

**IN THE SUPREME COURT OF INDIA
CIVIL APPELLATE JURISDICTION**

CIVIL APPEAL NO. 11492 OF 2016

**DIRECTOR POST GRADUATE INSTITUTE
OF MEDICAL EDUCATION AND RESEARCH**

APPELLANT

VERSUS

**RAJNEESH ANAND (DEAD)
THR. LRS. & ORS.**

RESPONDENTS

ORDER

1. Having joined the appellant institute - Post Graduate Institute of Medical Education and Research, Chandigarh - on 29th September, 1993 as a Welfare Officer, the first respondent (since deceased) was subsequently promoted as an Administrative Officer on 3rd September, 2005.
2. Disciplinary proceedings were, however, initiated against the first respondent in 2011. It was alleged that he misconducted himself by dereliction of duty. With full knowledge, he had signed a letter awarding a contract to M/s. Helpline Facility Management, Noida¹ instead of M/s. Helpline Hospitality Pvt. Ltd., New Delhi², contrary to the approval granted by the Competent Authority. An enquiry culminated in an order dated 13th October, 2012 passed by the Disciplinary Authority, awarding to the first respondent the punishment of compulsory retirement from service.

¹ Helpline Facility

² Helpline Hospitality

3. What followed is a series of litigation wherein, majorly, the first respondent emerged successful.

4. The first round of litigation ended with success being tasted by the first respondent to his challenge to the penalty of compulsory retirement before the Central Administrative Tribunal, Chandigarh³. On a threadbare consideration of the material on record, the Tribunal by its order dated 14th February, 2013 allowed the original application⁴ of the first respondent. The order of compulsory retirement was set aside, with liberty being granted to the Disciplinary Authority to re-consider the matter with regard to quantum of punishment.

5. By an order dated 29th April, 2013, the Disciplinary Authority again punished the first respondent with an order of compulsory retirement.

6. The order dated 29th April, 2013 was once again challenged by the first respondent before the Tribunal by filing an original application⁵. By an order dated 12th November, 2013, the Tribunal relegated the first respondent to the remedy of a statutory appeal.

7. The first respondent having filed a statutory appeal on 30th November, 2013, the Appellate Authority directed the Disciplinary Authority to obtain the advice of the Central Vigilance Commission⁶ in writing. The CVC on 10th November, 2014 advised the imposition of a suitable penalty on the first respondent. This resulted in the appellate authority rejecting the statutory appeal on 23rd March, 2015 with direction to the Disciplinary Authority to reconsider the penalty and to pass an appropriate order.

³ Tribunal

⁴ O.A. No.1316/CH/2012

⁵ O.A. No. 587/CH/2013

⁶ CVC

8. On 7th May, 2015, the Disciplinary Authority once again passed the same order of compulsory retirement.

9. This triggered the third round of litigation before the Tribunal, with the first respondent filing an original application⁷ seeking quashing of the orders dated 29th April, 2013, 23rd March, 2015 and 7th May, 2015.

10. The original application again succeeded before the Tribunal. *Vide* judgment and order dated 30th March, 2016, the Tribunal set aside the order of compulsory retirement from service and substituted the same by an order of withholding of two increments of pay with cumulative effect from the date the first respondent was deemed to be reinstated in service. The period of absence of the respondent no.1 was directed to be treated as leave of the kind 'due'. Compliance was directed to be effected within a period of six weeks.

11. In terms of the order of the Tribunal, the first respondent was reinstated in service on 11th May, 2016.

12. Nonetheless, while reinstating the first respondent in service, the appellant-institute challenged the judgment and order dated 30th March, 2016 of the Tribunal before the High Court of Punjab and Haryana at Chandigarh⁸ invoking its writ jurisdiction by filing a petition⁹.

13. By a well-considered and well-reasoned judgment and order dated 3rd June, 2016 of a Division Bench of the High Court, the writ petition of the appellant was dismissed. Paragraph 20 of the said judgment records the detailed reasons for upholding the Tribunal's judgment and order dated 30th March, 2016.

⁷ O.A. No. 60/497/CH/2015

⁸ High Court

⁹ CWP No.11822-CAT of 2016

14. This appeal, by special leave was granted on 28th November, 2016, is directed against the High Court's judgment and order dated 3rd June, 2016.

15. We have heard learned counsel appearing for the appellant and learned senior counsel appearing for the first respondent, who is represented by his legal representatives, at some length.

16. For disposal of the appeal, we need not embark on an in-depth examination of the disciplinary proceedings initiated against the first respondent culminating in the third order of compulsory retirement. Suffice it to note, what falls for consideration is whether the penalty of compulsory retirement imposed on the first respondent was called for on facts and in the circumstances.

