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IN THE HIGH COURT OF PUNJAB AND HARYANA  
AT CHANDIGARH

CWP-16570-2024  
DECIDED ON: 19.02.2026

OMWATI

.....PETITIONER(S)

VERSUS

STATE OF HARYANA AND OTHERS

.....RESPONDENT(S)

CORAM: HON'BLE MR. JUSTICE SANDEEP MOUDGIL

Present: Mr. Chirag Suri, Advocate  
for the petitioner

Dr. Malvika Singh, DAG. Haryana

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**SANDEEP MOUDGIL, J (ORAL)**

**Prayer**

The present civil writ petition has been filed by the petitioner, who is the widow of the employee, Late Sh. Ishwer Singh, seeking release of pensionary and other retiral benefits arising out of the service rendered by her husband with the Haryana State Transport Department wherein the contractual service rendered by him w.e.f. 16.04.1993, has not been taken into consideration while computing the retiral benefits accrued to the employee.

**Factual Conspectus**

The facts of the present case are that Late Sh. Ishwer Singh was initially appointed as a Driver on contractual basis on 16.04.1993 (Annexure P-1) and his services were subsequently regularized vide memo dated 23.03.1999 (Annexure P-2). He continued to serve the respondent-department for about 24

years and was compulsorily retired vide order dated 10.04.2017(Annexure P-4). Unfortunately, the husband of the petitioner/employee has since passed away on 13.06.2022. The grievance of the petitioner is that despite repeated representations and earlier round of litigation, the respondents failed to release pensionary benefits within a reasonable time and had wrongly calculated the qualifying service.

**Backdrop of the Proceedings**

The notice of motion was issued by this court on 10.12.2024. By way of the short affidavit filed on behalf of Respondent no. 2, wherein it has been categorically admitted that upon examination of the service record, the qualifying service of Late Sh. Ishwer Singh has been determined and pensionary benefits have been sanctioned. It is further admitted that Pension Payment Order and Gratuity Payment Order have been issued by the Principal Accountant General (A&E), Haryana and that an amount of ₹13,52,573/- (Annexure R-2) towards arrears and other admissible dues has been released to the petitioner in installments, the last payment having been made in January 2026. It is specifically averred that all admissible dues including arrears of family pension stand paid.

**Conclusion**

In view of the aforesaid stand taken by the respondents in their short affidavit, the substantive grievance raised in the present writ petition regarding non-release of pensionary benefits stands redressed. However, the question that survives for consideration is whether the petitioner is entitled to interest on account of delayed payment of retiral dues.

It is well settled that pension is not a bounty but a statutory and valuable right. This court is of the opinion that arrears of salary and retiral benefits cannot be arbitrarily withheld by the State and in case of delayed payment thereof, the employee is entitled to compensatory interest. In ***“State of Kerala v. M.***

***Padmanabhan Nair, (1985) 1 SCC 429***”, the Supreme Court held that pension and gratuity are no longer a bounty and that culpable delay in their disbursement must be visited with payment of interest. Relevant extract of the same is as under:

*“ Pension and gratuity are no longer any bounty to be distributed by the Government to its employees on their retirement but have become, under the decisions of this Court, valuable rights and property in their hands and any culpable delay in settlement and disbursement thereof must be visited with the penalty of payment of interest at the current market rate till actual payment.*

*2. Usually the delay occurs by reason of non-production of the L.P.C. (Last Pay Certificate) and the N.L.C. (No Liability Certificate) from the concerned Departments but both these documents pertain to matters, records whereof would be with the concerned Government Departments. Since the date of retirement of every Government servant is very much known in advance we fail to appreciate why the process of collecting the requisite information and issuance of these two documents should not be completed atleast a week before the date of retirement so that the payment of gratuity amount could be made to the Government servant on the date he retires or on the following day and pension at the expiry of the following month. The necessity for prompt payment of the retirement dues to a Government servant immediately after his retirement cannot be over-emphasised and it would not be unreasonable to direct that the liability to pay penal interest on these dues at the current market rate should commence at the expiry of two months from the date of retirement”*

Similarly, in ***“D.D. Tewari (D) through LRs v. Uttar Haryana Bijli Vitran Nigam Ltd., (2014) 8 SCC 894***”, it was by the Supreme Court held that an employee or his family cannot be made to suffer on account of administrative lapses and is entitled to interest on delayed payment of retiral benefits while reiterating that the denial of timely payment of lawful dues warrants award of interest as compensation, while categorically holding that,

*“4. It is an undisputed fact that the appellant retired from service on attaining the age of superannuation on 31.10.2006 and the order of the learned single Judge after adverting to the relevant facts and the legal position has given a direction to the employer-respondent to pay the erroneously withheld pensionary benefits and the gratuity amount to the legal representatives of the deceased employee without awarding interest for which the appellant is legally entitled, therefore,*

*this Court has to exercise its appellate jurisdiction as there is a miscarriage of justice in denying the interest to be paid or payable by the employer from the date of the entitlement of the deceased employee till the date of payment as per the aforesaid legal principle laid down by this Court in the judgment referred to supra. We have to award interest at the rate of 9% per annum both on the amount of pension due and the gratuity amount which are to be paid by the respondent.”*

In the present case, the retirement of the husband of the petitioner took effect on 10.04.2017, yet the pensionary benefits were not released within a reasonable time and payments were made only between the years 2023 and 2026. The delay is substantial and has not been satisfactorily explained. The petitioner, being the widow dependent upon family pension, cannot be compelled to suffer for inaction on the part of the authorities. Therefore, this court is of the opinion that the delay in release of retiral dues entitles the petitioner, the grant of reasonable interest thereupon.

Accordingly, while recording that the principal relief sought in the present petition admittedly stands satisfied in view of the short affidavit, this Court deems it appropriate to direct the respondents to pay interest @ 6% per annum on the delayed amount for the period from 10.04.2017 till 10.02.2026, i.e. the date of final release. The respondents shall calculate and release the aforesaid interest to the petitioner within a period of 3 weeks from the date of receipt of a certified copy of this order.

The writ petition stands disposed of in the above terms.

Ordered accordingly.

**(SANDEEP MOUDGIL)**  
**JUDGE**

**19.02.2026**

V.Vishal

*Whether speaking/reasoned*

:Yes/No

*Whether reportable*

:Yes/No