



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

RSA-340-2004(O&M)

RESERVED ON : 20.04.2026

PRONOUNCED ON : 29.05.2026

UPLOADED ON : 30.05.2026

Ch. Charan Singh, Haryana Agricultural University through its Vice
Chancellor, Hisar and others

....Appellants

Versus

Rishi Atam Vishwas @ Dr. R.K. Sangwan

...Respondent

CORAM: HON'BLE MR. JUSTICE DEEPINDER SINGH NALWA

Present: Mr. Shreenath A. Khemka, Advocate for
appellants/defendants.

Ms. Jagriti Sangwan, Advocate for the
respondent/plaintiff.

DEEPINDER SINGH NALWA, J.

1. The present Regular Second Appeal has been preferred by the appellants/defendants against the judgment and decree dated 20.08.2003 passed by the learned Additional District Judge, Hisar (hereinafter referred to as the “Lower Appellate Court”), whereby the appeal filed against the judgment and decree dated 10.05.2001 passed by the learned Civil Judge (Junior Division), Hisar (hereinafter referred to as the “trial Court”) was dismissed and the judgment and decree passed by the trial Court was upheld. The appellants/defendants have also assailed



the judgment and decree dated 10.05.2001 passed by the trial Court, whereby the suit filed by the respondent/plaintiff was decreed and the appellants/defendants were restrained from forcing the respondent/plaintiff to deposit an amount of Rs.22,699/- towards additional interest.

2. The brief facts of the case are that the respondent/plaintiff was earlier an employee of University of Rajasthan, Jaipur, where he worked from 24.03.1964 to 06.06.1973. Thereafter, on being selected as a swimming coach, the respondent/plaintiff joined the appellants/defendants- University on 07.06.1993. The appellants/defendants-University had adopted the Contributory Provident Fund Scheme for its employees. Subsequently, the statute of the appellants/defendants-University was amended and a pension scheme was introduced for its employees with effect from 01.01.1992. The State of Haryana, vide letter dated 22.08.1988 (Ex.D2) in consultation with the Central Government, decided to count service rendered by an employee in previous organization for the purpose of pension. The appellants/defendants-University adopted the abovesaid letter on 27.01.1992 (Ex.D1) with effect from 07.02.1986. The past service rendered by an employee with a previous organization was to be counted towards qualifying service for the purpose of pension in the appellants/defendants-University, provided such employee deposits the terminal benefits received from the previous organization along with interest @ 6%. It transpires that the last date prescribed for exercising the option for counting of past service for the purpose of pension under the



pension scheme was 23.08.1994, which was subsequently extended by the appellants/defendants-University up to 22.10.1994. In pursuance thereto, the respondent/plaintiff deposited the entire terminal benefits amounting to Rs.9641.21 (including interest @ 6%) on 06.10.1994. However, after more than three years, the respondent/plaintiff was asked to deposit an amount of Rs.22,699/- vide memo dated 08.01.1998 on account of enhancement of the rate of interest from 6% to 15%. It transpires that the rate of interest was increased from 6% to 15% in terms of the decision taken by the appellants/defendants-University in its 174th meeting held on 01.07.1997.

3. Aggrieved against the aforesaid demand of Rs.22,699/- raised by the appellants/defendants-University towards additional interest, consequent upon enhancement of the rate of interest from 6% to 15%, the respondent/plaintiff instituted a suit for permanent injunction restraining the appellants/defendants from charging additional amount of Rs.22,699/- on account of increase in rate of interest. The case set up by the respondent/plaintiff, in the abovesaid suit, was that the appellants/defendants-University could not claim additional interest with retrospective effect.

4. Upon notice, the appellants/defendants-University filed a written statement contesting the suit. It was pleaded that benefit of counting of past service rendered by an employee in previous organization had been introduced in the University with effect from 01.01.1992 on the pattern of the State Government of Haryana. It was further pleaded that the instructions issued by the Government of Haryana



