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

103+240 CWP-17052-2023(O&M)
Date of Decision: **20.04.2026**

Pavitar Singh

.....Petitioner

VERSUS

Punjab State Power Corporation Limited and others

...Respondents

CORAM: HON'BLE MR. JUSTICE HARPREET SINGH BRAR

Present *:* Mr. J.S. Mundi, Advocate for the petitioner.

Mr. Abhilaksh Gaind with Mr. Rakesh Roy & Ms. Priya Jarial, Advocates for respondents No.1 to 3.

Mr. Avneet Singh and Mr. Pranav Jain, Advocates for respondent No.4.

HARPREET SINGH BRAR, J. (Oral)

CM-5962-CWP-2026

The present application has been filed under Section 151 of CPC for placing on record Annexures P-14 to P-21.

In view of the grounds mentioned in the application, the same is allowed, Annexures P-14 to P-21 are ordered to be taken on record, subject to all just exceptions.

Registry is directed to place the same at an appropriate place.

MAIN

1. The present writ petition has been filed under Articles 226/227 of the Constitution of India seeking issuance of an appropriate writ in the nature of *certiorari* for quashing the order dated 12.05.2023 (Annexure P-6), whereby the claim of the petitioner has been rejected on the ground that he is not entitled to pensionary benefits along with interest due to the alleged pendency of certain departmental proceedings and financial dues amounting to Rs. 9,74,463/-. The said action is stated to be illegal and contrary to settled principles of law. A further prayer has been made for issuance of a writ in the nature of *mandamus* directing the respondents to release pension and all other retiral benefits along with arrears w.e.f. 01.04.2020, i.e., the date following his retirement, along with interest @ 12% per annum from the date the amount became due till its actual realization.

2. Learned counsel for the petitioner, *inter alia*, contends that the petitioner joined the respondent-Department on 28.06.1988 as SSA and retired from service as Junior Engineer upon attaining the age of superannuation on 31.03.2020. Referring to the impugned order dated 12.05.2023 (Annexure P-6), it is submitted that during his entire service tenure, the petitioner was issued five charge-sheets, all of which culminated in his exoneration except Charge Sheet No. 197 dated 30.05.2016, wherein a minor penalty of stoppage of one annual increment without future effect was imposed. It is further submitted that the retiral benefits of the petitioner have

been withheld on the ground that certain departmental proceedings were allegedly pending at the time of retirement. However, no such proceedings were, in fact, pending. It is also contended that certain financial recoveries have been flagged in the impugned order, but no show cause notice or charge-sheet has ever been issued to the petitioner in respect thereof. The allegation of recovery, particularly regarding certain equipment, is stated to be arbitrary and actuated by mala fide on the part of respondent No. 4, as the said equipment was never entrusted to the petitioner. It is thus argued that in the absence of any pending disciplinary proceedings or statutory provision, the respondents have no authority to withhold the retiral dues.

3. On the other hand, learned counsel for the respondents submits that dues mentioned in Head 28.874 (b) financial dues mentioned in order (Annexure P-6), amount of Rs.195768/- has been released to the petitioner. It is further submitted that the petitioner has already instituted a civil suit bearing No. CS/88/2024 before the Civil Court at Patiala, wherein he has sought a declaration regarding his entitlement to release of full pension, gratuity, leave encashment along with interest, and also for refund of the amount deducted, as is evident from Annexure R-1/1. It is further contended that the financial dues have been flagged on account of recovery relating to the installation of a transformer dated 15.05.2015.

4. In rebuttal, learned counsel for the petitioner refers to letters Annexure P-14 and P-15 and submits that on the said date, the petitioner

was posted at a different location in Barnala and had no connection whatsoever with the installation or removal of the said transformer.

5. I have heard the learned counsel for the parties and have gone through the case file with their able assistance. It transpires that the petitioner joined the respondent-Department as SSA on 28.06.1988 and retired from service on 31.03.2020 upon attaining the age of superannuation. The following departmental proceedings and alleged financial dues were stated to be pending against the petitioner on the date of his retirement:

(a) "Departmental proceedings:-

Sr. No.	*Charge Sheet/SCN No. and date*	*Decision*	*Remarks*
1	*Charge sheet 21 dated 19.01.2016*	*Charge sheet dismissed by CE (South) o/o 391 dated 07.07.2021*	*None*
2	*Charge Sheet No.197 dated 30.05.2016*	*1 annual increment stopped without future effect by T-3 o/o No.416 dated 05.06.18*	*Employee's appeal against o/o No.416 dated 05.06.18 was dismissed by T-3 o/o*
3	*Charge Sheet No.114 dated 10.04.2018*	*Charge sheet dismissed by CE (South) o/o 169 dated 19.03.2021*	*None*
4	*Charge Sheet No.151 dated 25.05.2018*	*Charge Sheet dismissed by CE(South) o/o 169 dated 19.03.2021*	*None*
5	*Charge Sheet No.190 dated 18.10.2021*	*5% cut from employee's pension for 3 years by CE(South) o/o 655 dated 06.12.2022*	*Employee has filed an appeal against CE(South) o/o 655 dated 06.12.2022 which is pending*

b) Financial dues

Sr. No.	*Amount related to*	*Amount*	*Remarks*
1	*Head 28.868*	*204750/-*	*Employee has filed a complaint which is pending*
2	*Head 28.874*	*195768/-*	*None*
3	*MAS Account IWR no.922*	*117354/-*	*Employee has filed a complaint which is pending*
4	*MAS accounts IWR No.889*	*456591/-*	*Matter disputed*
	Total	*974463/-*	

