

**HIGH COURT OF TRIPURA
AGARTALA
WP(C) No.12 of 2024**

Sri Shasanka Nath Chowdhury, aged 62 years
S/o Lt. Sanatan Nath Chowdhury
R/o: Kunjaban, West Tripura
PIN: 799006.

-----Petitioner(s)

Versus

1. The State of Tripura

To be represented by Principal Secretary,
Department of Industries & Commerce, Govt. of Tripura,
New Secretariat Complex, Kunjaban,
Agartala, West Tripura, PIN 799010.

2. Tripura Handloom & Handicrafts Development Corporation Ltd.

To be represented by the Managing Director, THHDC,
M.B.B Sarani, Agartala, West Tripura, Pin: 799007.

3. The Managing Director,

Tripura Handloom & Handicrafts Development Corporation Ltd,
M.B.B Sarani, Agartala, West Tripura, PIN: 799007.

4. The Secretary, Department of Finance,
Govt. of Tripura, New Secretariat Building,
New Capital Complex, Agartala,
West Tripura, PIN – 799010.

-----Respondent(s)

For Petitioner(s)	:	Mr. P. Roy Barman, Sr. Adv, Mr. D. Paul, Adv, Ms. S. Deb Barman, Adv.
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For Respondent(s)	:	Mr. B. S. Bhowmik, Adv.
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Date of hearing	:	02.05.2024
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Date of delivery of Judgment & Order	:	10.05.2024
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Whether fit for reporting	:	YES
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HON'BLE MR. JUSTICE BISWAJIT PALIT

Judgment & Order

Heard Mr. P. Roy Barman, Learned Senior Counsel
appearing for the petitioner assisted by Mr. D. Paul, Learned
Counsel and Ms. S. Deb Barman, Learned Counsel. Also heard

Mr. B. S. Bhowmik, Learned Counsel for the respondent nos.2 and 3 i.e. Tripura Handloom & Handicrafts Development Corporation Ltd and the Managing Director, Tripura Handloom & Handicrafts Development Corporation Ltd. None appeared on behalf of the respondent nos.1 and 4.

2. By means of filing this writ petition, the petitioner has prayed for the following reliefs:

i) Issue Rule upon the Respondents to show cause as to why a writ in the nature of Mandamus and/or order/orders and/or direction/directions of like nature shall not be issued whereby directing the Respondents to pay interest @ 9% per annum to the Petitioner w.e.f. the date on which gratuity became payable till date of actual payment.

ii) Issue Rule upon the Respondents to show cause as to why writ in the nature of Mandamus and/or order/orders and/or direction/directions of like nature shall not be issued whereby directing the Respondents to pay interest @9% per annum on Rs.10,00,000/- w.e.f., 01.09.2022 to 11.11.2022 and Rs. 6,69,223/- w.e.f., 01.09.2022 to 15.02.2023.

iii) Issue Rule upon the Respondents to show cause as to why a writ in the nature of Mandamus and/or order/orders and/or direction/directions of like nature shall not be issued whereby directing the Respondents to pay to the Petitioner with interest @ 9% on leave encashment benefit w.e.f. one month after retirement till the payment is made.

iv) Issue Rule upon the Respondents to show cause as to why a writ in the nature of Mandamus and/or order/orders and/or direction/directions of like nature shall not be issued whereby directing the Respondents to pay interest @ 9% per annum on Rs.3,80,700/- w.e.f., 01.09.2022 to 29.04.2023 and Rs. 3,80,700/- w.e.f. 01.09.2022 to 10.07.2023.

v) Issue Rule upon the Respondents to show cause as to why a writ in the nature of Mandamus and/or order/orders and/or direction/directions of like nature shall not be issued whereby directing the Respondents to pay to the Petitioner with interest @ 9% on group insurance w.e.f. one month after retirement till the payment is made.

vi) Issue Rule upon the Respondents to show cause as to why writ in the nature of Mandamus and/or order/orders and/or direction/directions of like nature shall not be issued whereby directing the Respondents to pay interest @ 9% per annum on Rs.62,469/- w.e.f. 01.09.2022 to 17.01.2023.

vii) Make the rules absolute.

viii) Call for records.

ix) Pass any further order/orders as this Hon'ble High Court considered fit and proper.

