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

212 **CWP-26672-2016**
Date of Decision: **23.04.2026**

Ram Rattan

....Petitioner

VERSUS

Sarva Haryana Gramin Bank And Anr

...Respondents

CORAM: HON'BLE MR. JUSTICE HARPREET SINGH BRAR

Present *:* Ms. Arti, Advocate and
Ms. Sandipa Baidya, Advocate
for the petitioner.

Mr. Bhushan Bhatia, Advocate
for the respondent-Bank
(through video conferencing).

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HARPREET SINGH BRAR, J. (Oral)

1. This Civil Writ Petition has been filed under Articles 226/227 of the Constitution of India, seeking issuance of an appropriate writ, order or direction directing the respondents to release interest on gratuity and other retiral benefits to the petitioner, which have been arbitrarily, unreasonably and illegally withheld for a period of one year and ten months, in violation

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of Regulation 72(2) of the Sarva Haryana Gramin Bank (Officers & Employees) Service Regulations, 2010. The said withholding has been done on the pretext of pending disciplinary proceedings, even though the alleged misconduct pertains only to procedural lapses and was not intended to cause any financial loss to the Bank. It is further submitted that there has been an unreasonable, unjustified and unexplained delay in initiation and conclusion of the departmental proceedings on the part of the respondents, who have dealt with the matter in a casual and irresponsible manner, without considering the petitioner's medical condition and repeated representations and further for issuance of an appropriate writ, order or direction to set aside the minor penalty of censure imposed upon the petitioner after retirement (Annexure P-9).

2. Learned counsel for the petitioner, *inter alia*, contends that the petitioner had joined in Gurgaon Gramin Bank on 14.08.1978, which was further amalgamated with Haryana Gramin Bank in the year 2013. Petitioner had worked as Assistant Manager and got retired on 31.07.2014 on attaining the age of superannuation. On 15.05.2014, a charge-sheet was issued against the petitioner leveling allegations that petitioner had committed misconduct, which includes violation of lending norms, violation of system, procedure and guidelines of Bank and failing to use utmost endeavours to promote

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interest of Bank in recommending loans while working as Assistant Manager at Branch Katesra during 12.10.2011 to 28.08.2013. The disciplinary proceedings were concluded on 17.05.2016, as discernible from (Annexure P-6) and the statutory appeal was dismissed by the Appellate Authority as discernible from (Annexure P-11).

3. Learned counsel for the petitioner further made reference to Regulation 72 of Sarva Haryana Gramin Bank (Officers and Employees) Service Regulations, 2010, and submits that the proviso attached to Regulation 72 (2) *ibid* clearly undertakes that there shall be no forfeiture of gratuity. The relevant extract of same is as under:-

> *"72. (2) Every officer or employee shall be eligible for gratuity on -*
>
> *(a) retirement,*
>
> *(b) death,*
>
> *(c) disablement rendering unfit for further service as certified by a medical officer approved by the Bank.*
>
> *(d) resignation after completing 10 years of continuous service, or*
>
> *(e) termination of service in any other way except by way of punishment after completion of 10 years of service:*

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> *Provided that in respect of an employee there shall be no forfeiture of gratuity for dismissal on account of misconduct except in cases where such misconduct causes financial loss to the Bank and in that case to that extent only."*

4. He further submits that the disciplinary authority appointed Sh. Jitender Vij, Senior Manager, RO, Plawal as Inquiry Officer and directed him to complete the inquiry proceedings within a maximum period of three months.

5. Learned counsel for the petitioner has made reference to the inquiry report dated 21.10.2015 and submits that in violation of the same, the inquiry was not concluded within the stipulated period and the disciplinary authority passed the impugned order after a gap of two years from the date of issuance of the charge-sheet as discernible from Annexure P-6. As such, the petitioner is entitled to interest on account of delay in releasing gratuity. The gratuity was released only in the month of May, 2016, after the punishment order was passed on 17.05.2016 (Annexure P-6). Learned counsel contends that such inordinate and unexplained delay in release of retiral dues, *per se*, entitles the petitioner to interest in view of the ratio laid down by the Full Bench in ***A.S. Randhawa, Superintending Engineer (Retd.) vs. State of Punjab, 1998 (1) SCT 343***.

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6. *Per contra,* learned counsel for the respondent-Bank submits that the disciplinary authority passed the order of stopping of one increment by lowering down his basic pay from Rs.48,570/- to Rs.47,260/- with cumulative effect as on date of his superannuation i.e. 31.07.2014. Further, the Appellate Authority on 05.10.2016 (Annexure P-11), modified the order passed by the disciplinary authority and awarded "*censure*" upon the petitioner instead of the major penalty of "Reduction by one stage in time scale of pay by lowering down his basic pay from Rs.48,570/- to Rs.47,260/- with cumulative effect as on date of his superannuation i.e. 31.07.2014" imposed upon him vide order dated 17.05.2016 of the disciplinary authority.

