2025:PHHC:131332

IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

212

CWP-16003-2019
DECIDED ON:15.09.2025

RATTAN LAL (SINCE DECEASED) TH. HIS LRS

...PETITIONER

VERSUS

STATE BANK OF INDIA AND OTHERS

....RESPONDENTS

CORAM: HON'BLE MR. JUSTICE SANDEEP MOUDGIL

Present: Mr. G.S Gopera, Advocate
for the petitioner

Mr. Chandeep Singh, Advocate
for respondents No. 1 to 3.

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SANDEEP MOUDGIL, J

1. Prayer

This civil writ petition under Articles 226/227 of Constitution of India has been filed for issuance of the Writ in the nature of *Certiorari* for quashing of the impugned order dated 23.09.2017 (Annexure P-6) passed by Respondent No.2-Regional Manager, SBI, vide which the claim of the petitioner for the grant of pension and other pensionary benefits has been rejected with further prayer for issuance of a writ in the nature of *Mandamus* directing the respondents to release the pension and other pensionary benefits with 18% interest on the delayed payment.

2. Brief Facts

The petitioner joined the erstwhile State Bank of Patiala (now merged with the respondent-Bank) as a Waterman on 21.09.1981 and was promoted over time to Head Cashier in May 2002, maintaining an unblemished service record for over 27 years. On 20.12.2008, the petitioner was asked to explain an alleged embezzlement of ₹80,000. He clarified that the amount was mistakenly overpaid to a customer, who subsequently returned it and submitted an affidavit confirming the same.

Despite the return of funds and supporting affidavit, the Bank issued a charge sheet dated 20.02.2009. A departmental enquiry was conducted, resulting in the petitioner's removal from service on 16.08.2009. His appeal was dismissed on 11.09.2009.

The petitioner filed CWP No. 3618 of 2012, which was disposed of on 14.01.2016, granting him liberty to pursue alternative remedies for remaining service and pensionary benefits.

Subsequent representations (dated 18.05.2016 and 26.12.2016) requesting release of pension and interest on delayed gratuity remained unanswered, leading to the filing of CWP No. 10128 of 2017 and service of legal notice.

The Bank then issued a rejection order dated 23.09.2017, stating that the petitioner's Provident Fund (PF) accumulation of ₹6,66,339.26 was adjusted against alleged outstanding loans.

However, the Bank later issued a No Dues Certificate dated 15.04.2019 confirming all loan accounts had been settled and no amount was outstanding against the petitioner. Hence the present petition.

3. <u>Submissions</u>

<u>On behalf of petitioner</u>

It has been contended by learned counsel for the petitioner that he rendered over 27 years of unblemished service with the respondent-Bank and was promoted to the post of Head Cashier without any adverse service record. The initiation of disciplinary proceedings arising out of a solitary incident dated 20.12.2008 pertaining to an inadvertent overpayment of ₹80,000/-, which was promptly returned by the customer along with a supporting affidavit was unwarranted. He argues that the resultant punishment of removal from service, imposed on 16.08.2009, is grossly disproportionate and unsustainable in law, particularly in the absence of any proven loss to the Bank or dishonest intent on the part of the petitioner. Moreover, the petitioner was neither afforded the opportunity to exercise an option for pension under the applicable scheme nor was he paid his provident fund dues in actual terms, as the same were unilaterally adjusted against alleged loan accounts later acknowledged to be fully settled vide 'No Dues Certificate' dated 15.04.2019. The impugned rejection order dated 23.09.2017 is non-speaking, arbitrary, and fails to adjudicate upon the petitioner's legitimate claim for pension and interest on delayed gratuity. The denial of pensionary benefits, despite similarly situated employees having been granted the same, is discriminatory and violative of Articles 14 and 16 of the Constitution of India.

Thus, on these ground, the petitioner, seeks appropriate directions for release of pension, interest on delayed gratuity, and all consequential service and retiral benefits.

On behalf of respondents

Learned counsel for the respondents has submitted that the petitioner was an optee of the Provident Fund under the State Bank of Patiala Employee Provident Fund Regulations, 1969. The bank has paid Rs.6,66,339.26 as Provident Fund, comprising the bank's contribution of Rs. 4,15,658.88 and the member's contribution of Rs. 2,50,680.38. Therefore, the petitioner's claim that he was paid only a single contribution is incorrect, and he is not entitled to pension benefits. The entire amount of the Provident Fund was adjusted against the loans availed by the petitioner as per the terms and conditions of the loan documents executed by him. The petitioner was removed from bank service on 16.07.2009 for misappropriation of a deposit amount of Rs. 80,000/- from a customer. A departmental enquiry was conducted following due process of natural justice, and the disciplinary authority imposed the penalty of "Removal from the Bank's service with superannuation benefits". The petitioner was paid Rs.3,67,185/- (Rs. 3,50,000/- as gratuity with interest of Rs. 17,185/-) on 15.05.2015, as per the court's orders. The payment was made according to the bank's extant instructions, and no interest on delayed payment is admissible to the petitioner. Now, the petitioner is trying to litigate over the same issues again and again under the garb of previous court orders, which is a sheer abuse of the process of the court. The petitioner has an alternate remedy to approach the Controlling Authority under the Payment of Gratuity Act, 1972.

4. Conclusion & Analysis

Having considered the submissions advanced by learned counsel for both parties, this Court finds no merit in the present petition. The petitioner was removed from service after a departmental inquiry was conducted in accordance with the principles of natural justice, and the penalty imposed was within the domain of the disciplinary authority. The petitioner was admittedly a Provident Fund optee under the applicable regulations and was duly paid both employer and employee contributions, which were adjusted against the outstanding loan liabilities, as per the loan agreements executed by him.

Furthermore, the petitioner has already been paid gratuity along with interest as per the directions of this Court. The contention that no opportunity was granted to opt for pension lacks substance, particularly when the petitioner was never part of the pension scheme. The claim for interest on delayed gratuity and other retiral benefits also fails in the absence of any statutory or contractual mandate.

This Court is of the view that the present proceedings are an attempt to reopen settled issues under the guise of enforcement of alleged rights, despite the earlier adjudication and discharge of dues. The impugned order dated 23.09.2017 does not suffer from any legal infirmity warranting interference. The petitioner has also failed to establish any violation of Articles 14 or 16 of the Constitution of India.

Accordingly, the writ petition is **dismissed** as being devoid of merit, with no order as to costs.

(SANDEEP MOUDGIL)
JUDGE

15.09.2025
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Whether speaking/reasoned : Yes/No
Whether reportable : Yes/No