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

217 **CWP-10644-2019 (O&M)**
Date of Decision: 29.04.2024

Patwant Singh **…Petitioner**

Versus

State Bank of India and another **...Respondents**

CORAM: HON'BLE MR. JUSTICE JAGMOHAN BANSAL

Present:- Ms. Sushma Chopra, Advocate for the petitioner

Ms. Madhu Dayal, Advocate for the respondents
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JAGMOHAN BANSAL, J. (Oral)

1. The petitioner through instant petition under Articles 226/227 of the Constitution of India is seeking setting aside of order dated 12.02.2019 (Annexure P-3) as well as order dated 30.03.2019 (Annexure P-4) passed by respondent No.1.

2. The petitioner in the year 1977 joined respondent-State Bank of Patiala (now known as State Bank of India). He was time to time promoted. He retired from the bank on 28.02.2017. The respondent-bank issued letter dated 25.06.2018 calling upon the petitioner to furnish his explanation with respect to four loan accounts. The respondent was of the opinion that there was lapse on the part of petitioner while sanctioning loan against four accounts jotted down in the said notice.

3. Ms. Sushma Chopra, Advocate submits that as per Regulation 48 of State Bank of Patiala (Employees) Pension Regulations, 1995 (for short '**1995 Regulations**') no departmental or judicial proceeding can be initiated against a retired employee, with respect to a cause of action which had arisen more than four years before such institution. The petitioner retired from bank on 28.02.2017 and impugned notice came to be issued on 25.06.2018. The alleged loan was sanctioned more than four years prior to aforesaid notice.

4. *Per contra*, Ms. Madhu Dayal, Advocate submits that departmental proceedings can be instituted within four years from the date of cause of action and in the case in hand, cause of action arose when loan accounts were declared NPA. The petitioner, in any case, sanctioned loan during September' 2013 to August' 2014, thus, notice dated 25.06.2018 was issued within four years from the date of sanction of loan.

5. I have heard the arguments of learned counsels for both sides and perused the record with their able assistance.

6. This Court while adverting with Regulation 48 of Punjab and Sind Bank (Employees') Pension Regulations, 1995 has held that departmental proceedings cannot be instituted after four years from the date of sanction of loan. The limitation period starts from the date of sanction of loan because the said date is the date of cause of action.

In the case in hand, the respondent has pleaded that out of four loan accounts, on two occasions, loan was sanctioned in August' 2014, thus, there seems substance in the contention of respondent-bank.

7. The petition stands disposed of with a direction to respondent-bank (disciplinary authority as agreed by both sides) to pass an order considering judgment dated 23.01.2024 of this Court in ***Balbir Kaur v. Punjab and Sind Bank and others, CWP No.21313 of 2021***. The respondent shall take care of actual date of sanction of loan and all other arguments raised by the petitioner.

8. Pending applications(s), if any, shall also stand disposed of.

(JAGMOHAN BANSAL)
JUDGE

29.04.2024
Mohit Kumar

Whether speaking/reasoned	*Yes/No*
Whether reportable	*Yes/No*