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

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Date of Decision: **19.05.2026**

Baldev Singh

....Petitioner

VERSUS

State of Punjab and others

...Respondents

CORAM: HON'BLE MR. JUSTICE HARPREET SINGH BRAR

Present : Mr. Hargun S. Sethi with Mr. Surinder Garg, for Mr. Gagneshwar Walia, Advocates for the petitioner.

Mr. Vikas Sonak, AAG Punjab.

Mr. Baltej Singh Sidhu, Sr. Advocate with Mr. Himmat Singh Sidhu, Mr. Mohobat Sandhu, Ms. Reema and Mr. Arjun Singh, Advocates for respondent No.4.

Mr. Rohit Gupta, Advocate for respondent No.5.

Mr. Parminder Singh, Advocate for respondent No.6.

HARPREET SINGH BRAR, J. (Oral)

1. The present writ petition has been filed under Articles 226/227 of the Constitution of India praying for issuance of a writ in the nature of *certiorari* for quashing the impugned speaking order dated 23.11.2021 (Annexure P-6) vide which the claim of petitioner for release of his retiral benefits has been arbitrarily declined de hors the judgment of this Court passed in ***Ram Karan Vs. Managing Director, PEPSU Road Transport***

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Corporation and another, 2005(4) SCT 438. Further praying for issuance of a writ in the nature of *mandamus* directing the respondents to immediately release the revised retiral benefits of petitioner including pension, gratuity, leave encashment along with arrears w.e.f. 01.07.2021 as per the revised emoluments in terms of the 6th Punjab Pay Commission Report, as sanctioned vide order dated 13.07.2022 (Annexure P-8). Further directing the respondents to immediately release the arrears on account of grant of promotional increment, 14 years ACP as has already been sanctioned to be paid vide letter dated 15.01.2021 (Annexure P-7). Further directing the respondents to pay interest on delayed payments of retiral benefits @ 18% per annum on account of delayed release.

2. On 16.11.2022, the following order was passed by this Court:-

“Inter alia submits that financial constraint is not a legitimate ground to deny payment of retiral dues. It is averred in the petition that petitioner after attaining the age of superannuation, retired on 30.09.2020 from Nagar Council, Gidderbaha. As per the impugned speaking order dated 23.11.2021 (Annexure P-6), the liability to pay the claimed dues to the extent of Rs.15,94,750/- is conceded. Out of the aforesaid amount, retiral benefits of 11,44,750/- are still pending to be paid. It is also submitted therein that the financial condition of Municipal Council, Gidderbaha is poor and balance of the retiral benefits would be paid to the petitioner in monthly installment of Rs.1,00,000/-

Notice of motion returnable for 17.02.2023.

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Ms. Ambika Bedi, AAG Punjab, accepts notice on behalf of respondent No.1 and waives service. She seeks and is granted time to file written statement.

To come up for service of respondent Nos.2 to 6.”

3. Learned counsel for respondent No.6 submits that all the admissible retiral benefits due to the petitioner have since been released and nothing survives for adjudication in the present writ petition. It is submitted that a total amount of Rs.19,97,879/- has been paid to the petitioner and the details thereof have been specifically furnished in the reply filed on behalf of respondent No.6.

4. Learned counsel for the petitioner, however, submits that the grievance raised in the present writ petition now lies in a narrow compass and survives only to the limited extent of claiming interest on account of delayed disbursement of retiral dues. It is contended that though the retiral benefits have eventually been released to the petitioner, the same were not paid within a reasonable period and were disbursed in piecemeal instalments over a prolonged duration, thereby causing undue financial hardship and mental agony to the petitioner after retirement.

5. Learned counsel further submits that the petitioner retired from service on 30.04.2020 and was thereafter granted an extension of five months upto 30.09.2020 while serving on the post of Sub Officer. It is contended that on the date of retirement, no charge-sheet, disciplinary

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proceedings, departmental inquiry or criminal proceedings were pending against the petitioner and, therefore, there existed no legal impediment whatsoever for withholding or delaying the release of his retiral benefits. Learned counsel submits that such inordinate and unexplained delay, by itself, entitles the petitioner to payment of interest in view of the law laid down by the Full Bench of this Court in ***A.S. Randhawa, Superintending Engineer (Retd.) vs. State of Punjab, 1998 (1) SCT 343***, wherein it has been categorically held that retiral benefits are required to be released within a reasonable period and any culpable delay in releasing the same would render the employer liable to compensate the retiree by way of payment of interest.

