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IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH

CWP-9284-2019 (O&M)
Date of Decision: 20.03.2023

Ashok Kumar Chopra

....Petitioner(s)

Versus

State of Punjab and others

.....Respondent(s)

CORAM: HON'BLE MR. JUSTICE JASGURPREET SINGH PURI

Present: Mr. Ashish Goklaney, Advocate,
for the petitioner.

Ms. Akshita Chauhan, DAG, Punjab.

Mr. Vijay Kumar Kaushal, Advocate,
for respondent Nos. 2 to 4.

JASGURPREET SINGH PURI, J. (Oral)

The present petition has been filed under Articles 226/227 of the Constitution of India seeking a writ in the nature of *Mandamus* directing the respondents to release interest @ 9% per annum to the petitioner on the delayed payment of retiral benefits i.e gratuity, leave encashment and CPF etc. in view of a Full Bench judgment of this Court in *A.S. Randhawa Versus State of Punjab and others, 1997(3) SCT 468 (F.B.)*.

Learned counsel for the petitioner has submitted that the petitioner had retired on 30.04.2017 as Assistant Engineer from the respondent-Board and immediately on the retirement, he was entitled for all the retiral benefits but there had been an unreasonable delay on the part of

the respondent-Board in disbursal of the aforesaid amount. He submitted that there was neither any impediment nor any obstacle for the payment of the aforesaid amount to the petitioner. He submitted that CPF was paid to the petitioner on 28.07.2017 which was with a delay of 3 months, some of the gratuity was paid on 22.12.2017 and remaining part was paid on 13.02.2018 and leave encashment was paid to the petitioner on 24.11.2017 and in this way, there had been a delay of few months for which there is no justifiable reason and therefore in view of a Full Bench judgment of this Court in *A.S. Randhawa Versus State of Punjab and others (Supra)*, the petitioner was entitled for interest.

On the other hand, Mr. Vijay Kumar Kaushal, learned counsel appearing on behalf of respondent-Board submitted that so far as the amount of CPF is concerned, the same was paid on 28.07.2017 alongwith interest to the petitioner and it was paid within three months and therefore the petitioner does not deserve any further interest on the same and so far as the remaining components i.e. gratuity and leave encashment are concerned, the same was although paid with some delay but it was because the Board had to seek 'No Objection Certificate' from all the concerned Circles/Divisions/Sub Divisions and thereafter on the basis of report a 'No Dues Certificate' was to be issued by the Punjab Water Supply and Sewerage Board and in this way a little delay has been caused and therefore the petitioner is not entitled for the interest.

I have heard the learned counsel for the parties.

The petitioner has prayed for grant of interest only in view of a Full Bench judgment of this Court in *A.S. Randhawa Versus State of*

Punjab and others (Supra). So far as the component of CPF is concerned, as per the reply filed by the respondent-Board, there was a delay of three months but at the same time it is so stated that it was paid alongwith interest, so therefore the petitioner would not be entitled for any interest on the CPF.

So far as the two components i.e. gratuity and leave encashment are concerned, the gratuity was paid to the petitioner on 22.12.2017 and 13.02.2018 which was after a delay 8 months and 9 months and so far as the leave encashment is concerned, the same was paid on 24.11.2017 which was after a delay of 7 months. The plea which has been taken by the respondent-Board in the reply as well as in the submissions made by the learned counsel for the respondent-Board was that it was because of procedural aspects pertaining to getting 'No Objection Certificate' from various Circles/Divisions/Sub Divisions. This Court is of the view that once a person has retired and there is no impediment for grant of pension or pensionary benefits/ retiral benefits, then the same is to be given to the retired person immediately after his retirement. The collection of 'No Objection Certificate' from the different Circles/Divisions/Sub Divisions is a procedural aspect which should be taken care of before the time of retirement and therefore it does not constitute a sufficient cause for the purpose of delay in the payment of retiral benefits. It appears that there is no good justifiable reason for the delay caused by the respondent-Board.

In view of the above, the present petition is partly allowed. The petitioner is entitled for the grant of interest on two components i.e. gratuity and leave encashment. Interest @ 6% per annum shall be paid to

the petitioner from the date of accrual i.e. on retirement and till the date of disbursement. The respondent-Board is directed to calculate the interest @ 6% per annum as aforesaid and pay to the petitioner within a period of four months from today. In case the aforesaid interest amount is not paid within the aforesaid period of four months, then the petitioner shall be entitled for future interest @ 9% per annum instead of 6% per annum .

20.03.2023

rakesh

(JASGURPREET SINGH PURI)

JUDGE

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