



IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

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CWP-8066-2025

Decided On: 08.05.2025

DR. BRAHM PRAKASH SINGH

....PETITIONER(s)

Versus

STATE OF HARYANA AND OTHERS

....RESPONDENT(s)

CORAM: HON'BLE MR. JUSTICE TRIBHUVAN DAHIYA

Present: Mr. Ranjit Saini, Advocate
for the petitioner.

Ms. Tanushree Gupta, Deputy Advocate General, Haryana.

TRIBHUVAN DAHIYA J.(Oral)

The petition has been filed seeking a writ of *mandamus* directing the respondents to release the payment of interest on delayed payment of retiral benefits to the petitioner at the rate of twelve per cent per annum from the date of retirement, i.e., 31.07.2022, till actual payment.

2. Learned counsel for the petitioner contends that the payment of retiral benefits, viz., gratuity as well as leave encashment was released to the petitioner after delay of about one year and two months, respectively, without any explanation. Therefore, in terms of settled law, he is entitled to payment of interest on the delayed release of benefits.

3. An affidavit dated 25.04.2025 has been filed on behalf of respondent no.1 and 2, explaining the delay for late payment of gratuity as well as 276 days of leave encashment, in the following manner:

5. That in respect of payment of Gratuity, the delay is explained as under:



(i) xxx xxx xxx

(ii) That it is pertinent to mention here that the reason of delay in the payment of gratuity was due to lack of sufficient budget because the salary of teaching & non-teaching staff of Govt. Aided Colleges was pending. As the first quarter of total budget has been received in the month of May, 2023 the salary of 95% to the teaching and non-teaching staff of 97 Govt. Aided. Colleges for the months of February, March, April and May of 2023 was required to be released on priority basis. The Budget of the 1st Quarter was lapsed. On the request of the department of the answering respondent, the finance department Haryana allotted the 2nd Quarter budget in the Month of July, 2023. Accordingly, the sanctioned order of the amount of gratuity of Rs. 19 Lacs (95% of the Govt. Share) was issued on 03.08.2023 to the concerned college by the department of the answering respondent for making the payment to the petitioner. The amount of gratuity was paid by the college on 04.09.2023 to the petitioner. Hence, there is a procedural delay on the part of the answering respondent for sanctioning the amount of gratuity.

6. That in respect of payment of Leave Encashment, the delay is explained as under:-

(i) That the petitioner retired on 31.07.2022. The case of Leave Encashment of the petitioner was forwarded by the college to the office of Director Higher Education, Haryana, Panchkula on 27.02.2023 after 07 months of the retirement of the petitioner. Since the service book of the petitioner was missing in the office of Director Higher Education, Haryana, Panchkula and the same traced out on 19.10.2023 from the record of department. The sanction order of Rs. 25,22,695/- (276 days) of Leave Encashment was issued on 01.04.2024 by the department of the answering respondent to the concerned college. The bill of the said amount of leave encashment received on 23.05.2024 from the college. The sanction of the leave encashment amount of Rs. 2396507/- (95% Govt. Share) was sanctioned by the department



of the answering respondent on 04.07.2024. Accordingly, the final payment has been made by the college on 22.07.2024.

(ii) xxx xxx xxx

3.1. In this factual background, learned State counsel contends that the delay caused in payment of gratuity was due to lack of sufficient budget with the Department, and the payment of leave encashment was delayed on account of negligence of an official of the Department who could not trace the petitioner's service book. On this count, the said official has been issued a show cause notice also. Therefore, the delay in releasing the benefits was not intentional.

4. Heard.

5. The explanation offered by the Department for not releasing the due benefits of gratuity and leave encashment to the petitioner within time shows that the delay was entirely on account of lapse on their part for which the petitioner cannot be made to suffer. He could not be deprived of due benefits only because the requisite budget was not available. It is for the Department to ensure availability of adequate budgetary grant to release timely payment of retiral dues to the employees which they are entitled to as a matter of right. The failure to trace the petitioner's service book for release leave encashment benefits can also not be condoned. It is responsibility of the Department to keep the service book readily available for release of retiral benefits to an employee whose retirement date is known well in advance. Besides, the very fact that an official has been issued a show cause notice, is a reason enough to conclude negligence on the Department's part.

5. In view thereof, the petition is allowed, and the respondents are directed to pay interest at the rate of nine per cent per annum to the petitioner



for the delayed payment of gratuity and leave encashment from the due date till actual payment within four weeks from today.

08.05.2025

Ad

(TRIBHUVAN DAHIYA)

JUDGE

Whether speaking/reasoned?

Yes/No

Whether reportable?

Yes/No