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IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

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CWP-3007-2018 (O&M)
Date of decision: 11.11.2025

Gurbhej Singh

....Petitioner

Versus

State of Punjab and others

....Respondents

CORAM: HON'BLE MR. JUSTICE HARPREET SINGH BRAR

Present: Ms. Harkirat Kaur, Advocate
for Mr. Deepak Arora, Advocate
for the petitioner.

Mr. Vikas Arora, DAG, Punjab
for respondents No.1 to 3.

Mr. T.V.S. Lehal, Advocate
for respondent No.4.

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 letters dated 05.10.2016 (Annexure P-6) and 03.10.2017 (Annexure P-7) issued by the respondent/authorities.

2. Learned counsel for the petitioner submits that the petitioner, after serving the Department of Local Body, Punjab, retired on 31.05.2012, however, his admissible retiral dues were not released for more than three years and feeling aggrieved, the petitioner along with others approached this Court by filing a writ petition i.e. **CWP-20565-2015**, titled as ***Kamal Dev and others vs State of Punjab and others***, and this Court vide order dated 28.09.2015, directed the

competent authority to expeditiously decide the legal notice dated 25.05.2015, by passing a speaking order. In purported compliance, the retiral dues of the petitioner have been released. Learned counsel for the petitioner further refers to Annexure P-7 and submits that the interest has been paid from the date of filing the aforementioned writ petition i.e. CWP-20565-2015 and some amount has been deducted from the LTC and medical allowance of the petitioner at the time of releasing the retiral dues. As such the case of the petitioner is squarely covered by the judgment rendered by Full Bench of this Court in ***A.S. Randhawa Supg. Engineer (Retd.) vs. State of Punjab 1998 (1) SCT 343***.

3. *Per contra*, learned State counsel as well as learned counsel for respondent No.4, are not in a position to controvert the fact that the petitioner retired on 31.05.2012 and his retiral dues were released only on 30.06.2016.

4. Having heard learned counsel for the parties and after perusal of the record, it transpires that the gratuity amount of Rs.1,91,576 along with interest of Rs.79,744/- was paid to the petitioner and, thereafter, respondent No.4 made recoveries from the amount due towards the petitioner under the head of LTC and medical allowance on the ground that interest from the date of retirement has been wrongly paid rather the petitioner was entitled to the interest from the date when he approached this Court by filing the aforementioned writ petition i.e. CWP-20565-2015. This Court while disposing of the said writ petition on 28.09.2015 has not issued any such direction and as such, the

petitioner is entitled for interest in terms of ***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 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.***

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State of Haryana (2008) 3 SCC 44 and ***State of Kerala vs. M. Padmanabhan Nair (1985) 1 SCC 429***.

6. In the view of the above discussions, the present petition is allowed. The respondents are directed to release the amount earlier recovered from the petitioner under the heads of LTC and medical allowance along with interest @ 6% per annum, to be calculated from the date of recovery till the date of actual payment. The aforesaid payment shall be made to the petitioner within a period of three months from the date of receipt of a certified copy of this order.

7. Pending miscellaneous application, if any, also stands disposed of.

(HARPREET SINGH BRAR)
JUDGE

11.11.2025
yakub

Whether speaking/reasoned: Yes/No

Whether reportable: Yes/No