



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

CWP-24872-2025

Reserved on: 26.08.2025

Pronounced on: 04.09.2025

Sukhwinder Sharma and another

....Petitioners

Versus

The Additional Registrar (Admin) Cooperative
Societies, Punjab and others and others

...Respondents

CORAM: HON'BLE MR. JUSTICE HARPREET SINGH BRAR

Present: Mr. Shiv Kumar, Advocate
for the petitioners.

Mr. Vikas Arora, DAG, Punjab.

HARPREET SINGH BRAR, J. (ORAL)

1. The present civil writ petition has been filed under Article 226/227 of the Constitution of India for issuance of a writ in the nature of *certiorari* for setting aside the order dated 22.07.2024 (Annexure P-8) passed by the respondent No.1 as Revisional Authority, order dated 21.11.2022 (Annexure P-6) passed by the Respondent No.3 as Appellate Authority and order dated 28.03.2018 (Annexure P-4) passed by the respondent No.4 as Punishing Authority and quash the Show Cause Notice Nos.1264-65 dated 19.05.2017 (Annexure P-2).

2. The factual background of the case is that the petitioners are employees of respondent No. 2 who were served show cause notices alleging that they were responsible for a financial loss of ₹11,12,297 lakh, stemming from a delay in submitting wheat dispatch documents for the 2013-14 and 2014-15 crop years at the Samana branch office. In their detailed replies, the employees contested the allegations. They argued that the duty to submit the documents was not assigned to them but was the responsibility of the Branch



Manager, and one employee noted that they were not even posted at that specific branch during the relevant period. Respondent No. 4 issued an order in March 2018, imposing a recovery of over ₹6.5 lakh on the employees, apportioned equally between them. The petitioners preferred a statutory appeal to Respondent No. 3, which was dismissed in late 2022 through a speaking order. They subsequently pursued a departmental revision with the Registrar of Co-operative Societies. This revision was handled by the Additional Registrar (Admin), who, in mid-2024, partly modified order and held them jointly liable for a specific portion of the loss and apportioned a one-fifth share for a later period.

3. Learned counsel for the petitioners *inter alia* contends that the impugned recovery orders are arbitrary and violate the principles of natural justice, as they were passed without conducting any departmental inquiry into the alleged financial loss of ₹11,12,297. It is submitted that the petitioners, in their detailed replies to the show-cause notice (Annexure P-3), specifically denied personal responsibility for document submission, a duty they argued fell solely upon the Branch Manager. Further, respondent No.4 (punishing authority) passed the initial recovery order dated 28.03.2018 (Annexure P-4) based on a letter from the Chief Manager (U.O. No. 2470 dated 15.03.2018) without independent verification. Furthermore, respondent No.3 (appellate authority) dismissed the appeal via a non-speaking order dated 21.11.2022 (Annexure P-6), while respondent No.1 (revisional authority), despite partly modifying the liability, failed to consider RTI evidence (Annexure P-11 series) proving that the documents were submitted by the Branch Manager and not by the petitioners. The action is also contrary to a precedent order dated



15.04.2013 (Annexure P-12) where similar charges were dropped against other employees.

4. *Per contra* learned counsel for the respondents submits that the petitioners were given an opportunity to submit their representations by affording them hearing opportunities of personal hearing on 15.02.2018 and 20.03.2018. Further, the actions of the respondents are in accordance with the procedure prescribed in The Punjab State Cooperative Supply and Marketing Federation Employees (Punishment and Appeal Rules, 1990) (hereinafter referred to as Rules), thus not violating the principles of natural justice.

5. I have heard learned counsel for the parties and perused the record with their able assistance.

6. The issue involved in the present case is regarding a minor penalty, which is prescribed in Rule 6 and the procedure for which is laid down under Rule 9 of the rules.