3. In course of hearing, Learned Counsel for the petitioner submitted that by memorandum dated 14.10.1985, petitioner was appointed as Junior Salesman under the respondent nos.2 & 3. The petitioner retired from service in the same post on attaining the age of superannuation i.e. w.e.f. 31.07.2022. The petitioner rendered service for a period of 38 years. According to the petitioner, after retirement from service, he became entitled to full and final payment of gratuity within a period of 30 days from the date of retirement in terms of Section 7(3) of the Payment of Gratuity Act, 1972. The petitioner also entitled to encashment of Earned Leave benefit within 30 days of retirement and entitled to Group Insurance claim within 30 days of retirement. It was the further case of the petitioner that his last basic pay was Rs.70,500/- at the time of retirement and he was getting 8% D.A of the basic. Thus, his gross salary was Rs.76,140/-. According to petitioner, vide memo dated 18.10.2022 issued by the Managing Director, Rs.10,00,000/- was sanctioned for payment of gratuity to the petitioner. Again, vide another sanction memo dated 30.01.2023 issued by the Managing Director, THHDC Ltd. Rs.6,69,223/- was sanctioned in favour of the petitioner towards payment of balance amount of gratuity. In addition to that, vide sanction memo dated 21.03.2023 issued by Managing Director, THHDC Ltd., an amount of Rs.7,61,400/- was sanctioned for payment to the petitioner towards leave encashment benefit. From the sanction

memo dated 21.03.2023, it was clear that the leave encashment benefit was sanctioned on 21.03.2023 although the petitioner retired w.e.f. 31.07.2022 and he was entitled to leave encashment within 30days from the date of retirement but the respondents have caused delay in causing such payment towards the petitioner as such he is entitled to interest for such delay caused by the respondents in causing payment to the petitioner. The petitioner further submitted that it is settled position of law that if gratuity and other pensionary benefits are withheld or delay is caused in case of payment of gratuity and other pensionary benefits in that case interest is to be paid from the date of entitlement till the date of actual payment. So, the petitioner submitted that on calculation he is entitled to Rs.99,747/- for the period as mentioned in para no.22 of the writ petition.

4. The claim of the petitioner has been contested by the respondent nos.2 & 3 by filing counter affidavit. In the counter affidavit, it was submitted that the payment of gratuity has been made to the petitioner by two installments on 02.11.2022 and 09.02.2023 which was the full and final payment of gratuity and on receipt of Group Insurance amount from the Life Insurance Company Ltd., an amount of Rs.62,469/- has been paid to the petitioner. It was further submitted that due to financial constraint of the corporation, it was difficult on the part of Corporation to make payment of Leave Salary to the retired employees of Tripura Handloom and Handicrafts

Development Corporation Ltd. within a reasonable period. However, the petitioner was paid Leave Salary by two installments vide cheque bearing no.298282 dated 25.04.2023 and cheque bearing no.298351 dated 25.07.2023. It was further submitted that Group Insurance was tied up with the Life Insurance Company Ltd. So, Tripura Handloom and Handicrafts Development Corporation Ltd. has no right to make payment of Group Insurance unless the maturity amount has been received from the Life Insurance Company Ltd and it was submitted that the payment of Group Insurance has been made to the petitioner as soon as the amount received from the Life Insurance Company. The contesting respondents further submitted that after retirement of any employee of the Corporation, a considerable time is required to release the gratuity due to administrative reasons and depending on the fund availability to the Corporation. The Corporation is running loss of Rs.10,00,00,000 per year, for which it has become difficult to make payment of Leave Salary to the retired employees in time. Hence, the contesting respondents by the counter affidavit denied the claim of the petitioner that he is entitled to get interest for the delayed payment.

