



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

**LPA No.2425 of 2017 (O&M)**

**Date of Decision: 07.04.2025**

Chief Manager, Allahabad Bank and another

...Appellants

Versus

Nand Lal Verma

...Respondent

**CORAM: HON'BLE MR. JUSTICE SANJEEV PRAKASH SHARMA  
HON'BLE MRS. JUSTICE MEENAKSHI I. MEHTA**

Present:- Mr. Ram Chander, Advocate  
for the appellants.

Mr. Ravi Malhotra, Advocate  
for the respondent.

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**SANJEEV PRAKASH SHARMA, J.(Oral)**

**CM No.5392-LPA of 2017**

For the reasons mentioned in the application, the same is allowed and the delay of 47 days in filing the present appeal is condoned.

**LPA No.2425 of 2017**

The appeal preferred by the Bank challenges the judgment passed by learned Single Judge dated 11.09.2017, whereby learned Single Judge has allowed the writ-petition filed by the respondent-writ petitioner and directed the Bank to calculate the difference of salary from 25.11.1992 to 11.05.2001 and disburse it to the writ-petitioner within a period of 04 months.

2. Learned counsel for the appellants submits that learned Single Judge has fallen in error in relying upon the judgment passed by this Court



in *M.P. Jindal vs. State Bank of Patiala and others, 2013 (2) SLR 251*

since the said judgment was set-aside by Hon'ble Supreme Court in Civil Appeal No.4930 of 2014 vide the judgment dated 28.04.2014.

3. Learned counsel for the appellants further submits that learned Single Judge has also wrongly noticed of the writ-petitioner having been acquitted honourably in the criminal charge as from the perusal of the judgment passed by the trial Court dated 31.01.2008, it is apparent that the respondent/writ-petitioner was acquitted giving him benefit of doubt. Learned counsel for the appellants also submits that the writ-petitioner had been reinstated in service in 2001 and he continued to work with the Bank till he retired and was given regular salary and therefore, he is not entitled to be given salary for the period of suspension as the action of suspending the writ-petitioner was strictly on account of the criminal case having been registered against him along-with other accused. The charge against the writ-petitioner was of having helped the other co-accused to commit the embezzlement. Ultimately, in the criminal case, the other co-accused had been held guilty of the said conduct and in view thereto, the denial of salary from 25.11.1992 to 11.05.2001, cannot be said to be unjustified.

4. Per-contra, learned counsel for the respondent/writ-petitioner submits that the writ-petitioner had been falsely roped in the FIR which was essentially directed against the persons who had embezzled the amount from the Bank. So far as the writ-petitioner is concerned, he was nowhere involved and none of the witnesses during trial had made any allegation against him of any manner, including of helping the said accused. No case was made out as against the writ-petitioner and learned Judicial Magistrate, while acquitting him, has wrongly mentioned of acquitting him by giving



benefit of doubt as there was no witness who even referred of any incriminating act on part of the writ-petitioner. He, further, submits that while the writ-petitioner was under suspension, the subsistence allowance was also not paid which was his right and he, therefore, deserves to be awarded the salary for the suspension period.

5. We have considered the submissions.

6. While learned Single Judge has erred in relying on a judgment which stands already over-ruled by Hon'ble Supreme Court and also has noticed erroneously that the writ-petitioner was acquitted honourably in the criminal case, we find that the writ-petition filed by the respondent was required to be decided on different aspects and not on the aspects which have been referred to by learned Single Judge. Suspension is a part of duty and there is no severance of employer and employee relationship during suspension period. It is essentially used as a power to keep an employee away from service so that he may not, in any manner, interfere with the proceedings, which may be initiated against him departmentally or in a criminal case registered by the department. It is also used as a power to keep away a person against whom there are charges of having committed any criminal act which may be in a private complaint filed or by the department. There are also cases where a person would be deemed to be under suspension if he stays in judicial custody for a period of more than 48 hours. Such suspension continues till an order is passed to reinstate him. However, in all the eventualities as noticed above, the person who is under suspension is required to be paid the subsistence allowance. Denial of subsistence allowance has been held to be violative of Article 21 of the Constitution of India and in **A.K. Bindal and another vs. Union of India**



and others, 2003 INSC 258, Hon'ble Supreme Court has even went to the extent of holding any departmental inquiry, being conducted without payment of subsistence allowance, to be vitiated in law.

7. It is a long period from 1992 to 2001 that the writ-petitioner was kept under suspension. He also faced a long trial and was, ultimately, acquitted though giving benefit of doubt. We have also gone through the judgment passed by learned Judicial Magistrate and find that none of the witnesses had made any allegations against the writ-petitioner. However, we need not further comment on the said judgment and the manner in which the concerned Magistrate has acquitted him. Be that as it may, in the interest of justice and to balance the equity, we direct that the respondent would be entitled to 50% of the salary for the intervening period from 25.11.1992 to 11.05.2001 which would be the minimum subsistence allowance which would have been paid to him for the period. The said amount shall, now, be released to the said extent. The order passed by learned Single Judge stands modified.

8. The present appeal is partly allowed.

9. All the pending miscellaneous application(s) also stand disposed of.

**(SANJEEV PRAKASH SHARMA)**  
**JUDGE**

**07.04.2025**  
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**(MEENAKSHI I. MEHTA)**  
**JUDGE**

*Whether speaking/reasoned:* Yes  
*Whether Reportable:* Yes