“Penalties 6

Notwithstanding anything contained in any other regulation and without prejudice to such action to which an employee becomes liable under any other law or regulation for the time being in force any and all of following penalties may, for good and sufficient reason, be imposed on any member of service (s) :-

A) Minor Penalties :

i) Censure;

ii) With holding of promotion;

iii) Recovery for pay of the whole or part of any pecuniary loss caused by him to the Federation by negligence or breach of Orders and trust;

iv) With holding of increments of pay without cumulative effect.

Procedure 9

No order imposing a minor penalty shall be made except after

*a) **Informing the employee, in writing of the proposal to take action against him and of the imputations of misconduct or misbehavior on which it is proposed to be taken and giving him a reasonable opportunity of making such representation as he may wish to make against the proposal;***

*b) holding an enquiry in a case in the manner laid down in rule 10 read with Annexure I **in which the Punishing Authority is of the opinion that such an enquiry is necessary.***

c) taking the representation, if any, submitted by the employees under clause (s) above and the record of enquiry, if any, held under clause (b) into consideration; and



d) regarding a finding on each imputation of misconduct or misbehavior.

The record of proceedings in such case shall include:-

- i) A copy of the intimation to an employee of the proposal to take action against him.
- ii) A copy of the statement of imputation of misconduct or misbehavior delivered to him;
- iii) His representation, if any,
- iv) The evidence produced during **the enquiry, if held**.
- v) The findings of the punishing authority and also the report of the inquiring authority in case of an enquiry has been held; and
- vi) The orders in the case together with reasons thereof.”

7. The procedure for imposing a minor penalty does not obligate the authority to conduct an enquiry. Its essential requirements are limited to: (1) informing the employee in writing of the proposal to take action, and (2) granting them a reasonable opportunity to make a representation.

8. The scope of examination and interference under Article 226 of the Constitution of India in a case of the present nature, is no longer *res integra*. A Three Judge Bench of the Hon’ble Supreme Court in ***State of Andhra Pradesh v S Sree Rama Rao, AIR 1963 SC 1723*** speaking through Justice J.C Shah made the following observation,

*“7.The High Court is not constituted in a proceeding under Article 226 of the Constitution a court of appeal over the decision of the authorities holding a departmental enquiry against a public servant : **it is concerned to determine whether the enquiry is held by an authority competent in that behalf, and according to the procedure prescribed in that behalf, and whether the rules of natural justice are not violated.** Where there is some evidence, which the authority entrusted with the duty to hold the enquiry has accepted and which evidence may reasonably support the conclusion that the delinquent officer is guilty of the charge, it is not the function of the High Court in a petition for a writ under Article 226 to review the evidence and to arrive at an independent finding on the evidence. **The High Court may undoubtedly interfere where the departmental authorities have held the proceedings against the delinquent in a manner inconsistent with the rules of natural justice or in violation of the statutory rules** prescribing the mode of enquiry or where the authorities have disabled themselves from reaching a fair decision by some considerations extraneous to the evidence and*



the merits of the case or by allowing themselves to be influenced by irrelevant considerations or where the conclusion on the very face of it is so wholly arbitrary and capricious that no reasonable person could ever have arrived at that conclusion, or on similar grounds. But the departmental authorities are, if the enquiry is otherwise properly held, the sole judges of facts and if there be some legal evidence on which their findings can be based, the adequacy or reliability of that evidence is not a matter which can be permitted to be canvassed before the High Court in a proceeding for a writ under Article 226 of the Constitution.”
(emphasis added)

Reliance in this regard may also be placed on ***The State of Rajasthan and Others vs. Bhupendra Singh 2025 INSC 592.***

9. The respondents issued a show cause notice (Annexure P-2) to the petitioners on 19.05.2017 to which a representation was submitted by the petitioners on 13.06.2017 (Annexure P-3) and also afforded them with personal hearing opportunities at all stages, thus there is no violation of either the principles of natural justice or the procedures prescribed under the rules. Accordingly, the present petition is dismissed.

(HARPREET SINGH BRAR)
JUDGE

04.09.2025

Neha

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