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

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Date of Decision: 17.07.2025

Shamsher Singh.

...Petitioner

Vs.

State of Haryana and Ors.

...Respondents

CORAM:- HON'BLE MR. JUSTICE JAGMOHAN BANSAL

Present:- Mr. Arvinder Arora, Advocate
 For the petitioner.

Mr. Raman Sharma, Additional A.G. Haryana

Mr. Y.P. Malik, Advocate
For respondent No.4

JAGMOHAN BANSAL, J. (ORAL)

1. The petitioner through instant petition under Article 226 of the Constitution of India is seeking direction to respondent to release his retiral benefits i.e. EPF, leave encashment and gratuity along with 18% interest.

2. The petitioner joined The Naraingarh Co-operative Marketing-cum-Processing Society Ltd., as Clerk-cum-Store Keeper in 1982. He retired as Accountant on 31.01.2009. During scrutiny of documents, the respondent found that there is embezzlement of the funds to the tune of Rs.38 lacs. The respondent decided to withhold retiral dues of the petitioner. For the recovery, matter came to be referred to Arbitral

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Tribunal. The Arbitral Tribunal dismissed respondent's claim *vide* order dated 27.12.2023 on the ground of non-prosecution. The petitioner made representation to respondent requesting release of his retiral dues. The matter was put up before the Board of Directors, which *vide* resolution dated 27.03.2018 resolved to release EPF.

3. Mr. Y.P. Malik, Advocate submits that there is allegation of embezzlement of Rs.38 lacs against the petitioner and three other employees. The arbitration case was dismissed in default. The respondent is trying to rekindle said case. Thus, this Court may not direct the society to release the retiral dues of the petitioner.

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

5. From the perusal of the record, it is evident that the petitioner retired on 31.12.2009 and he was issued No Dues Certificate. The respondent filed claim before the Arbitrator against the petitioner and three other persons. The said claim was dismissed in default. The respondent as per its convenience and choice slept over the matter. The respondent did not attempt to revive the case before the Arbitral Tribunal. It appears that either it was conscious decision of the management or an attempt to extend undue benefit to the petitioner and his three colleagues. There was no intention of the respondent to recover alleged amount of Rs.38 lacs. The respondent before this Court is screaming of said amount, just to project that they are concerned or worried for loss. The



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conduct of the respondent is deprecable. The respondent has no authority to withhold the retiral dues of the petitioner.

6. In the aforesaid backdrop, the respondent is bound to release the retiral dues of the petitioner. Accordingly, the instant petition is allowed and it is hereby directed that the respondent shall release retiral dues of the petitioner within two months from today along with interest @ 6% per annum. The interest would be payable from 27.03.2018 till its payment.

(JAGMOHAN BANSAL)
JUDGE

17.07.2025
DPA/Mohit Kumar

Whether Speaking/reasoned	Yes/No
Whether Reportable	Yes/No