17. The charge against the first respondent was:

“That Sh. Rajneesh Anand, Administrative Officer, PGIMER, Chandigarh misconduct himself by dereliction of duties with full knowledge, by way of signing the award letter given to M/s Helpline Facility Management, Nodia whereas it was approved by the competent authority to issue the award letter to M/s Helpline Hospitality, New Delhi. Sh. Rajneesh Anand by this act has exhibited lack of devotion to his duty and acted in a manner which is unbecoming of an employee of the Institute. In this way Sh. Rajneesh Anand has contravened the provision of rule 3 (1) (i), (ii) and (iii) of CCS (Conduct) Rules, 1964.”

18. It is indeed true that the first respondent committed an error in signing the letter of award of a contract to Helpline Facility instead of Helpline Hospitality. However, the defence raised by him before the Enquiry Officer and the finding returned bear consideration. Defence sought to place the blame on the shoulders of one person, who was the dealing hand. According to the first respondent, the dealing hand obtained signature fraudulently. He signed the final draft of award letter in good faith and confidence as the previous draft was

seen by him and found to be in order. The Enquiry Officer though found the first respondent to have signed the “award letter” in the name of Helpline Facility, did not return any finding that it was a deliberate act.

19. One of the reasons assigned by the Division Bench of the High Court is this. It was of the opinion that the Enquiry Officer having accepted the afore-noted defence raised by the first respondent, in a way, the Enquiry Officer had exonerated the first respondent of the charge of dereliction of duty with full knowledge. The charge against the first respondent not having been held by the Enquiry Officer to be proved, the Disciplinary Authority without any note of disagreement being intimated to the first respondent, on its own, could not have proceeded to inflict a major penalty of compulsory retirement perceiving the ingredient of the charge to have been established. The other reason, *inter alia*, assigned by the High Court was with regard to disproportionate penalty in the absence of any further finding as to malice, dishonesty and corrupt motive. In the opinion of the High Court, the situation did not call for an order retiring the first respondent compulsorily.

20. We are entirely in agreement with the view expressed by the Division Bench of the High Court.

21. Even otherwise, the Disciplinary Authority failed to take into account the blemish less service career of the first respondent right from September, 1993 till April, 2011 and went on repeatedly passing the order of compulsory retirement evincing an intention of not retaining the first respondent in service, come what may. In fact, we would view the act of omission of the first respondent to be an aberration rather than as a misconduct warranting major penalty. Since the penalty of compulsory retirement prematurely brings an end to the employer-employee relationship and that severance of such relationship

is not generally favoured unless it is considered imperative to do so, the harsh and disproportionate punishment meted out to the first respondent was not justified on the anvil of fairness in action which is expected of employers answering the definition of "State".

22. In such view of the matter, we see no reason to interfere with the impugned judgment and order of the High Court; hence, the appeal stands dismissed.

23. Service benefits like leave encashment and the benefits of the Central Government Employees Group Insurance Scheme have already been released. Other benefits, i.e., gratuity and commutation of pension are yet to be released. The same shall be released to the legal heirs/nominees as per service records, within a period of four weeks from today.

24. Also, since provisional pension only had been released in favour of the first respondent, pension be finalized as per rules. If the widow of the first respondent is entitled to family pension, the same may also be released as per rules.

25. Pending interlocutory application(s), if any, shall stand disposed of.

.....J.
[DIPANKAR DATTA]

.....J.
[SHEEL NAGU]

**New Delhi;
August 05, 2026.**

ITEM NO.118

COURT NO.7

SECTION IV

S U P R E M E C O U R T O F I N D I A
RECORD OF PROCEEDINGS

Civil Appeal No. 11492/2016

**DIRECTOR POST GRADUATE INSTITUTE OF MEDICAL
 EDUCATION AND RESEARCH**

Appellant(s)

VERSUS

RAJNEESH ANAND (DEAD) THR. LRS. & ORS.

Respondent(s)

Date : 05-08-2026 This appeal was called on for hearing today.

**CORAM : HON'BLE MR. JUSTICE DIPANKAR DATTA
 HON'BLE MR. JUSTICE SHEEL NAGU**

**For Appellant(s) : Mr. Sudarshan Rajan, AOR
 Ms. Srishti Sharma, Adv.
 Mr. Mahesh Kumar, Adv.
 Mr. Ramesh Rawat, Adv.
 Mr. Hitain Bajaj, Adv.
 Ms. Kashish, Adv.
 Ms. Srishti Thapliyal, Adv.
 Mr. Nischay Chaudhary, Adv.
 Mr. Ashutosh Gupta, Adv.
 Mr. Nandram, Adv.
 Mr. Rajeev Khurana, Adv.
 Mr. Sambhav Sharma, Adv.**

**For Respondent(s) : Mr. J.S.Attri, Sr. Adv.
 Mr. Chandra Nand Jha, Adv.
 Mr. Rameshwar Prasad Goyal, AOR**

**UPON hearing the counsel the Court made the following
 O R D E R**

The appeal stands dismissed in terms of the signed order placed on the
 file.

**(JATINDER KAUR)
 P.S. to REGISTRAR**

**(SUDHIR KUMAR SHARMA)
 COURT MASTER (NSH)**