dated 22.08.1988 had been adopted by the University on 27.01.1992, wherein it was provided that past service rendered by an employee in previous organization would be counted for the purpose of pension subject to deposit of the terminal benefits received together with interest @ 6% from the date of receipt till the date of deposit. It was further averred that the rate of interest had subsequently been enhanced from 6% to 15% with retrospective effect. The case of the appellants/defendants- University, was that since the appellants/defendants- University had adopted the decision taken by the State of Haryana vide letter dated 22.08.1988 (Ex.D2), the State of Haryana had followed the Central Government pattern for the same purpose. As the Central Government has enhanced the rate of interest from 6% simple interest to the rate applicable to GPF from time to time vide letter dated 25.08.1994 (Ex.D8). As per letter dated 25.08.1994 (Ex.D8), wherever an employee is required to refund the retiral benefits received by him, for the service already rendered, in order to avail the benefit of counting of past service for the purpose of pension, the rate of interest would be applicable on GPF accumulation from time to time for the period from the date of receipt of retiral benefits to the date of refund to the new organization. It was pleaded that the aforesaid letter issued by the Government of India was brought to the notice of University in the year 1997 and the same was placed before the Board of Management of the appellants/defendants- University in its meeting held on 25.06.1997/01.07.1997 for enhancement of the rate of interest. In terms of the letter dated 25.08.1994 (Ex.D8), enhancement of rate of interest was duly approved by the Board of



Management. In pursuance to the approval given by the Board of Management, the appellants/defendants- University, vide notification dated 11.08.1997 (Ex.D4) decided to substitute the pension statute w.e.f. 25.08.1994 i.e. date of issuance of Ex.D8. In light of the decision taken by the Board of Management in regard to enhancement of rate of interest from 6% to 15%, the appellants/defendants- University, vide letter dated 08.01.1998, asked the respondent/plaintiff to deposit the balance amount of Rs.22,699/- towards additional interest.

5. From the pleading of the parties, following issues were framed by the trial Court :-

1. Whether the plaintiff is entitled to get the decree of permanent injunction as prayed for? OPP
2. Whether the plaintiff has no cause of action to file the suit? OPD.
3. Whether the plaintiff has no locus-standi? OPD
4. Relief.

6. The trial Court vide judgment and decree dated 10.05.2001 decreed the suit in favour of the respondent/plaintiff. A perusal of the said judgment and decree passed by the trial Court would show that the appellants/defendants-University were restrained from forcing the respondent/plaintiff to deposit the additional amount of Rs.22,699/- towards additional interest. It was further directed that in case the said amount had already been deposited by the respondent/plaintiff during the pendency of the suit, the same be refunded by the appellants/defendants-University within a period of three months. The trial Court held that the



University had no power, as per the statute, to increase the rate of interest with retrospective effect. As such, the appellants/defendants-University could not legally force the respondent/plaintiff to deposit an amount of Rs.22,699/- towards additional interest. The trial Court also observed that since the appellants/defendants-University had adopted the Government pattern for counting of previous service towards pension, the Government itself could not issue instruction with retrospective effect so as to prejudice the rights already accrued to the respondent/plaintiff. As such, on this ground also, it was held that the appellants/defendants- University could not force the respondent/plaintiff to deposit an amount of Rs.22,699/- as additional interest.

7. Aggrieved against the judgment and decree dated 10.05.2001 passed by the trial Court, the appellants/defendants-University preferred an appeal before the Lower Appellate Court. The said appeal was dismissed vide judgment and decree dated 20.08.2003, affirming the findings recorded by the trial Court. A perusal of the judgment and decree dated 20.08.2003 passed by the Lower Appellate Court would show that the Lower Appellate Court has held that since the respondent/plaintiff had already deposited the requisite amount along with interest in accordance with the decision of the University taken in the year 1992, the appellants/defendants-University could not subsequently ask the respondent/plaintiff to deposit an additional amount of Rs.22,699/- on the basis of the notification dated 11.08.1997 (Ex.D4) issued by the appellants/defendants-University.



8. Aggrieved against the judgments and decrees passed by both the Courts below, the appellants/defendants-University have filed the present Regular Second Appeal.

9. Learned counsel appearing on behalf of the appellants/defendants-University submits that the enhancement in the rate of interest from 6% to 15% with effect from 25.08.1994 was justified in view of the circular dated 25.08.1994 (Ex.D8) issued by the Government of India, wherein it was stipulated that wherever employees were required to refund pensionary benefits received by them in order to avail the benefit of counting past service for pension, interest would be chargeable at the rate applicable to GPF accumulations from time to time for the period from the date of receipt of pensionary benefits to the date of their refund to the new organization. He submits that since the State Government in consultation with the Central Government took a decision in regard to counting of service rendered for the purpose of pension, which the appellants/defendants-University had adopted, the appellants/defendants-University has rightly enhanced the rate of interest from 6% to 15% and directed the respondent/plaintiff to deposit an amount of Rs.22,699/- towards additional interest. On the strength of the aforesaid submissions, it is argued that the judgments and decrees passed by the Courts below are liable to be set aside. Reliance has been placed upon the judgment passed by the High Court of Bombay in ***Writ Petition No.2270 of 2021*** titled as ***Khilari Rajendra Eknath and others vs. The State of Maharashtra and others, decided on 28.04.2023.***