5. In course of hearing, Learned Senior Counsel Mr. P. Roy Barman assisted by Mr. D. Paul, Learned Counsel and Ms. S. Deb Barman, Learned Counsel referred sub-section 3, (3-A) of Section 7 of the Payment of Gratuity Act and submitted that in view of the aforesaid provisions, the respondents are legally

bound to pay interest to the petitioner but they did not make any payment of interest. In respect of other pensionary benefits like Leave Encashment and Group Insurance, he further submitted that since the respondents have failed to make payment of the pensionary benefits within the stipulated period of one month from the date of superannuation. So, for Leave Encashment and Group Insurance also, the respondents are to make payment of interests to the petitioner and referred few citations.

6. Per contra, Learned Counsel, Mr. B. S. Bhowmik appearing for the respondent nos.2 & 3 submitted that the petitioner has given all the retirement benefits but due to some administrative reasons and financial stringency, the payment could not be made in time to the petitioner and furthermore, regarding Group Insurance, the LIC has not been made party in this case and moreso, for leave encashment, there is no scope to award any interest to the petitioner and, as such, the claim of the petitioner is being devoid of merit and prayed for dismissal of this petition. Considered.

7. I have heard rival submission of both the parties.

8. For the sake of convenience, I would like to refer herein below the relevant provision of Section 7 of the Payment of Gratuity Act which provides as under:

Section 7

[Sub-section(3) The employer shall arrange to pay the amount of gratuity within thirty days from the date it becomes payable to the person to whom the gratuity is payable.]

Sub-section(3-A) If the amount of gratuity payable under sub-section (3) is not paid by the employer within the period specified in sub-section(3), the employer shall pay, from the date on which the gratuity becomes payable to the date on which it is paid, simple interest at such rate, not exceeding the rate notified by the Central Government from time to time for repayment of long-term deposits, as that Government may, by notification specify:

Provided that no such interest shall be payable if the delay in the payment is due to the fault of the employee and the employer has obtained permission in writing from the controlling authority for the delayed payment on this ground.]

From the aforesaid provision, it appears that if the amount of gratuity payable under sub-section 3 and (3-A) is not paid by the employer within period specified in sub-section(3), the employer shall pay from the date on which the gratuity becomes payable to the date on which it is paid, simple interest at such rate, not exceeding the rate notified by the Central Government from time to time for repayment of long-term deposits, as that Government may, by notification specify. Here in this case, it is the admitted position that the contesting respondents although admitted the fact of delayed payment of gratuity to the petitioner so as such the respondents are liable to pay interest to the petitioner.

9. In State of Kerala and Ors. v. M. Padmanabhan Nair dated 17.12.1984 reported in **(1985) 1 SCC 429**, wherein Hon'ble the Supreme Court observed para nos.3, 4 & 5 as under:

"3. The instant case is a glaring instance of such culpable delay in the settlement of pension and gratuity claims due to the respondent who retired on May 19, 1973. His pension and gratuity were ultimately paid to him on August 14, 1975, i.e., more than two years and 3 months after his retirement and hence after serving lawyer's notice he filed a suit mainly to recover interest by way of liquidated damages for delayed payment. The

appellants put the blame on the respondent for delayed payment on the ground that he had not produced the requisite L.P.C. (last pay certificate) from the Treasury Office under Rule 186 of the Treasury Code. But on a plain reading of Rule 186, the High Court held – and in our view rightly – that a duty was cast on the Treasury Officer to grant to every retiring Government servant the last pay certificate which in this case had been delayed by the concerned officer for which neither any justification nor explanation had been given. The claim for interest was, therefore, rightly, decreed in respondent's favour.

4. Unfortunately such claim for interest that was allowed in respondent's favour by the District Court and confirmed by the High Court was at the rate of 6 per cent per annum though interest at 12 per cent had been claimed by the respondent in his suit. However, since the respondent acquiesced in his claim being decreed at 6 per cent by not preferring any cross-objections in the High Court it would not be proper for us to enhance the rate to 12 per cent per annum which we were otherwise inclined to grant.

