

CWP-1463-2023 and CWP-4479-2023 (O&M)

2025:PHHC:112341



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

247(2 cases)

CWP-1463-2023

Date of Decision: **August 25, 2025**

1. Jagdev Singh Saini and others

.....Petitioners

VERSUS

Punjab State Cooperative Supply and Marketing Federation and others

.....Respondents

CWP-4479-2023(O&M)

2. Sandeep Puri and others

.....Petitioners

VERSUS

Punjab State Cooperative Supply and Marketing Federation and others

.....Respondents

CORAM: HON'BLE MR. JUSTICE HARPREET SINGH BRAR

Present : Mr. Brijesh, Advocate for the petitioner(s).

Mr. M.S Virk, Advocate for respondent No.1- in CWP-1463-2023.

Mr. Shekhar Verma, ADvocate with Ms. Deepti Singh and Mr. Rahul Chadha, Advocates for respondent No.1 in CWP-4479-2023.

Mr. Vikas Arora, DAG Punjab-State.

HARPREET SINGH BRAR, J. (Oral)

CM-16819-CWP-2023 in CWP-4479-2023.

The present application has been filed under Article 226 of the Constitution of India read with Order 1 Rule 10 of CPC read with Section

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151 of CPC praying for impleading the applicants as petitioners No.13 to 16 for the reasons mentioned in the application.

At this stage, learned counsel for the petitioners wishes to withdraw the present application with liberty to file fresh writ petition on behalf of applicants.

In view of the above, the present application is dismissed as withdrawn with liberty aforesaid.

Main Case

1. This order of mine shall dispose of the above-mentioned writ petitions as they arise from a similar factual matrix. However, for the sake of brevity, the facts are taken from CWP-1463-2023.
2. The present writ petition has been filed under Article 226 of the Constitution of India, 1950 with a prayer for issuance of an appropriate writ, order or directions especially in the nature of mandamus directing the respondents to release the gratuity of the petitioners at the revised ceiling limit i.e. Rs.20,00,000/- and to pay interest at the rate of 18% p.a. to the petitioners from the date of filing of the instant petition for delaying the payment of gratuity at the revised ceiling limit.
3. Learned counsel for the respondent(s)-Federation submits that grievance raised by the petitioners with regard to releasing their gratuity has been substantially redressed and further submits that in terms of circular dated 21.09.2023 enhanced amount has already been paid and the only issue surviving is with regard to the interest on account of delay in releasing the gratuity.

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4. Learned counsel for the petitioner submits that the petitioners are entitled to the interest on the delayed amount towards retiral dues 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* 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)*

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*.

5. Learned counsel for the respondents-Federation did not controvert upon the judgments relied by the learned counsel for the petitioners and made a submission before this Court that the present writ

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petitions can be disposed of in terms of the judgments *A.S. Randhawa and S.K. Dua (supra)*.

6. I have heard the learned counsel for the petitioners as well as the respondents and it transpires that the delay has been caused in releasing the retiral dues by the respondent-Federation.

7. In view of the above submission made by learned counsel for the respondent(s), the present petition is disposed of with a direction to the respondent(s)/competent authority to pay the interest on delayed amount towards retiral benefits from the date of filing of the present writ petitions at the rate of 7.5% p.a in terms of the judgments *A.S. Randhawa and S.K. Dua (supra)* within a period of two months from the date of receiving the certified copy of this order.

8. Pending miscellaneous application(s), if any, shall also stands disposed of.

9. Photocopy of this order be placed on the file of connected cases.

(HARPREET SINGH BRAR)
JUDGE

August 25, 2025

P.C

Whether speaking/reasoned. : Yes/No

Whether Reportable. : Yes/No