10. On the other hand, learned counsel appearing on behalf of the respondent/plaintiff submits that in light of the decision taken by the Board of Management of the appellants/defendants-University in its meeting held on 21.05.1992, the appellants/defendants-University decided to count the service rendered by an employee in previous organization for the purpose of pension. The respondent/plaintiff had duly deposited the entire retiral benefits together with the interest amounting to Rs.9641.21 as demanded by the appellants/defendants-University. It is argued that once the respondent/plaintiff had deposited the amount as per the decision taken by the appellants/defendants-University, the appellants/defendants-University cannot subsequently enhance the rate of interest with retrospective effect and direct the respondent/plaintiff to deposit additional interest of an amount of Rs.22,699/-. It is, thus, contended that the judgments and decrees passed by the Courts below do not suffer from any illegality or infirmity warranting interference by this Court.

11. I have heard learned counsel for the parties at length; perused the paper-book and have gone through the evidence led by the parties and the record placed before me.

12. The only issue involved in the present appeal is as to whether the appellants/defendants-University were legally justified in increasing the rate of interest from 6% to 15% with retrospective effect and consequently demanding an amount of Rs.22,699/- towards additional interest from the respondent/plaintiff.

13. A perusal of the facts of the case would show that the appellants/defendants-University had adopted the pattern of the State of



Haryana for counting past service towards pension. It transpires that the State Government decided to count the past service of employees for the purpose of pension in consultation with the Central Government. No evidence has been led by the appellants/defendants-University to show that the State of Haryana has enhanced the rate of interest in the case of its own employees. It is further evident from the facts of the case that the respondent/plaintiff had already deposited the terminal benefits along with interest @ 6% on 06.10.1994. The respondent/plaintiff was never conveyed that the rate of interest can be enhanced at a later stage. Had such a possibility been disclosed, the respondent/plaintiff may not have claimed for counting of his past service for the purpose of pension. Vide notification dated 11.08.1997 (Ex.D4), almost three years after the date of deposit of the terminal benefits by the respondent/plaintiff along with interest @ 6% amounting to Rs.9641.21, the University decided to substitute the pension statute retrospectively with effect from 25.08.1994 on the basis of letter Ex.D8, thereby taking away the benefit granted to the respondent/plaintiff under the previous pension statute.

14. A perusal of the notification dated 11.08.1997 (Ex. D4) would show that the Board of Management of the University had decided to substitute the pension statute with effect from 25.08.1994. No evidence has been led by the appellants/defendants–University to show that the pension statute was actually amended with retrospective effect from 25.08.1994 pursuant to the decision taken by the Board of Management on 11.08.1997 (Ex. D4). In the absence of any such evidence, the appellants/defendants–University could not have asked the



respondent/plaintiff to deposit the terminal benefits along with interest at the rate of 15% retrospectively. Even otherwise also, it is well settled that a benefit accrued under an existing pension statute cannot ordinarily be withdrawn or curtailed by way of amendment with retrospective effect. The respondent/plaintiff, having already complied with the conditions stipulated under the then existing scheme, acquired a vested right which could not subsequently be defeated by retrospective enhancement of the rate of interest. It has also been brought to the notice of this Court that the respondent/plaintiff, after attaining the age of superannuation, has been extended the benefit of pension by taking into consideration the past service rendered by him in the previous organization.

15. In regard to reliance placed by learned counsel for the appellants/defendants-University on the judgment rendered by the High Court of Bombay in ***Khilari Rajendra Eknath and others' case (supra)*** is concerned, in the abovesaid case, the issue involved pertained to the applicability of the New Defined Contributory Pension Scheme to employees who were appointed after the introduction of the aforesaid scheme. As such, the aforesaid judgment has no applicability to the facts and circumstances of the present case.

16. Taking into consideration the abovesaid facts, this Court finds no illegality in the concurrent findings recorded by both the Courts below. The judgments and decrees passed by the trial Court as well as the Lower Appellate Court are based upon proper appreciation of the evidence on record and do not warrant any interference by this Court.

17. Consequently, the present Regular Second Appeal, being devoid of any merit, is dismissed. No order as to costs.
18. Pending application(s), if any, shall also stand(s) disposed of.

29.05.2026

d.gulati

(DEEPINDER SINGH NALWA)

JUDGE

Whether speaking / reasoned :	Yes	No
Whether Reportable :	Yes	No