5. We are also of the view that the State Government is being rightly saddled with a liability for the culpable neglect in the discharge of his duty by the District Treasury Officer who delayed the issuance of the L.P.C. but since the concerned officer had not been impleaded as a party defendant to the suit the Court is unable to hold him liable for the decretal amount. It will, however, be for the State Government to consider whether the erring official should or should not be directed to compensate the Government the loss sustained by it by his culpable lapses. Such action if taken would help generate in the officials of the State Government a sense of duty towards the Government under whom they serve as also a sense of accountability to members of the public."

Further in **Dr. A. Selvaraj v. C.B.M. College and Ors.**

dated 04.03.2022 reported in **(2022) 4 SCC 627**, Hon'ble the Supreme Court in para nos.10, 11, 12, 13 & 14 observed as under:

"10. Having heard the learned counsel for the respective parties, we are of the opinion that as there was a delay in making the payment of retirement benefits and settling the dues for which the appellant employee is not at all responsible, he is entitled to the interest on the delayed payment. Even the Division Bench of the High Court has also observed in the impugned judgment and order that the appellant is entitled to the interest on the delayed payment. However, there is an inter se dispute between the Secretary, Management and the Government as to who is responsible for the delay in making the payment to the appellant and

therefore, he has been denied the interest on delayed payment though entitled to.

11. It is to be noted that as such pursuant to the interim order dated 9-8-2021, the Government did conduct an enquiry and fastened the liability on the College and observed that the former Secretary, Shri C. M. Ramaraj was responsible for the delay in disbursement of the terminal benefits to the original writ petitioner.

12. In that view of the matter, subject to the further final order that may be passed by the Government, the College/Management is first liable to pay the interest on the delayed payment of retirement dues subject to the final decision, which may be taken by the Government, after hearing the Management and the former Secretary. However, because of the inter se dispute between the Management, Secretary and the Government on who is responsible for the delay in making the payment and/or settling the dues, the retired employee should not be made to suffer for no fault of his.

13. In view of the above discussion and for the reasons stated above, the present appeal succeeds. The impugned judgment and order :2021 SCC OnLine Mad 10636 passed by the Division Bench of the High Court and that of the learned Single Judge :2020 SCC OnLine Mas 8446 denying the interest on delayed payment of retirement benefits to the appellant is hereby quashed and set aside. The Management/Trustees/College are hereby directed to pay the interest on the delayed payment of retirement benefits to the appellant, from the date of retirement till the actual payment was made, subject to the final decision that may be taken by the Government on the objections to the enquiry report that may be filed by the former Secretary and/or the College and it will be open for the College/ Management/Trustees to recover the same from the person, who, ultimately is held to be responsible for the delay.

14. The payment of interest on delayed payment of retirement benefits to be paid strictly within a period of six weeks from today. In the meantime, the Government to pass a final order on the enquiry report after giving an opportunity to the College/Management/former Secretary. It goes without saying that it would be open to the aggrieved party to challenge the said decision before the appropriate forum.

Further, in **Dr Uma Agrawal v. State of U.P and another** dated 22.03.1999 reported in **(1999) 3 SCC 438**, the Apex Court in para nos.5, 6 & 7 also observed as under:

"5. We have referred in sufficient detail to the Rules and instructions which prescribe the time-schedule for the various steps to be taken in regard to the payment of pension and other retiral benefits. This we have done to remind the various governmental departments of their duties in initiating various

steps at least two years in advance of the date of retirement. If the Rules/instructions are followed strictly, much of the litigation can be avoided and retired government servants will not feel harassed because after all, grant of pension is not a bounty but a right of the government servant. The Government is obliged to follow the Rules mentioned in the earlier part of this order in letter and in spirit. Delay in settlement of retiral benefits is frustrating and must be avoided at all costs. Such delays are occurring even in regard to family pensions for which too there is a prescribed procedure. This is indeed unfortunate. In cases where a retired government servant claims interest for delayed payment, the court can certainly keep in mind the time-schedule prescribed in the Rules/instructions apart from other relevant factors applicable to each case.

