2026:PHHC:089040

IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

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CWP-4678-2020
Date of Decision: **02.07.2026**

Naresh Sharma

.....Petitioner

VERSUS

State of Haryana and Another

..Respondents

CORAM: HON'BLE MR. JUSTICE HARPREET SINGH BRAR

Present:- Mr. S.P. Garg, Advocate
for the petitioner.

Mr. Naveen Singh Panwar, DAG Haryana.

Mr. Pankaj Gupta, Advocate with
Mr. Vaibhav Gupta, Advocate
for respondent No.2.

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HARPREET SINGH BRAR, J. (Oral)

1. The present writ petition has been filed under Articles 226/227 of the Constitution of India seeking issuance of an appropriate writ, order or direction in the nature of *certiorari* for quashing Annexure P-12 dated 10.02.2020, whereby the petitioner's claim for payment of interest on the delayed release of pensionary benefits has been declined. A further prayer has

been made for issuance of a writ in the nature of *mandamus* directing the respondents to pay interest @ 12% per annum on the delayed release of the petitioner's retiral benefits.

2. Learned counsel for the petitioner, *inter alia*, contends that the petitioner joined the services of the respondent-Corporation as a Clerk on 11.07.1983. After rendering more than 35 years of service, he superannuated on 31.01.2019 while serving as Assistant General Manager (Personnel and Administration). During the period immediately preceding his retirement, the respondent-Corporation issued charge-sheets dated 20.12.2018 and 28.01.2019 under Rule 7 of the Haryana Civil Services (Punishment and Appeal) Rules, 2016, as is discernible from Annexures P-1 and P-3, levelling allegations regarding violation of Government instructions, exceeding his official authority and keeping the Managing Director in the dark. It is submitted that both the charge-sheets pertained to the alleged misconduct but were conspicuously silent with regard to the date of such alleged misconduct. Subsequently, the charge-sheets were dropped vide orders dated 20.02.2019 and 31.10.2019, respectively, as is discernible from Annexures P-2 and P-4.

2.1. It is further submitted that the petitioner's retiral dues were released in installments and that too after considerable delay. Learned counsel further submits that even in the second charge-sheet, the petitioner was merely administered a warning, thereby demonstrating that he was unnecessarily subjected to disciplinary proceedings based on vague and omnibus allegations. Consequently, the petitioner is entitled to interest on the delayed release of his retiral benefits in view of the Full Bench judgment of this Court in ***A.S. Randhawa, Superintending Engineer (Retd.) vs. State of Punjab, 1998 (1) SCT 343***, wherein it has been unequivocally held that any delay in the release of pensionary or retiral benefits beyond a reasonable period of two months from the date they become due would entail payment of interest to compensate the retiree. Reliance has also been placed upon the judgment rendered by this Court in ***Tara Chand Tusamer vs. State of Haryana and another, CWP-12146-2016***, decided on 22.05.2019, wherein similar relief was granted.

3. *Per contra*, learned counsel appearing for respondent No. 2 submits that charge-sheets under Rule 7 of the Haryana Civil Services (Punishment and Appeal) Rules were served upon the petitioner on 20.12.2018 and 28.01.2019. However, in respect of the second charge-sheet, a lenient view was taken and the petitioner was merely administered a warning.

4. Having heard learned counsel for the parties and perused the record with their able assistance, it transpires that the petitioner retired from service on 31.01.2019. The charge-sheets served upon him were subsequently dropped on 20.02.2019 and 31.10.2019, respectively, as is discernible from Annexures P-2 and P-4. Once the disciplinary proceedings culminated in favour of the petitioner and the allegations could not be sustained, there

remained no justification for withholding or delaying the release of his retiral benefits. Consequently, the petitioner is entitled to interest on account of the delayed release of his retiral dues.

5. This Court, in ***Tara Chand Tusamer vs. State of Haryana and another, CWP-12146-2016***, decided on 22.05.2019, has held as under:

> "*Petitioner was issued three charge-sheets alleging various allegations on the last date of his service career i.e. 28.02.2013. After the process of enquiry, respondents found that the allegations were incorrect and charge-sheets were dropped. Once, the allegations alleged against the petitioner were found to be incorrect and could not be substantiated by the respondents, the pendency of the charge-sheets cannot cause prejudice to the petitioner so as to utilize the amount for which he was entitled for immediately upon his retirement. In case the prayer of the respondents is to be accepted, then, the petitioner will be prejudiced without there being any fault on his part. Furthermore, as the respondents made the allegations which they failed to substantiate, the respondents should pay for the harassment and also for the fact that the petitioner was unable to utilize his benefits after his retirement for a period of approximately 1½ years.*
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> *As per the settled principle of law settled by a Full Bench of this Court in* **A.S. Randhawa's case (supra)**, *the amount which has been retained by the respondents and that too without any justifiable reason, the employee will be entitled to interest. The relevant paragraph of the said judgment is as under: -*

> *"Since a government employee on his retirement becomes immediately entitled to pension and other benefits in terms of the Pension Rules, a duty is simultaneously cast on the State to ensure the disbursement of pension and other benefits to the retirer in proper time. As to what is proper time will depend on the facts and circumstances of each case but normally it would not exceed two months front the date of retirement which time limit has been laid down by the Apex Court in M. Padmanabhan Nair's case (supra). If the State commits any default in the performance of its duty thereby denying to the retiree the benefit of the immediate use of his money, there is no gainsaying the fact that he gets a right to be compensated and, in our opinion, the only way to compensate him is to pay him interest for the period of delay on the amount as was due to him on the date of his retirement."*

*In the case of **J.S. Cheema Vs. State of Haryana, 2014(13) RCR (Civil) 355**, a Co-ordinate Bench of this Court 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."*
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> *The case of the petitioner is squarely covered by the abovesaid judgments and therefore, he is held entitled for interest @ 9% per annum from the date the amount became due i.e. 01.03.2013 till the same was released by the respondents."*

6. In view of the aforesaid discussion and in the light of the law laid down by the Full Bench in ***A.S. Randhawa (supra)*** as well as the judgment in ***Tara Chand Tusamer (supra)***, the present writ petition deserves to succeed and is accordingly allowed. Respondent No. 2 is directed to pay interest @ 6% per annum on the delayed release of the petitioner's retiral dues, to be calculated after the expiry of two months from the date of his retirement till the date of actual payment. The aforesaid exercise shall be completed within a period of six weeks from the date of receipt of a certified copy of this order.

7. Pending miscellaneous application(s), if any, shall also stands disposed of.

(HARPREET SINGH BRAR)
JUDGE

02.07.2026
parul verma

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