



2025:DHC:11445



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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**% **Date of decision: 16th December, 2025**+ **W.P.(C) 11575/2023****ANIL MALHOTRA**

.....Petitioner

Through: **Mr. R. Vasudevan & Mr. N.C. Gupta, Advs.**

versus

BANK OF BARODA & ORS.

.....Respondents

Through: **Ms. Praveena Gautam, Ms. Tissy A. Thomas, Mr. Pawan Shukla & Mr. Rohan Bansla, Advs. for Bank.****CORAM:****HON'BLE MR. JUSTICE AVNEESH JHINGAN****AVNEESH JHINGAN, J. (ORAL)**

1. This petition is filed seeking setting aside of the order dated 28.08.2023 restricting the pension of the petitioner to two-third and the note put up before the Board of Directors (for short 'BoD') for approval of proceedings under Regulation 33 of the Bank of Baroda (Employees') Pension Regulations, 1995 (for short 'the Regulations').
2. The brief facts are that the petitioner was working with the respondent Bank. The departmental proceedings initiated culminated in an order dated 27.05.2016 compulsorily retiring the petitioner. On 14.07.2020, two-third pension of the petitioner was fixed and being aggrieved thereof the petitioner filed W.P.(C) 904/2021. The writ petition was allowed on 08.12.2022 directing the respondent Bank to



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take a fresh decision by passing a reasoned order, after giving an opportunity of hearing to the petitioner. In pursuance of the order of this Court, the impugned order dated 28.08.2023 was passed restricting the pension of the petitioner to two-third. Hence, the present petition.

3. Learned counsel for the petitioner *inter alia* submits that under Regulation 33 of the Regulations before passing an order reducing the pension, an approval is required to be taken from BoD. The respondent Bank by narrating wrong facts that the petitioner caused a loss of Rs.14.95 crores, obtained the approval from the BoD. The contention is that this very fact was relied upon while passing the impugned order whereas till date there is neither quantification of the loss caused nor an adjudication that actual loss was caused.

4. Learned counsel for the respondent Bank submits that the petitioner issued Letters of Credit worth approximately Rs.15 crores without following due procedure. Learned counsel further submits that the matter is still under investigation. The compulsory retirement was ordered taking into account the likely loss caused to the bank and other factors as well.

5. Heard learned counsel for the parties and perused the pleadings with their able assistance.

6. It would be relevant to quote Regulation 33 of the Regulations as follows:-

“33. Compulsory Retirement Pension.

(1) An employee compulsorily retired from service as a penalty on or after 1st day of November, 1993 in terms of



Bank of Baroda Officers' Employees (Discipline and Appeal) Regulations, 1976 or awards/settlements may be granted by the authority higher than the authority competent to impose such penalty, pension at a rate not less than two-thirds and not more than full pension admissible to him on the date of his compulsory retirement if otherwise he was entitled to such pension on superannuation on that date."

(2) whenever in the case of a bank employee the Competent Authority passes an order (whether original, appellate or in exercise of power of review) awarding a pension less than the full compensation pension admissible under these regulations, the board of Directors shall be consulted before such order is passed.

(3) A pension granted or awarded under sub-regulation (1) or, as the case may be, under subregulation (2), shall not be less than the amount of rupees three hundred and seventy five per mensem."

7. Under Regulation 33 of the Regulations, the authority higher than the competent authority imposing the penalty of compulsory retirement may grant pension at a rate not less than two-third and not more than full pension admissible to the employee on the date of his compulsory retirement to which pension the employee was otherwise entitled on superannuation on that date. Before passing an order awarding pension less than the full pension prior consultation with the BoD is required.

8. The petitioner was compulsorily retired vide order dated 27.05.2016, it is an admitted fact that the order has attained finality. It would be apt to note the relevant portion of the order i.e., "He did acts which are likely to cause financial loss to the Bank". This was one of



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the reasons for compulsory retirement.

9. After remand by this Court, the respondent Bank placed a note before the BoD for approval for restricting the pension of the petitioner to two-third. In the note, it was recorded that the bank admittedly suffered a loss of Rs.14.95 crores owing to the misconduct of the petitioner. It would be relevant to note that in this very note the contention of the petitioner was also recorded that there is no actual loss caused which has been quantified till date. The note was approved by the BoD. The impugned order dated 28.08.2023 was passed wherein apart from other reasons, one of the issues taken into consideration was that the bank suffered a loss of 14.95 crores due to gross negligence, misconduct and misutilization of position by the petitioner.

10. The requirement under Regulation 33 of the Regulations is that where there is a punishment of compulsory retirement, the authority higher than the punishing authority is empowered to grant pension varying from two-third to full pension to which the employee would have been entitled on superannuation on the date of the compulsory retirement. Further, there is a mandatory requirement of prior consultation with the BoD in case the pension is reduced.

11. The note for restricting pension of petitioner placed before the BoD was approved however, the fact remains that despite the contention of the petitioner that no actual loss was caused to the bank or that the loss figure was quantified, the note recorded that the petitioner admitted to have caused a loss of Rs.14.95 crores to the bank. A similar admission is also recorded in the impugned order.



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12. No doubt that other reasons are recorded in the note as well as in the impugned order for restricting the pension to two-third but in judicial review, it would not be possible to quantify as to which factor weighed to what extent in the process of decision making. In the absence of evidence of loss having been caused or quantified, the admission of the petitioner could not have been recorded.

13. Consequently, the impugned order is set aside. The matter is remitted to the respondent Bank to decide the issue under Regulation 33 afresh, after complying with the requirements thereof and after giving an opportunity of hearing to the petitioner.

14. The writ petition is allowed.

15. Taking into account that the issue of pension is concerned, an expeditious disposal by the respondent Bank shall be appreciated. The needful be done not later than four months from receipt of the certified copy of the order.

AVNEESH JHINGAN, J

DECEMBER 16, 2025

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Reportable:- **Yes**