6. The case before us is a clear example of departmental delay which is not excusable. The petitioner retired on 30-4-1993 and it was only after 12-2-1996 when an interim order was passed in this writ petition that the respondents woke up and started work by sending a special messenger to various places where the petitioner had worked. Such an exercise should have started at least in 1991, two years before retirement. The amounts due to the petitioner were computed and the payments were made only during 1997-98. The petitioner was a cancer patient and was indeed put to great hardship. Even assuming that some letters were sent to the petitioner after her retirement on 30-3-1993 seeking information from her, an allegation which is denied by the petitioner, that cannot be an excuse for the lethargy of the Department inasmuch as the Rules and instructions require these actions to be taken long before retirement. The exercise which was to be completed long before retirement was in fact started long after the petitioner's retirement.

7. Therefore, this is a fit case for awarding interest to the petitioner. We do not think that for the purpose of the computation of interest, the matter should go back. Instead, on the facts of the case, we quantify the interest payable at Rs 1 lakh and direct that the same shall be paid to the petitioner within two months from today."

In **Md. Sayeedul Islam Mir v. State of West Bengal & Ors.** dated 13.12.2012 reported in **2012 SCC OnLine Cal 12570**, wherein Hon'ble the Apex Court observed as under:

"The learned advocate for the petitioner relying upon a judgment of a Co-ordinate Bench of this court in the case of *Niranjana Kumar Mondal v. The State of West Bengal*, reported in (2012) 1 WBLR (Cal) 903, submits that non-payment of interest on delayed payment of pensionary benefit is a continuing wrong.

Upon noticing the said judgment, it appears that one of the points, which was taken, was whether

the interest could be awarded for delayed payment of the retiral benefit after a lapse of considerable period of time. In such perspective, it was held that:-

"Claim for interest cannot be held to be a stale claim as right to claim interest on delayed payment of retiral dues accrues due to continuing wrong committed by the State respondents for withholding the payment of the petitioner's retiral dues causing continuous injury to the petitioner until such payment is made."

Let me explain as to how non-payment of interest amounts to a continuing wrong. It has now been settled universally that payment of retiral dues is not a bounty. The scheme for payment of such retiral dues was introduced by the State Government by the Office Memorandum dated 26th May, 1998. Under the said scheme the State Government is required to pay the retiral dues such as death-cum-retiring gratuity, commuted value of pension etc., on the day following the date of his retirement. If such payment is not made on the said date, then the State Government acquires a liability to pay interest on delayed payment of such retiral dues, simultaneously corresponding right to claim interest on delayed payment of retiral dues is accrued in favour of the retired person as such right is recognised in the Part III of the favour of the retired person as such right is recognized in the Part III of the Constitution. Thus, whenever such retiral dues is paid to a retired person beyond the due date, the State Government is required to pay interest till the date of payment of such retiral dues, so that the interest which he could have earned by way of depositing his retiral dues in any Nationalized Bank or any financial institutions from the date since when it became due and payable to him upto the date of payment thereof, can be recovered by him from the employer. This liability to pay interest by the State, in my view, continues till the date of actual payment of the retiral dues but in case interest is not paid along with the retiral dues, liability to pay interest continues till the date of payment of interest as the interest which was accumulated on the retiral dues upto the date of payment of such retiral dues, also carries interest day to day until such interest is paid. Thus, this court is of the view that nonpayment of interest on delayed payment of retiral dues is a continuing wrong causing continuous injury to the petitioner.

