



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

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CWP-12221-2020 (O&M)
Date of decision: 09.09.2025

Suman Kumar

....Petitioner

Versus

The Punjab State Civil Supplies Corporation Limited and another

....Respondents

CORAM: HON'BLE MR. JUSTICE HARPREET SINGH BRAR

Present: Mr. Lovedev Singh, Advocate
and Mr. Shiv Kumar, Advocate
for the petitioner.

Mr. Aman Sharma, Advocate
and Mr. Chirag Suri, Advocate
for the respondents.

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 *mandamus*, directing the respondents to release the payment of leave encashment and other dues along with interest @ 18% w.e.f. date of retirement till the actual date of payment, which has been withheld by the respondents for a period of more than five years. Further prayer has been made to direct the respondents to release the amount of Rs.3,25,000/- spent by the petitioner as petty cash and duly entered in the record along with interest @ 18% per annum withheld by the respondents.

2. Learned counsel for the respondents, at the very outset,



submits that the grievance raised by the petitioner has been substantially redressed and leave encashment of the petitioner has been released in his favour. With regard to issue regarding petty cash, the petitioner has already filed a civil suit as such, respondents No.1 and 2 would act upon in terms of the judgment and decree of the Civil Court.

3. Learned counsel for the petitioner affirms the fact that leave encashment of the petitioner has been paid on 05.09.2025 and as such, the delay in releasing the leave encashment entitles the petitioner to claim interest in terms of 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*.

4. In that vein, 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 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. 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. 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**.

6. In view of the above discussions, the present petition is disposed of. The respondents are directed to calculate the due amount after one month from the petitioner’s retirement i.e. 31.05.2015, and pay the requisite amount along with interest at the rate of 6% per annum till the date of actual realization. The entire payment shall be made to the petitioner within a period of two months from the date of receipt of a certified copy of this order.

(HARPREET SINGH BRAR)
JUDGE

09.09.2025

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