

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

257

**CWP-19275-2023 (O&M)
Date of Decision : 18.08.2025**

Chetan Ram

... Petitioner

Versus

State of Haryana and others

... Respondents

CORAM: HON'BLE MR. JUSTICE HARPREET SINGH BRAR

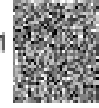
Present: Mr. Pankaj Sharma, Advocate
for the petitioner.

Mr. Padam Kant Dwivedi, Advocate and
Ms. Mansi, Advocate
for respondents No. 2 & 3.

HARPREET SINGH BRAR J. (ORAL)

1. In the present petition filed under Articles 226/227 of the Constitution of India, the petitioner is seeking issuance of a direction to the respondents to pay interest @ 18% P.A. to the petitioner on retiral benefits i.e. Leave Encashment, Arrear of Pension, Gratuity from the date of his retirement on 30.04.2021, as Godown Attendant-cum-Watchman.

2. Learned counsel for the petitioner submits that the only surviving dispute is with regard to the payment of interest on account of delay of retiral benefits. The details of the release of the retiral dues to the



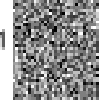
petitioner is as under :-

<i>Particulars</i>	<i>Amount (in Rs.)</i>	<i>Retirement Date</i>	<i>Date of Payment</i>	<i>Time Gap</i>
Arrears of pension	2,96,576/-	30.04.2021	13.02.2023	1Y-09M-13 days
Leave Encashment	2,50,880/-	30.04.2021	13.02.2023	1Y-09M-13 days
Gratuity	3,63,776/-	30.04.2021	03.03.2023	1Y-10M-03 days

3. In that vein, a gainful reference can be made to the judgment rendered by a Full Bench of this Court in *A.J. 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 paid 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*.

4. Mr. Padam Kant Dwivedi, learned counsel appearing on behalf of respondents No. 2 & 3 submits that the claim of the petitioner towards interest on delayed payment of retiral benefits, could be considered and same shall be released within a period of three months.

5. In the view of the statement made by learned counsel for respondents No. 2 & 3, the present petition is disposed of. The respondents No. 2 & 3 are directed to calculate the interest on delayed payment @ 6% per annum and release the same. Interest shall be calculated two months after the retirement i.e. 30.04.2021.

(HARPREET SINGH BRAR)
JUDGE

18.08.2025
Satyawan

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