



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

1208

CWP-9940-2016 (O&M)
Date of decision : 28.10.2024

Jug Ram

.....Petitioner

V/S

Punjab State Civil Supplies Corp. Limited and others Respondent

CORAM : HON'BLE MR. JUSTICE NAMIT KUMAR

Present: Mr. H.C. Arora, Advocate for the petitioner.

Mr. Anil Sharma, Advocate for the respondents.

NAMIT KUMAR, J. (ORAL)

1. The instant petition has been filed by the petitioner under Article 226 of the Constitution of India, seeking a writ of certiorari, quashing the order dated 04.12.2012 (Annexure P-2), whereby the petitioner has been held not entitled for interest on the delayed payment of retiral benefits. Further seeking a writ of mandamus, directing the respondents to release interest to the petitioner @ 12% per annum on the delayed payment of retiral benefits amounting to Rs.4,81,790/- (comprising gratuity and leave encashment).

2. The brief facts, as have been pleaded in the present petition, are that the petitioner, who was working as Inspector Grade II in Punjab State Civil Supplies Corporation Limited (hereinafter referred to as 'PUNSUP'), Mansa, retired from service w.e.f. 30.04.2007 on attaining the age of superannuation, without prejudice to the decisions

**CWP-9940-2016 (O&M)****2**

of the departmental action and Court cases pending against him, vide order dated 16/18.04.2007, and his retiral and financial benefits were withheld by the respondents. Thereafter, the petitioner filed *CWP No.13847 of 2012 titled as 'Jug Ram Vs. Punjab State Civil Supplies Corporation Limited and others'* seeking release of gratuity and leave encashment after adjusting recovery and interest, if any. The said writ petition was disposed of by this Court vide order dated 24.07.2012, by directing respondent No.1 to take final decision on the representation dated 18.05.2012, by passing a speaking order within a period of three months from the date of receipt of certified copy of the order. In compliance to the said order, respondent No.2 passed order dated 03/04.12.2012, wherein it was stated as under :-

"In view of pendency of the departmental action against Sh. Jug Ram Inspector Grade-2 PUNSUP Mansa, was retired from service of PUNSUP vide head office order endorsement No. Staff 10(230)-2007/1574-1609 dated 18.4.07 with effect from 30.4.2007, and the various financial benefits payable on superannuation to him were withheld in the light of instructions issued by the Punjab Government.

The charge sheet was issued to Sh. Jug Ram Inspector Grade-2 wherein the allegations levelled against him were that there was discrepancy in the quantum of wheat pertaining to the years 1986-87 and 1987-88 at Lahra gaga Centre, and due to shortage of dead stock articles, he had caused financial loss of Rs. 6,72,177.35, which was stated in the charge sheet issued to him vide memo No. Staff 10(230)88/44685 dated 1.12.1988, which



was decided by the head office vide the endorsement order No. Staff (36)-2011-40633-38 Sangrur dated 5.1.2012, vide which he was directed that out of Rs. 1,17,006.00 which was the financial loss caused to the Corporation in relation to wheat crop for the year 1987-88, he may deposit his share of Rs. 58,503/-, along with the interest payable on the said amount. Against the recovery imposed on him, he deposited the interest amount of Rs. 38,510/-, towards recovery in the office of District Manager PUNSUP Sangrur on 28.8.2012.

PUNSUP had filed a recovery suit also against the aforesaid employee in relation to the financial loss which was referred to in the aforesaid charge sheet dated 1.12.1988, which civil suit was decided by Additional Civil Judge Sangrur vide his order dated 5.9.1998, who passed a decree for Rs.5,96,825.35 in favour of Corporation. Shri Jug Ram filed R.F.A. No. 4825/95 against the aforesaid decision in the Hon'ble High Court, which was remanded back by the Hon'ble High Court to District Court Sangrur. Additional District Judge, Sangrur vide order dated 15.4.2009 passed in R.S.A. mentioned above directed for recovering Rs. 1,17,006/- from him. PUNSUP filed R.S.A. No.2471/10 in the High Court of Punjab & Haryana High Court against the decision given by District Court Sangrur. In view of the recovery effected from the employee, decision was taken to withdraw his name from R.S.A. No. 2471 of 2010.

The withheld retiral benefits which were due to Sh. Jug Ram Inspector Grade-2 (now retire) PUNSUP, Mansa are hereby released. He is not entitled to interest on the aforesaid amount of retiral benefits, because the charge sheet dated 1.12.1988 issued to him has been decided on 5.1.2012, and the remaining amount of interest has been

**CWP-9940-2016 (O&M)****4**

*deposited by him in the office of District Manager
PUNSUP Mansa on 27.8.2012.”*

In pursuance to the abovesaid order, the petitioner was paid gratuity amount of Rs.3,09,010/- and leave encashment of Rs.1,72,780/- vide order dated 25/26.02.2013 and the payment of the same was released to the petitioner vide two separate cheques dated 04.03.2013 which was released to the petitioner on 05.03.2013. The instant petition has been filed by the petitioner claiming interest on the said two amounts.

