



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

1154

CWP-17895-2005 (O&M)

Date of decision: 15.05.2024

Parkash Kaur

....Petitioner

Versus

State of Punjab and others

...Respondents

CORAM: HON'BLE MR. JUSTICE AMAN CHAUDHARY

Present : Mr. R.K. Arora, Advocate for the petitioner.

Mr. Swapan Shorey, DAG, Punjab.

AMAN CHAUDHARY, J. (ORAL)

1. The prayer in the present petition is for directing the respondents to release the interest on delayed payments of gratuity.

2. Learned counsel submits that the husband of the petitioner, who was working as Head Analyst in Food and Supplies Department, passed away during service on 11.02.1992 and the payment of Death-cum-Retirement Gratuity was only released in the year 2002, *albeit* without interest. Reliance has been placed on the judgment of the Full Bench of this Court in **A.S. Randhawa vs. State of Punjab and others**, 1997(3) SCT 468. As regards the grant of work proficiency benefits or increments upon completion of 8/18 years of service from the due date along with consequential benefits, it is submitted that the same has been duly granted to her during the pendency of the present petition.

3. Per contra, learned State counsel submits that the amount could not be released as no due certificates from concerned offices were awaited, on



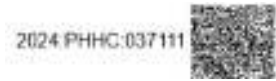
receipt whereof, the same was paid, thus, the petitioner is not entitled to interest.

4. Having heard learned counsel on either side, the stand of the State appears to be fallacious.

5. Notably, the husband of the petitioner expired on 11.02.1992 and she was entitled to an amount of Rs.49,480/- on account of Death-cum-Retirement Gratuity, that was only released to her on 03.05.2002, despite having been sanctioned on 09.12.1993, Annexure P-1, for which she needs to be compensated by way of an interest, as was held in **A.S. Randhawa** (supra).

6. After availing life long services from its employees, it is incumbent on the State to grant them their due pension, as was observed by Hon'ble the Supreme Court in **State of Kerala vs. M. Padmanabhan Nair**, (1985) 1 SCC 429 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."

7. In **Vijay L. Mehrotra vs. State of UP**, 2001 (9) SCC 687, Hon'ble the Supreme Court ruled that when no justification or reason for delayed payment of retiral benefits can be put forth, interest would be liable to be paid and similarly, in **J.S. Cheema vs. State of Haryana**, 2014(13) RCR (Civil) 355, this Court observed that interest had to be paid to an employee when an amount belonging to him was retained and utilized by the respondents and thereafter released on a later date.



8. But for the premise of delayed receipt of no due certificate, the inordinate delay of almost a decade in release of the retiral benefits remains unexplained. In the absence of any just reason to have deprived the petitioner of an amount that she was legally entitled to, with which the respondents unjustly enriched themselves, it is befitting that she be compensated for it.

9. In wake of the aforesaid, the present petition is disposed of with a direction to the respondents to pay interest at the rate of 6% per annum on the retiral benefits from the date they fell due till its realization, within a period of two months.

(AMAN CHAUDHARY)
JUDGE

15.05.2024
M.Kamra

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