It has been held by the Hon'ble Supreme Court in case of *Union of India v. Tarsem Singh*, reported in (2008) 8 SCC 648, that where a service related claim is based on a continuing wrong, relief can be granted even if there is long delay in seeking remedy, **as continuing wrong creates a continuous source of injury and the claim never gets fridged until payment is made.**

The law enunciated in the said report squarely applies in the facts of the present case. The claim of the writ petitioner, therefore, cannot be refused as non-payment of interest on delayed payment of pensionary benefit, is a continuing wrong. Furthermore, in the said report, the Co-ordinate Bench recorded the stand of the State Government

in implementing the Court's order for payment of interest on delayed payment of gratuity in the following words:

"22. Thus, when the State Government, on its own, took a decision to implement the Court's order for payment of interest on delayed payment of Gratuity and further when the State Government granted interest on delayed payment of Gratuity in numerous cases following the orders of this Court which were passed by taking note of such concession given by the State Government, this Court does not find any justification to reject the petitioner's claim for interest merely on the ground of delay when this Court finds that the State itself committed default in discharging its duty to pay such legitimate dues of the petitioner at the right time and because of nonpayment of interest, the petitioner has made to suffer a continuous injury till date."

Thus, in view of the above, the petitioner is entitled to an interest on the delayed payment of gratuity and the respondent no.4 herein, the Treasury Officer, Uluberia, Howrah, is directed to pay the interest @ 6% per annum on delayed payment of such gratuity from the date of attainment of superannuation till the date of actual payment and such amount shall be paid within eight weeks from the date of communication of this order. In default of payment of an amount indicated above within the stipulated period, the concerned authority shall pay an additional interest @ 2% per annum over and above the interest already awarded till the actual payment is made.

The writ petition is, thus, disposed of without any order as to costs.

Xerox certified copy of this order, if applied for, will be made available to the applicant within a week from the date of putting in the requisites."

In **Major-Gen.(Old. Capt.) Virender Kumar v. Chief of the Army Staff and three proforma respondents** dated 11.03.1994 reported in **1994 Supp (2) SCC 303** wherein Hon'ble the Supreme Court in para no.14 observed as under:

"14. We hope that this order will finally bring down the curtain on the litigation which has been going on for nearly 30 years. But we are constrained to observe that the petitioner was not paid the sums which were due to him under the Group Insurance Scheme, Defence Service Officers' Provident Fund, Children Education Fund and Terminal Gratuity benefits. The total amount, excluding the amount of Children Education Fund, comes to approximately Rs.21,000 and odd. That this amount has not been paid to the petitioner for all these years brings out fully the observation made by this Court that the department was viewing the matter as one of false prestige. In the circumstances, there is no option but to award an interest of 14 per cent on this

amount from March 1986 to February 1994. The petitioner shall further be entitled to interest at 14% on Children Education Fund. The department shall pay interest on same rate at the total pension from March 1986 to February 1994."

In **Jagdish Prasad Saini and other v. State of Rajasthan and others** dated 26.09.2022 reported in **2022 SCC OnLine SC 1298**, the Apex Court in para no.21 and 24 observed as under:

"21. This court had categorically ruled, in *Senior Higher Secondary School* (supra) that leave encashment is part of salary. In the scheme of the 1993 Rules, the assessment of, and determination of the extent of, aid to be granted to any institution, is provided by Rule 13. What forms part of the approved expenditure that would be the content of aid, is provided by Rule 14. In the present case, the management establishment was recipient of 70% aid, in the form of grant. In these circumstances, the State cannot shrug its responsibility to shoulder its part of the responsibility to pay the appellants the share of leave encashment benefits, and hide behind either Rule 5(viii) or the undertaking executed by them. The appellants are held entitled to privilege leave entitlement benefits. Such benefit shall be calculated from the date they entered the service of the establishment till the date of their absorption, by the State, in 2016. The State shall pay the benefits due to the extent of 70%, and the balance 30% shall be payable by the management establishment.

24. In view of the above discussion, it is held that with respect to leave encashment, the State and the respondent nos. 3 to 7 are liable to pay the appellants, in the ratio of 70 : 30 respectively. The respondent State shall, within four weeks from today, determine the extent of entitlement of each appellant, and communicate the extent of amount payable by the management establishment (respondent nos.3 to 7), to the appellants. These amounts shall be paid by all the respondents, within six weeks from today. The respondent nos.3 to 7 shall also calculate and pay the amount of gratuity, to the appellants (on the basis of their initial date of entry in the school, till the date of order of absorption, by the respondent State), within six weeks from today. Since both sets of respondents contested their liability and denied them to the appellants, the amounts payable to the appellants shall also carry interest, at the rate of 10% from the date(s) of their entitlement, till the date of payment."

