



213-6

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

CWP-7781-2021**Date of Decision: 13.12.2024****PUNJAB STATE CIVIL SUPPLIES CORPORATION LIMITED**

..... Petitioner

*Versus***MANGAT RAI AND OTHERS**

..... Respondents

CORAM: HON'BLE MR. JUSTICE JAGMOHAN BANSAL

Present : Mr. Harpreet Singh Gharuan, Advocate
for the petitioner.

Mr. N.K. Nagar, Advocate
for respondent No.1.

JAGMOHAN BANSAL, J. (Oral)

1. The petitioner through instant petition under Articles 226/227 of the Constitution of India is seeking setting aside of order dated 30.12.2020 (Annexure P-4) and order dated 13.12.2019 (Annexure P-2) whereby authorities have directed it to release gratuity of respondent No.3 alongwith interest @ 10% per annum.

2. Mr. N.K. Nagar, Advocate for respondent No.1, at the outset, submits that petitioner released respondent's gratuity on 19.03.2019. He further submits that as on day, no departmental proceedings is pending against the employee. The petitioner as per impugned orders is bound to pay interest @ 10% per annum on delayed payment of gratuity.

3. As per Section 7(3A) of Payment of Gratuity Act, 1972 (for short '1972 Act'), the employer is liable to pay interest @ 10% per annum on delayed payment of gratuity. The interest under 1972 Act is



statutory and cannot be waived by any authority. The authorities under 1972 Act have directed the petitioner to pay interest @ 10% per annum on delayed payment of gratuity.

5. As conceded by both sides, no departmental proceedings are pending against the employee, thus, respondent cannot be deprived of his right of interest.

6. Accordingly, petition is hereby dismissed.

(JAGMOHAN BANSAL)
JUDGE

13.12.2024
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Whether speaking/reasoned	Yes/No
Whether Reportable	Yes/No