6. *Per contra*, learned counsel for respondent No.6 is not in a position to dispute the factual position that the retiral dues of the petitioner were released belatedly and in instalments. There is also no denial to the fact that the petitioner retired from service with a clean record and that no charge-sheet or disciplinary proceedings were pending against him either on the date of retirement or thereafter.

7. I have heard learned counsel for the parties and have perused the record with their able assistance. Admittedly, the retiral dues of the petitioner were not released within the stipulated or reasonable period. The explanation sought to be furnished by the respondents does not constitute a justifiable ground for withholding the retiral benefits of the petitioner for

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such a prolonged duration, particularly when no disciplinary or judicial proceedings were pending against him. Financial constraints or paucity of funds can neither be pleaded nor accepted as a valid defence to deny timely release of retiral benefits, which are in the nature of a vested and statutory right accrued in favour of an employee upon retirement. The delay in release of retiral dues is, thus, held to be wholly inordinate, unjustified and unexplained. As per the reply filed on behalf of respondent No.6, the details of retiral dues paid to the petitioner in instalments vide cheques, reads as under:-

Sr. No.	Details	Payable amount	Paid amount	Cheque No.	Dated	Balance amount
1	Revised Gratuity	1273004/-	100000/- 100000/- 50000/- 200000/- 100000/- 100000/- 100000/- 100000/- 100000/- 323004/-	87796 97468 97618 101592 104593 104698 112071 112189 117120 118840	30.09.2020 02.06.2021 06.07.2021 22.10.2021 10.12.2021 28.01.2022 12.08.2022 06.10.2022 02.02.2023 18.05.2023	0
2.	Revised leave encashment	630440/-	630440/-	118840	18.05.2023	0
3.	Balance amount in PF account	19737/-	19737/-	108396	17.08.2022	0
4.	Installment of PF along with advance PF which is remaining to deposit	74698/-	74698/-	71889	13.06.2023	0
	Total	1997879/-	1997879/-			

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8. The controversy involved in the present petition is no longer *res integra*. The claim of the petitioner stands squarely covered by the authoritative pronouncement of the Full Bench of this Court in *A.S. Randhawa (supra)*, wherein it has been unequivocally held that pensionary and retiral benefits are not a bounty dependent upon the sweet will of the employer, but constitute a valuable and vested right accruing in favour of an employee upon retirement. It has further been held therein that if such benefits are not released within a reasonable time, ordinarily taken to be two months from the date of retirement, the retiree would be entitled to compensation by way of interest on the delayed payments.

9. In the conspectus of the aforesaid facts and circumstances, as also the settled proposition of law noticed hereinabove, this Court is of the considered opinion that the petitioner has been able to make out a clear case for grant of interest on the delayed release of retiral and pensionary benefits. Consequently, without entering into any further adjudication on ancillary issues, the present writ petition is disposed of with a direction to respondent No.6/competent authority to calculate and release interest on the delayed payment of retiral and pensionary dues to the petitioner @ 6% per annum. The aforesaid interest shall be computed from 30.09.2020 till the date of actual release of the respective retiral dues. The entire exercise shall be completed within a period of three months from the date of receipt of a certified copy of this order.

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10. It is further observed that in case any other admissible dues are still found pending, the petitioner shall be at liberty to submit a fresh representation before the competent authority and, upon receipt thereof, the same shall be considered and decided by passing a reasoned and speaking order in accordance with law within a period of six months.

11. Pending miscellaneous application(s), if any, shall also stand disposed of.

(HARPREET SINGH BRAR)
JUDGE

19.05.2026
Puneet Chawla

Whether speaking/reasoned. : Yes/No
Whether Reportable. : Yes/No