7. Having heard the submissions made by learned counsel for the parties and after perusing the record with their able assistance, it transpires that the petitioner retired on 31.07.2014 and he was served with a charge-sheet on 15.05.2014 (Annexure P-1) and that on 05.07.2014 (Annexure P-2), Inquiry Officer was appointed and he was directed to conclude the inquiry proceedings within a maximum period of three months. However, the inquiry report was submitted on 21.10.2015 (Annexure P-4). Thereafter, disciplinary authority took another seven months to pass the punishment order and the gratuity of the petitioner was released thereafter.

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8. Furthermore, the disciplinary proceedings carried out in furtherance of the charge sheet dated 15.05.2014 (Annexure P-1) were concluded after a lapse of 02 years, with the passing of punishment order on 17.05.2016 (Annexure P-6). At this juncture, it would be apposite to refer to the judgment rendered by a two-Judge bench of the Hon'ble Supreme Court in ***Prem Nath Bali vs. Registrar, High Court of Delhi and another*** in ***Civil Appeal No. 958 of 2010*** decided on 16.12.2015, wherein, speaking through Justice Abhay Manohar Sapre, the following was held:

> *"31) Time and again, this Court has emphasized that it is the duty of the employer to ensure that the departmental inquiry initiated against the delinquent employee is concluded within the shortest possible time by taking priority measures. In cases where the delinquent is placed under suspension during the pendency of such inquiry then it becomes all the more imperative for the employer to ensure that the inquiry is concluded in the shortest possible time to avoid any inconvenience, loss and prejudice to the rights of the delinquent employee.*
>
> *32) As a matter of experience, we often notice that after completion of the inquiry, the issue involved therein does not come to an end because if the findings of the inquiry proceedings have gone against the delinquent employee, he invariably pursues the issue in Court to ventilate his grievance, which again consumes time for its final conclusion.*

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33) Keeping these factors in mind, we are of the considered opinion that ***every employer (whether State or private) must make sincere endeavor to conclude the departmental inquiry proceedings once initiated against the delinquent employee within a reasonable time by giving priority to such proceedings and as far as possible it should be concluded within six months as an outer limit.*** *Where it is not possible for the employer to conclude due to certain unavoidable causes arising in the proceedings within the time frame then* ***efforts should be made to conclude within reasonably extended period depending upon the cause and the nature of inquiry but not more than a year****."*

(emphasis added)

9. Admittedly, the entire process of disciplinary action must conclude within 01 years at the most. Any unexplained or inordinate delay beyond this period shall vitiate the proceedings and invite an adverse inference against the disciplinary authority. Reliance in this regard may be placed on the judgement rendered by this court in ***Khairati Lal v. State of Haryana CWP 9606-2022***. The punishment order dated 17.05.2016 (Annexure P-6) was indeed passed after the stipulated time frame. On this ground alone the order dated 17.05.2016 is liable to be quashed and set aside.

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10. The issue regarding the claim of the petitioner is no longer *res integra* and is squarely governed by the authoritative pronouncement of the Full Bench in ***A.S. Randhawa*** (supra), wherein it has been unequivocally enunciated that pensionary and retiral benefits are not in the nature of a bounty, but constitute a vested and enforceable right accruing to an employee on superannuation. It has further been held that any culpable delay in the release of such dues beyond a reasonable period quantified therein as two months would entail a corresponding liability upon the employer to compensate the retiree by way of interest on the belated payments.

11. In the conspectus of the aforesaid facts and the settled position of law, and without embarking upon any further adjudication on ancillary or collateral issues, the present writ petition is disposed of with a direction to the respondent-Bank/competent authority to compute and release interest on the delayed payment in releasing gratuity, to the petitioner @ 6% per annum. However, while calculating the period of delay, the respondent-Bank shall exclude a period of six months, being a reasonable time for conclusion of disciplinary proceedings. Accordingly, interest shall be payable from the expiry of six months from the date of retirement of the petitioner till the date of its actual realization of the amount.

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12. Let the aforesaid exercise be undertaken expeditiously and the consequential monetary benefits be released to the petitioner within a period of three months from the date of receipt of a certified copy of this order.

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

(HARPREET SINGH BRAR)
JUDGE

23.04.2026
Parul Verma

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