3. Short reply on behalf of the respondents No.1 to 3 has been filed, wherein it has been stated that while the petitioner was in service, charge-sheet dated 01.12.1988 involving financial loss of Rs.6,72,177.35 to the Corporation was issued to the petitioner which was concluded vide order dated 23.12.2011 having endorsement dated 05.01.2012, wherein it was ordered that recovery of Rs.58,503/- and interest payable thereon be effected from the petitioner.

4. Learned counsel for the petitioner submits that the respondents had wrongly withheld the gratuity and leave encashment amount of the petitioner. The petitioner has retired on 30.04.2007 and whereas amount of Rs.4,81,790/- (comprising gratuity of Rs.3,09,010/- and leave encashment of Rs.1,72,780/-) has been released to the petitioner on 05.03.2013. Since there is a delay in releasing the retiral dues of the petitioner, therefore, he is entitled for interest on the delayed payment of retiral dues.

5. Per contra, learned counsel for the respondents, while referring to the averments made in the reply, submits that the delay

**CWP-9940-2016 (O&M)****5**

occurred in releasing the gratuity and leave encashment amounts to the petitioner is not intentional as at the time of retirement of the petitioner, charge-sheet dated 01.12.1988 involving financial loss of Rs.6,72,177.35 to the Corporation was pending against him which was concluded on 05.01.2012 and, therefore, it was ordered that recovery of Rs.58,503/- and interest payable thereon be effected from the petitioner. After conclusion of charge-sheet dated 01.12.1988, the retiral dues of the petitioner have been released immediately.

6. I have heard learned counsel for the parties and perused the record with their able assistance.

7. Since the charge-sheet issued to the petitioner, while he was in service was pending against him on the date of his retirement and thereafter, it was concluded vide order dated 23.12.2011/05.01.2012 and punishment of recovery of Rs.58,503/- was imposed upon the petitioner and a suit for recovery was also pending against him and in pursuance to the judgment and decree passed by learned Additional Civil Judge, Sangrur, vide order dated 05.09.1998, he was held liable to pay a sum of Rs.5,96,825.35 and finally vide order dated 15.04.2009 passed by learned Additional District Judge, Sangrur in Appeal No.4825 of 1995, the petitioner was held liable to pay Rs.1,17,006/- which he had deposited, therefore, in this view of the matter, the petitioner is not entitled for grant of interest. The PUNSUP filed RSA No.2471 of 2010 before this Court against the said decision. Since the recovery was effected from the petitioner, decision was taken to withdraw the same.

The abovesaid view is supported by an order passed by a Division



Bench of this Court in ***CWP No.17975 of 2005 titled as 'Satnam Singh Vs. State of Punjab and another'*** decided on **09.05.2006**, wherein it has been held as under :-

“xx xx xx xx xx

Besides the principal grievance of the petitioner, the petitioner has also raised claim for interest on account of delayed payment of retiral benefits. In this behalf, it is pointed out that the petitioner retired on attaining the age of superannuation on 31.1.2005. Soon after his retirement, a charge sheet was issued to him on 21.4.2005. The comments of the Chief Engineer in connection therewith dated 4.5.2005 by and large exonerated the petitioner. Having considered the comments of the Chief Engineer, by an order dated 17.4.2006 (Annexure R1) the petitioner, after being principally absolved from the charges levelled against him, has been inflicted a minor punishment of censure for his lapses. On the basis of the factual position noticed above, it is the vehement contention of the learned counsel for the petitioner that the retiral benefits which were payable to the petitioner on 31.1.2005, have been delayed for over a year and half, without any justification.

It is not possible for us to accept the aforesaid contention of the learned counsel for the petitioner in so far as interest on delayed payment of retiral benefits is concerned. It is apparent from the factual position noticed in the foregoing paragraph that a departmental proceeding was pending against the petitioner, which culminated only on 17.4.2006 with the infliction of a minor punishment on him. Soon thereafter the remaining retiral benefits have been released to the petitioner.

Disposed of in the aforesaid terms.”



CWP-9940-2016 (O&M)

7

8. In view of the above, finding no merit in the petition, the same is dismissed accordingly.

9. Pending application, if any, shall stands disposed of accordingly

28.10.2024
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(NAMIT KUMAR)
JUDGE

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