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IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

CWP-22614-2021(O&M)
Date of decision: 08.04.2024

Rohtash Kumar and another

...Petitioners

VERSUS

The Haryana State Federation of Consumer Cooperative Wholesale Stores

...Respondents

CORAM: HON'BLE MR. JUSTICE JASGURPREET SINGH PURI

Present:- Mr. Sourabh Goel, Advocate, for the petitioners.

Mr. Karanvir Hooda, Advocate, for the respondent.

JASGURPREET SINGH PURI, J. (Oral)

1. The present writ petition has been filed under Article 226 of the Constitution of India seeking issuance of a writ in the nature of *mandamus* directing the respondent to immediately release the gratuity dues of the petitioners alongwith interest as per Sub-section 3A of Section 7 of Payment of Gratuity Act, 1972 for the services they rendered on the post of Store-Keeper with the respondent from the year 1981 to 1994 as the same has been illegally withheld.

2. Learned counsel appearing on behalf of the petitioners submitted that the petitioners were earlier working with the respondent-CONFED as a Store Keeper and thereafter their servies were retrenched and thereafter they

were appointed in the Jhajjar Central Cooperative Bank Limited. He submitted that after the retirement so far as the Jhajjar Central Cooperative Bank is concerned, they paid entire dues to the petitioners but so far as the respondent-CONFED is concerned, they did not pay the gratuity for the time during which they had served the respondent-CONFED. He submitted that after the filing of the present petition vide Annexures R-1 and R-2, the gratuity has been paid to the petitioners but without any interest. He submitted that now subject matter of the present petition pertains only to grant of interest for the delayed payment since there is no justification for the delayed payment.

3. On the other hand, learned counsel appearing on behalf of the respondent submitted that vide Annexures R-1 and R-2 now the gratuity has been paid to both the petitioners and therefore, nothing would survive in the present petition. He submitted that so far as the delay aspect is concerned, after the services of the petitioners were retrenched from the respondent-CONFED and they joined the Jhajjar Central Cooperative Bank, the entire service record was sent to the Jhajjar Central Cooperative Bank and therefore, the gratuity was not released to the petitioners.

4. I have heard the learned counsel for the parties.

5. There is no dispute with regard to the entitlement of the petitioners for the grant of gratuity because as per the learned counsel for the parties, the gratuity has now been released to both the petitioners vide Annexures R-1 and R-2 during the pendency of the present petition. However, the learned counsel for the petitioners has prayed for the interest on the delayed payment. The stand which has been taken by the learned counsel for the respondent is that after the services of the petitioners were retrenched from the respondent-

CONFED, the entire service record was sent to the Jhajjar Central Cooperative Bank and that was the reason as to why the gratuity was not paid to the petitioners, although they were entitled for the same. This Court is of the view that the aforesaid reasoning given by the respondent is not sustainable because gratuity is a part of the retiral benefits which is not the bounty of the State or its instrumentalities. It was the duty of the respondent to have paid the gratuity within time and such kind of explanation of inter-departmental communications or sending of record to the other Organization is no ground for making any justification for the delayed payment.

6. In view of the aforesaid facts and circumstances, the present petition is allowed. The petitioners are entitled for interest on the delayed payment of gratuity @ 6 % per annum. The respondent is directed to calculate the aforesaid interest @ 6% per annum from the date of its accrual till the date of its disbursement. The aforesaid amount shall be paid to the petitioners within a period of three months from today. In case the aforesaid amount is not paid to the petitioner within the aforesaid period of three months, then the petitioner shall be entitled for future rate of interest @ 9% per annum.

(JASGURPREET SINGH PURI)
JUDGE

08.04.2024
rakesh

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