

IN THE HIGH COURT OF PUNJAB AND HARYANA  
AT CHANDIGARH

218

CWP-13598 of 2018  
Date of Decision:17.03.2023

Shanti Devi

....Petitioner

Versus

State of Punjab and others

.....Respondent(s)

**CORAM: HON'BLE MR. JUSTICE JASGURPREET SINGH PURI**

Present: Mr. G.S. Thind, Advocate,  
for the petitioner.

Mr. Sandeep Chopra, DAG, Punjab

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**JASGURPREET SINGH PURI, J. (Oral)**

The present petition has been filed under Articles 226/227 of the Constitution of India seeking issuance of a writ in the nature of *mandamus* directing the respondents to pay the interest @18% on the delayed payments of retiral benefits.

Learned counsel for the petitioner submitted that the daughter of the petitioner who was working as Associate Professor in the Government College for Women, Patiala unfortunately died on 31.12.2015 and the petitioner is the mother of the aforesaid Associate Professor and she is entitled for all the retiral/pensionary benefits after the death of her daughter. He submitted that although there was a confusion with regard to as to who was entitled for the grant of the retiral benefits and the petitioner had been requesting the respondents authorities for the release of retiral benefits but ultimately a final decision was taken by the respondent State on 07.03.2017

vide Annexure P-1 whereby it was decided that the petitioner is entitled for the grant of retiral/pensionary benefits. He submitted that even considering the aforesaid date of passing of the order by the Director, Education Department (Colleges), Punjab dated 07.03.2017 (Annexure P-1) there has been a delay in the payments of gratuity, GP fund and leave encashment for which she is entitled for interest.

On the other hand, Mr. Sandeep Chopra, learned DAG, Punjab while referring to the reply filed by the State submitted that earlier since there was no nomination of the petitioner in the service book of the deceased and also accompanied by the fact that the sister of the deceased was also laying claim on the same but vide Annexure P-1 dated 07.03.2017 the said decision was taken by the Director, Education Department (Colleges), Punjab and till that date the petitioner is not entitled for grant of any interest. He submitted that even learned counsel for the respondent-State has also submitted that the petitioner was entitled for the grant of interest after the aforesaid order dated 07.03.2017 (Annexure P-1) and for that purpose there was no long delay by the respondents. He submitted that the gratuity was given to the petitioner on 16.08.2017, leave encashment was given on 21.11.2017 and GP fund was given on 02.12.2018. He submitted that so far as the GP fund is concerned, while referring to para No. 3 of the preliminary submissions, he submitted that when the gratuity was paid after about one year and for which there was a delay, the petitioner was also paid statutory interest of the amount of Rs.76,162/- which was credited to the account of the petitioner and therefore so far as the GP fund is concerned, the petitioner is not entitled for any interest because the same has already been paid to her. He submitted that so far as the

component of gratuity and leave encashment is concerned, there is no long delay in the disbursement of the aforesaid amount and as per the affidavit filed by the State it was because of the procedural difficulties since the financial year had expired on 31.03.2017 and the earlier period had elapsed and further sanction was again required which caused the delay and therefore the petitioner is not entitled for the grant of interest.

I have heard the learned counsel for the parties.

Learned counsel for the petitioner at the time of arguments submitted that the petitioner was at least entitled for grant of interest on the delayed payments from the time of ascertainment of her entitlement vide Annexure P-1 dated 07.03.2017. So far as the component of GP fund is concerned, as per the reply filed by the State and as per the learned State counsel, the interest has already been given to the petitioner to the tune of Rs.76,162/- and therefore so far as the GP fund is concerned, the petitioner is therefore not entitled for grant of interest. So far as the component of gratuity and leave encashment is concerned, the petitioner is certainly entitled for the grant of interest after the passing of the order dated 07.03.2017 vide Annexure P-1. Even if there had been a delay of five months in gratuity and about eight months in leave encashment, there has to be some justification for the same. After the ascertainment of the entitlement of the petitioner, the State could not have withheld the retiral/pensionary benefits of the daughter of the petitioner to which the petitioner was entitled. The procedural difficulties or elapsing of the sanction due to expiry of financial year is not a justifiable reason for delaying the payment. Therefore, the petitioner is entitled for the grant of interest @6% on the two components i.e. gratuity and leave encashment from the date of

passing of the order dated 07.03.2017 (Annexure P-1) till the date of its actual disbursement.

The State is directed to calculate the aforesaid interest @ 6% and pay to the petitioner within a period of four months from today. In case the aforesaid amount is not paid to the petitioner within a period of four months from today, then the petitioner shall be entitled for the future rate of interest @9% per annum instead of 6% per annum.

This petition stands partly allowed.

(JASGURPREET SINGH PURI)  
JUDGE

March 17, 2023  
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| Whether speaking   | : | Yes/No |
| Whether reportable | : | Yes/No |