

2026:PHHC:092551



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

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CWP-455-2023 (O & M)

Date of decision: 08.07.2026

MAN SINGH

...Petitioner

Versus

UTTAR HARYANA BIJLI VITRAN NIGAM LIMITED AND OTHERS

...Respondents

CORAM: HON'BLE MR. JUSTICE AMAN CHAUDHARY

Present : Mr. Shvetanshu Goel, Advocate and
Ms. Kritika Gupta, Advocate, for the petitioner.

Mr. Anmol Dutt Sharma, Advocate for
respondents No.1 to 3.

AMAN CHAUDHARY, J. (ORAL)

1. Prayer made in the present petition is for directing the respondents to pay interest to the petitioner on the delayed payment of retiral benefits.

2. Learned counsel submits that the petitioner retired on attaining the age of superannuation on 31.03.2016, however, his retiral benefits to which he was entitled, were released only on 27.11.2022 and the solitary reason coming forth from the written statement is that despite their best efforts, records took time to be obtained on account of which the delay occurred.

3. Hon'ble the Supreme Court in the case of **The State of Andhra Pradesh and another vs. Smt. Dinavahi Lakshmi Kameswari**, SLP (C) No.12553 of 2020, decided on 08.02.2021, wherein on account

of deferred salaries and pensions, interest at the rate of 6% per annum was granted, reducing the same from 12% as granted by the High Court.

4. Stressing on the importance of granting pension, Hon'ble the Supreme Court in **State of Kerala vs. M. Padmanabhan Nair**, (1985) 1 SCC 429, held that, "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."

5. In **A.S. Randhawa vs. State of Punjab and others** 1997(3) SCT 468, **Vijay L. Mehrotra vs. State of UP** 2001 (9) SCC 687 and **J.S. Cheema vs. State of Haryana** 2014(13) RCR (Civil) 355, it was held that indisputably a retiree is entitled to compensation for delayed payments, most equitably addressed through interest on the due amount from the date of superannuation, particularly when no valid justification for the delay exists, emphasizing that the retirement of a government employee triggers an immediate entitlement to pension and related benefits, placing a statutory obligation on the State to ensure disbursement within a reasonable timeframe, typically no longer than two months. Failure to do so entitles the retiree to compensation via interest and the Court likened such interest to "rent for the usage of money" that rightfully belonged to the petitioner but was unjustly retained and utilized by the State.

6. The delay in releasing the pensionary benefits, a treasured right, entitles the petitioner to interest thereon, having been deprived of the amount with which, the respondents unjustly enriched themselves, which is by way of compensation and not penalty.

7. In view of the above, the present petition is disposed of with a direction to the respondents to pay the interest to the petitioner at the rate of 6% per annum on the pensionary benefits from the date it fell due till the actual date of payment. Needful be done within a period of three months.

08.07.2026

parveen kumar

(AMAN CHAUDHARY)
JUDGE

Whether speaking/reasoned : Yes / No

Whether reportable : Yes / No