This High Court in **Bhupati Debnath v. The State of Tripura and Ors.** bearing case no. WP(C) No.1054/2019 dated 13.02.2020 in para 13 observed as under:

"13. Under the circumstances, petition is disposed of with following directions:

(i) As provided earlier, the petitioner shall apply to the respondent No.2 stating his calculation of payable gratuity. The respondent No.2 shall examine the petitioner's calculation and convey to him if any gratuity remains still payable;

(ii) While calculating such gratuity, revised limit of ₹20,00,000 (rupees twenty lakhs) shall be applicable;

(iii) If there is any shortfall in payment of gratuity, the same shall be paid within a period of 4(four) months from today with simple interest @ 7.5% per annum from one month after the date of superannuation till actual payments;

(iv) The remaining amount of leave encashment shall be released within a period of 4(four) months from today. The entire leave encashment payment shall carry simple interest @ 7.5% per annum from one month after the date of retirement till actual payments;

(v) The gratuity already paid shall also carry simple interest @ 7.5% per annum from one month after the date of retirement till actual payments"

In **Lal Zakim Rokhum v. Tripura Road Transport Corporation and Ors.** bearing case no. WP(C) No.1209/2019 dated 20.02.2020, this Court in para no.7 observed as under:

"7. In view of the above discussion, respondents are directed to release the remaining amount of gratuity payable to the petitioner which shall carry simple interest @ 7.5 % after completion of one month from the date of retirement till actual payment. Payment shall be made within three months from today."

From the aforesaid principles of law laid down by the Hon'ble Supreme Court and this High Court in different cases, it appears that the petitioner of the present case is entitled to interest due to delayed payment of retirement benefits.

10. Here, Learned Counsel for the contesting respondents in course of hearing, save and except administrative reason and financial incapacity could not raise any other legal points to discard the claim submitted by the petitioner and thus it appears that the respondent no.2 & 3 by their act have admitted their fault to make payment of the retirement benefits in belated stage i.e. after the period of retirement. Furthermore, the Corporation also cannot take the plea of financial constraints indefinitely for paying post retirement benefits to his employees. The petitioner was in service for more than 38 years. His service is also not covered by the pension scheme. So after his retirement, he would only have the savings in the form of gratuity, provident fund accumulated in his account, leave encashment, group insurance, etc during his old days and such amount should be paid to him as soon as possible which the respondents have failed to disburse in time.

In course of hearing, Learned Counsel for the respondent-department also took the plea that the LIC has not been made party in this case. But in this regard, it is submitted that since the department itself made agreement with the LIC, so it is the liability of the respondent-department to ensure the claim of the petitioner i.e. the post-retirement benefit within time.

11. In view of the principles of law laid down by the Hon'ble the Apex Court and after hearing both the sides, this Court

deems it prudent to allow the writ petition with the following observations:

i) The petitioner shall apply to the respondent-department within a period of 15 days from the date of receipt of the copy of this judgment in the form of representation with due calculation as mentioned by him in para 22 of the writ petition.

ii) The respondent nos.2 & 3 shall examine the petitioner's calculation and shall try to make all endeavour to release the interest at the rate of 7.5% per annum from the date of his entitlement till date of payment so as to enable him to lead a peaceful hassle-free life during the retirement stage within a period of 3(three) months from today.

12. A copy of this order, if applied for, be furnished to the Learned Senior Counsel for the petitioner immediately and also a copy of this order be supplied to Learned Counsel for the contesting respondents for taking up the matter with the contesting respondent-department for early settlement of the claim of the petitioner as ordered above.

13. With this observation, the instant writ petition stands allowed and disposed of.

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

JUDGE