Randhawa Supg. Engineer (Retd.) vs. State of Punjab*' 1998 (1) SCT 343.

3. Per contra, learned counsel for respondent No.7 could not controvert the fact that the retiral dues were released only on 22.05.2024.

However, he further submits that the interest component would be liable to be paid by respondent No.8.

4. Having heard learned counsel for the parties and after perusal of the record of the case, it transpires that the retiral dues of the petitioner were admittedly released on 22.05.2024 and the delay in releasing the retiral dues would make petitioner entitle to the interest component in terms of the judgment rendered by a Full Bench of this Court in ***A.S. Randhawa Supg. Engineer (Retd.),*** 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 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)

5. In view of the discussion above, respondent No.2 is directed to ensure the payment of interest on account of delay in releasing the retiral dues to the petitioner @ 6% per annum from the date of retirement till 22.05.2024 and issue necessary orders to respondents No.7 and 8 in terms of their liability within a period of three months from the date of receipt of certified copy of this order.

(HARPREET SINGH BRAR)
JUDGE

09.09.2025
Neha

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