IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

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CWP-13797-2021 (O&M)
Date of decision: 11.09.2025

Pensioners Association of Haryana Khadi & Village Industries Board through its President

....Petitioner

Versus

State of Haryana and others

....Respondents

CORAM: HON'BLE MR. JUSTICE HARPREET SINGH BRAR

Present: Mr. K.L. Arora, Advocate
for the petitioner.

Mr. Piyush Khanna, Addl. A.G., Haryana.

Mr. Vikram Singh, Advocate
for respondent No.2.

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 respondent/authorities to release interest @ 18% per annum for the delayed period from 03.03.2017 to 27.04.2021 and to release the monthly retiral benefits and to grant interest for the delayed period on the release of retiral benefits for the period from 03.03.2017 to 27.04.2021.

2. Learned counsel for the petitioner submits that the primary grievance of the petitioner raised in the present petition is with regard to entitlement of interest on account of delay in payment of retiral benefits and vide Notification issued by the Department of Finance, Government

of Haryana dated 03.03.2017 and dated 06.03.2017, the respondents were required to make the payment within a period of three months, however, the admissible benefits were paid after a period of four years i.e. on 27.04.2021. As such the delay in releasing the admissible retiral benefits would cover the case of the petitioner. Learned counsel for the petitioner, in support of the arguments, has placed reliance upon the Full Bench judgment of this Court in ***A.S. Randhawa Supg. Engineer (Retd.) vs. State of Punjab 1998 (1) SCT 343*** and the judgment passed by the Hon'ble Supreme Court in ***Vijay L. Mehrotra vs State of U.P., 2000(4) SCT 267***.

3. Per contra, learned counsel for respondent No.2 submits that pensioners No.84 to 92, 95 and 96 are not entitled to the benefits as have been extended by Government of Haryana vide Notification dated 03.03.2017 (Annexure P-1).

4. In rebuttal, learned counsel for the petitioner submits that even if the aforementioned pensioners are not entitled to the benefits as claimed by learned counsel for respondent No.2, however, they were paid revised pay pension and any delay in releasing the revised pension would make out a case in favour of members of petitioner – Association for grant of interest on account of delay.

5. I have heard learned counsel for the parties and perused the record with their able assistance.

6. Admittedly, there is no dispute with regard to the fact that certain admissible retiral benefits were paid to members of petitioner –

Association, after a delay of about four years which has occurred only due to administrative laxity for which the members of petitioner – Association are absolutely not at fault. The delay has not been caused by any action attributable to the members of petitioner – Association. As such the members of petitioner – Association are entitled for grant of interest for the delayed period in release of the retiral dues.

7. 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 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*

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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)*

8. 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***.

9. In the view of the above discussions, the present petition is allowed. The respondents are directed to make the requisite payment of delayed retiral benefits to the members of petitioner – Association, along with an interest of 6% per annum on the same, within a period of 04 weeks on receiving a certified copy of this order. The period of interest shall be computed from 03.03.2017 to 27.04.2021.

(HARPREET SINGH BRAR)
JUDGE

11.09.2025
yakub

Whether speaking/reasoned: Yes/No

Whether reportable: Yes/No