6. There is no dispute that Charge Sheet No.190 dated 18.10.2021, which was issued after the retirement of the petitioner, has culminated in his exoneration, inasmuch as the competent authority, vide order dated 22.04.2024, has set aside the punishment imposed by the disciplinary authority. Consequently, it stands established that no disciplinary proceedings are pending against the petitioner as on date.

6.1 Further, insofar as the alleged financial recoveries reflected in the impugned order (Annexure P-6) are concerned, it is evident that neither any show cause notice has been issued to the petitioner nor any proceedings, departmental or otherwise, have been initiated in accordance with law to fasten such liability upon him.

7. It is a settled proposition of law that retiral benefits, including pension and gratuity, are not a bounty but a vested right of an employee, and the same cannot be withheld except in accordance with statutory rules. In the absence of any pending disciplinary proceedings or judicial proceedings, or any adjudicated liability determined after affording due opportunity of hearing, the action of the respondents in withholding the retiral dues on the basis of unsubstantiated and disputed recoveries is wholly arbitrary and unsustainable in the eyes of law.

8. Further, a Division Bench of this Court in ***Hans Raj Sharma v. Uttar Haryana Bijli Vitran Nigam Limited and others, 2004(4) SCT 117***, held that withholding of pension or recovery of retiral benefits cannot be sustained merely on the ground that some material was entrusted to the employee during service, in the absence of a formal charge-sheet and departmental proceedings. In that case, the petitioner retired on superannuation on 31.05.2002. While 75% of his pension was released on 25.02.2003, the remaining 25% of pension and other retiral benefits were withheld on the ground that a show-cause notice dated 07.12.1998 had been issued to the petitioner with regard to "certain material which was handed over to him while he was in service." The petitioner submitted a reply on 12.12.1998, but no final decision was taken on the show-cause notice, nor was any charge-sheet issued. A representation dated 27.02.2003 seeking release of the remaining benefits also remained undecided. The Division Bench, in the aforesaid judgement observed as under:-

> *"It has been settled by the Supreme Court in case of P.R. Nayak v. Union of India, AIR 1972 Supreme Court 554 that issuance of a charge-sheet is sine-qua-non for initiation of departmental enquiry. Till date, no charge-sheet has been issued. There is no justification for withholding the pension of the petitioner."*

8.1 The Court further observed that a mere show-cause notice, without the issuance of a charge-sheet, does not amount to initiation of departmental proceedings.

9. Moreover, a Coordinate Bench of this court in ***Iqbal Singh v. State of Punjab, CWP-6117 of 2013***, decided on 13.04.2023, held that withholding of revised pensionary benefits on the ground of an alleged failure to hand over charge of entrusted material (an LCD projector) is illegal, since no charge-sheet or show-cause notice was issued to the petitioner before or after the submission of any inquiry report. The Court held that pension is not a bounty but a Constitutional Right under Article 300-A of the Constitution of India, and it cannot be withheld arbitrarily without following due procedure of law.

10. Recovery of any amount from pension, gratuity, or other retiral benefits cannot be sustained merely on the ground that some material was entrusted to the employee during service, particularly where no formal disciplinary proceedings were initiated, no charge-sheet was issued, and no finding of guilt was recorded. As held by the Division Bench in ***Hans Raj Sharma (supra)***, the issuance of a charge-sheet is the *sine qua non* for initiation of a departmental enquiry. Therefore, where the employer seeks to effect recovery or withhold pensionary benefits solely on the ground that some material entrusted to the employee was not returned or was allegedly misappropriated, without issuing a charge-sheet, conducting a departmental inquiry, and proving guilt, such action is legally untenable and liable to be set aside.

11. In view of the foregoing discussion, the present writ petition is allowed. The impugned order dated 12.05.2023 (Annexure P-6) is hereby quashed. The respondents are directed to release all retiral benefits of the petitioner within a period of two months from the date of receipt of a certified copy of this order.

12. The petitioner shall also be entitled to interest @ 6% per annum on the delayed payment of retiral dues, which shall be computed from the date the amount became due, i.e., after expiry of two months from the date of retirement (01.04.2020), till the date of actual disbursement.

13. It is further clarified that if any part of the retiral dues has already been released after delay, the petitioner shall be entitled to interest on such delayed payments as well for the corresponding period.

14. Pending miscellaneous application(s), if any, shall also stand disposed of.

(HARPREET SINGH BRAR)
JUDGE

20.04.2026
Puneet Chawla

Whether speaking/reasoned. : Yes/No
Whether Reportable. : Yes/No