IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

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CWP-22076-2024

Date of Decision: 21.05.2026

TARSEM KUMAR GUPTA

...Petitioner

Versus

STATE OF HARYANA AND ANOTHER

...Respondents

CORAM: HON'BLE MR. JUSTICE HARPREET SINGH BRAR

****

Present: Mr. Pankaj Gupta, Advocate for the petitioner.

Mr. Saurabh Girdhar, AAG, Haryana.

Mr. Padam Kant Dwivedi, Advocate with
Ms. Ayushi, Advocate for respondent No.2.

HARPREET SINGH BRAR, J. (ORAL)

1. The present writ petition has been filed under Articles 226/227 of the Constitution of India praying for issuance of a writ in the nature of mandamus directing respondent No.2 to pay interest on the delayed release of retiral dues to the petitioner @ 9% per annum and further to release Ex-gratia payment for the years 2010-11 and 2011-12 amounting to Rs.40,000/- per year (total Rs.80,000/-), along with interest thereupon, which remained due and unpaid to the petitioner.

2. Learned counsel for the petitioner *inter alia* contends that the petitioner, after serving respondent No.2, retired from service on 31.01.2013 (Annexure P-1), vide endorsement No. EA-III-2013/12897-900 dated

31.01.2013. However, after the retirement of the petitioner, a charge-sheet dated 31.01.2013 was issued vide endorsement No.12901 and thereafter a second charge-sheet was issued on 30.12.2013.

3. Learned counsel further submits that on the date of retirement of the petitioner, no charge-sheet or disciplinary proceedings were pending against him. It is further contended that there exists no statutory rule applicable to the service conditions of the petitioner which permits initiation or continuation of disciplinary proceedings after retirement. Learned counsel vehemently submits that the reliance placed by the respondent-Corporation upon Rule 2.2(b) of CSR, Volume-II is wholly misplaced inasmuch as the respondent-Corporation is not a pensionable establishment and the aforesaid Rule only provides for recovery from pension in disciplinary proceedings initiated prior to retirement.

4. Learned counsel for the petitioner further submits that the case of the petitioner is squarely covered by the judgments rendered in CWP No.15247 of 2011 titled ***S.C. Jain vs. Managing Director, Haryana State Federation of Consumers Cooperative Wholesale Stores Ltd. and anothe***r, ***Chandra Singh vs. State of Rajasthan and another, (2003) 6 SCC 545*** and ***Chairman-cum-Managing Director, Mahanadi Coalfield Ltd vs. Rabindranath Choubey, 2013 (6) CTC 342***. It is further submitted that the details of delayed payments received by the petitioner have been specifically mentioned at page 15 of the paper-book and therefore, the petitioner is entitled to interest on account of delayed release of retiral benefits.

5. *Per contra*, learned counsel for the respondent-Corporation submits that the petitioner had caused financial loss to the respondent-

Corporation and therefore, two charge-sheets were issued against him. However, learned counsel could not controvert the fact that both the charge-sheets were issued after the petitioner had already retired from service and that the retiral benefits/gratuity were released in the years 2017, 2021 and 2023 respectively.

6. I have heard learned counsel for the parties and perused the record.

7. It transpires that the petitioner retired from service on 31.01.2013, whereas the retiral benefits were released in a staggered manner. The details of the delayed payments, as reflected in para 15 of the writ petition, are reproduced hereinbelow:-

> ‘15. *That till date the petitioner has not received interest on his delayed payments and his Ex-gratia payment for year 2010-11 and 2011-12 amounting to Rs. 40,000/- per year (Total Rs.80,000/- alongwith interest) which was due and not paid to the petitioner. The interest is being calculated below:*

Sr. No	Amount Paid	Date of Payment	Delay Payment	Rate of Interest	Amount of Interest
1	Rs.9,87,900/-	24.06.2017	01.02.2013 to 24.06.2017	9% per Annum	Rs.3,11,188/-
2	Rs.63,344/-	19.07.2021	01.02.2013 to 19.07.2021	9% per Annum	Rs.61,560/-
3	Rs.5,06,320/-	04.10.2023	01.02.2013 to 04.10.2023	9% per Annum	Rs.4,55,688/-
4	Rs.80,000/-	NOT PAID	01.02.2013 to the date of payment	9% per Annum	Not yet paid Amount is payable alongwith interest at the rate 9% per annum

8. Admittedly, the petitioner retired on 31.01.2013 and no charge-sheet was pending against him on the date of retirement. The charge-sheets sought to be relied upon by the respondent-Corporation were issued only after the retirement of the petitioner. Furthermore, the respondent-Corporation has failed to point out any statutory provision authorizing initiation or continuation of disciplinary proceedings after retirement of the petitioner.

9. It is also not disputed that the retiral benefits of the petitioner were released after considerable delay extending up to the years 2017, 2021 and 2023. Once the retiral benefits have admittedly been withheld and released belatedly, the petitioner would be entitled to interest on delayed payment thereof.

10. Admittedly, there is no provision under which the respondents could have initiated disciplinary proceedings or issued a charge-sheet post the retirement of the petitioner. A two-Judge Bench of the Hon'ble Supreme Court in ***Bhagirathi Jena vs. Board of Directors, OSFC, (1999) 3 SCC 666***, has conclusively held that in the absence of provisions for conducting a disciplinary enquiry after retirement or for making a deduction from retiral benefits, the enquiry lapses and the employee is entitled to full retiral benefits on retirement. As such, in the absence of such a provision, the charge-sheet dated 31.01.2013 (Annexure P-2) and 30.12.2013 (Annexure P-3) are void *ab initio*.

11. Consequently, the respondents could not have withheld the retiral dues of the petitioner. The claim of the petitioner stands squarely covered by the authoritative pronouncement of the Full Bench 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 pensionary and retiral benefits are not a bounty dependent upon the sweet will of the employer, but constitute a valuable and vested right accruing in favour of an employee upon retirement. It has further been held therein that if such benefits are not released within a reasonable time, ordinarily taken to be two months from the date of retirement, the retiree would be entitled to compensation by way of interest on the delayed payments.

12. In view of the discussion above, the present writ petition is allowed and the respondent-Corporation is directed to calculate and release interest @ 6% per annum on the delayed payment of retiral dues to the petitioner from the expiry of two months from the date of retirement till the actual date of payment. The respondent-Corporation is further directed to release the Ex-gratia amount for the years 2010-11 and 2011-12 amounting to Rs.80,000/- along with interest @ 6% per annum from the date it became due till the date of actual payment.

13. The entire exercise shall be completed expeditiously within a period of three months from the date of receipt of a certified copy of this order.

14. Pending miscellaneous application(s), if any, shall also stand disposed of.

(HARPREET SINGH BRAR)
JUDGE

May 21, 2026
Nisha-1

Whether speaking/reasoned Yes
Whether reportable Yes