



IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

(207)

CWP No. 15306 of 2007 (O&M)

Date of Decision : 07.02.2025

C.L. Goel

...Petitioner

Versus

The State of Punjab and others

...Respondents

CORAM: HON'BLE MR. JUSTICE HARSIMRAN SINGH SETHI

Present: Mr. M.K. Mittal, Advocate for the petitioner.

Mr. T.P.S. Chawla, Senior Deputy Advocate General, Punjab.

Harsimran Singh Sethi J. (Oral)

CM-16202-CWP-2023

Present application has been filed for fixing the main writ petition to an early actual date of hearing.

Notice of the application to counsel for the respondents.

On the asking of the Court, Mr. T.P.S. Chawla, Senior Deputy Advocate General, Punjab, who is present in Court, accepts notice on behalf of the respondent-State and raises no objection for the grant of prayer as made in the present application.

Keeping in view the averments made in the application, which are duly supported by an affidavit, the application is allowed and on the joint request of learned counsel for the parties, the main petition is taken up for hearing today.

**CWP-15306-2007 (O&M)**

1. In the present petition, the grievance being raised by the petitioner is that though he retired from service on 31.01.2003 but his pensionary benefits were not released immediately due to the pendency of the disciplinary proceedings, which were initiated on 14.11.2002.

2. Learned counsel for the petitioner submits that even after the retirement, two more charge-sheets were served upon him in October, 2003 and September, 2004 but, ultimately, the same were dropped by the respondents on 05.08.2004, 02.05.2006 and 13.07.2006, hence, once the respondents have not been able to prove the allegations alleged against the petitioner, the said pendency of the charge-sheets cannot cause prejudice and, therefore, the respondents are under obligation to grant the petitioner the benefit of interest on the delayed release of the pensionary benefits.

3. Learned counsel for the respondents, on the other hand, submits that once, on the date when the petitioner retired from service, there were disciplinary proceedings pending against him and upon the dropping of the said proceedings the benefits have been released, no grievance can be raised by the petitioner as, the department was well within its right to withhold the pensionary benefits of the petitioner during the pendency of the disciplinary proceedings hence, the question of grant of interest as being claimed in the present petition may kindly be rejected.

4. I have heard learned counsel for the parties and have gone through the record with their able assistance.

5. No doubt, in case an employee is facing disciplinary proceedings at the time of his/her retirement, the department is well within



its right to withhold certain pensionary benefits but, in case the said employee is exonerated of the allegations, then the employee cannot be prejudiced merely on account of unsubstantiated allegations so as to even denying the interest on the delayed release of the pensionary benefits.

6. A Coordinate Bench of this Court in ***J.S. Cheema Vs. State of Haryana, 2014(13) RCR (Civil) 355***, had held that an employee will be entitled for the interest on an amount which has been retained by the respondents without any valid justification. The relevant paragraph of **J.S. Cheema's case (supra)** is as under: -

“The jurisprudential basis for grant of interest is the fact that one person's money has been used by somebody else. It is in that sense rent for the usage of money. If the user is compounded by any negligence on the part of the person with whom the money is lying it may result in higher rate because then it can also include the component of damages (in the form of interest). In the circumstances, even if there is no negligence on the part of the State it cannot be denied that money which rightly belonged to the petitioner was in the custody of the State and was being used by it.”

7. In the present case, the department had withheld the amount belonging to the petitioner on the pretext of the pendency of the disciplinary proceedings, wherein, ultimately it was found that the petitioner was not at fault, hence, the department cannot deny the petitioner the benefit of interest as the amount was kept by the department and used to its benefit.

8. Keeping in view the above, the petitioner is held entitled for interest @ 6% per annum on the benefits which were withheld and



ultimately released from the date the petitioner retired from service upto the actual payment of the same. Let the order be complied with within a period of eight weeks of the receipt of copy of this order.

- 9. Petition is allowed in above terms.
- 10. Pending miscellaneous application, if any, also stands disposed of.

February 07, 2025
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(HARSIMRAN SINGH SETHI)
JUDGE

Whether speaking/reasoned : Yes
Whether reportable : No