



CWP-30086-2025

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

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CWP-30086-2025

Date of Decision: 06.11.2025

Sanjay Sharma

...Petitioner

Versus

State of Union Territory Chandigarh and another

...Respondents

CORAM: HON'BLE MR. JUSTICE JAGMOHAN BANSAL

Present: - Ms. Navneet Kaur, Advocate for the petitioner

Ms. Madhu Dayal, Advocate for respondent No.2

JAGMOHAN BANSAL, J. (Oral)

1. The petitioner through instant petition under Articles 226/227 of the Constitution of India is seeking direction to respondents to pay interest on delayed payments of retiral benefits.

2. The petitioner claims that he retired on 31.05.2024 after completing 34 years service. He was entitled to leave encashment and gratuity. He was paid leave encashment on 16.10.2024 and gratuity on 22.10.2024. He is entitled to interest on delayed payment of gratuity and leave encashment as per Full Bench judgment of this Court in ***A.S. Randhawa v. State of Punjab, 1997(3) SCT 468.***

3. Learned counsel for respondent No.2 expressed her inability to controvert afore-stated factual position, however, submits that disciplinary proceedings were contemplated against the petitioner which were not finally



initiated on account of his retirement, thus, there was delay in payment of retiral dues.

4. The reason assigned by the respondent does not seem to be plausible one because no proceeding was initiated till the retirement of the petitioner. His right to pensionary benefits accrued as soon as he retired. The respondent was bound to clear dues within two months. The respondent is liable to pay interest as per afore-cited judgment i.e. on expiry of two months from the date of retirement.

5. In the backdrop, the petition deserves to be allowed and accordingly allowed. The respondents are hereby directed to pay interest to petitioner @ 7.5% per annum for the delayed period.

(JAGMOHAN BANSAL)
JUDGE

06.11.2025
Mohit Kumar

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