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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

\+ W.P.(C) 11944/2018 & CM APPLs.47969/2019, 10048/2020 & 20527/2024

RAJ KUMAR SHARMA .....Petitioner

Through: Mr. Pradeep Chhindra, Mr. Parth Dhawan, Ms. Pratibha Rathi & Mr. Niraj Kumar Mishra, Advs.

versus

UNION OF INDIA AND ANR. .....Respondents

Through: Ms. Amrita Prakash, CGSC with Mr. Vishal Ashwani Mehta, Advs. for UOI.

Ms. Mayuri Raghuvanshi, Mr. Vyom Raghuvanshi & Ms. Akanksha Rathore, Advs. for R-2.

CORAM:
HON'BLE MR. JUSTICE SANJEEV NARULA

ORDER

% **28.04.2026**

1. The Petitioner was subjected to disciplinary proceedings under the National Textile Corporation (Delhi, Punjab & Rajasthan) Limited Employees Conduct, Discipline and Appeal Rules, 1975, pursuant to two memoranda of charges dated 28th February, 2002 and 25th July, 2011. The proceedings culminated in a common order dated 16th September, 2016, whereby, *inter alia*, a penalty of recovery of INR 20 lakhs from the Petitioner's retiral dues, including gratuity, was imposed on account of subsistence allowance paid during the period of suspension.

2. Mr. Pradeep Chhindra, counsel for the Petitioner, submits that the impugned order is *ex facie* unsustainable, both on jurisdictional and procedural grounds. He contends that the disciplinary proceedings arise out

of allegations which also formed the subject matter of criminal prosecution registered as RC No. 43(A)/98/CBI/ACB/New Delhi, culminating in a judgment dated 20th September, 2017, whereby the Petitioner was acquitted of all charges. He submits that the evidence, witnesses, and allegations in both proceedings are identical, and therefore, the acquittal has a direct bearing on the sustainability of the findings recorded in the disciplinary inquiry.

3. Insofar as the recovery of INR 20 lakhs is concerned, Mr. Chhindra submits that the same is based on an unsubstantiated presumption that the Petitioner was gainfully employed as an advocate during the period of suspension. He submits that there is no evidence on record to establish any such gainful employment or receipt of income. He submits that the Petitioner had only briefly enrolled as an advocate and had, upon realising the mistake, sought suspension of such enrolment.

4. He further submits that subsistence allowance is a statutory entitlement and if the Corporation formed an opinion that such allowance had been wrongly drawn by the Petitioner, the same necessarily required a parallel inquiry into whether the Petitioner had, in fact, earned any income during the relevant period. He submits that no such inquiry has been undertaken, and the impugned recovery is therefore without any factual foundation.

5. In the course of submissions, and without prejudice to the rights and contentions urged, Mr. Chhindra submits that, in view of the demise of the Petitioner, his legal heirs are willing to amicably resolve the disputes, provided the amount of INR 20 lakhs is substantially reduced.

6. *Per contra,* Ms. Mayuri Raghuvanshi, counsel for the Respondents,

submits that although the charges forming the subject matter of the disciplinary proceedings may overlap with those in the criminal trial, the two operate in distinct domains. She submits that while criminal proceedings require proof beyond reasonable doubt, disciplinary proceedings are governed by the standard of preponderance of probabilities, and therefore, the acquittal of the Petitioner would not *ipso facto* vitiate the findings recorded in the departmental inquiry. She submits that the findings in the disciplinary inquiry are based on the material available on record and can sustain independently.

7. However, she seeks time to obtain instructions with regard to the basis of computation of the amount sought to be recovered, as well as on the feasibility of an amicable resolution in light of the submissions made on behalf of the Petitioner.

8. She further reserves her right to advance detailed submissions on merits, in the event the matter does not culminate in an amicable resolution.

9. A copy of this order may also be placed before the Appellate Authority of the Respondent Corporation, which shall consider the submissions advanced on behalf of the Petitioner, including the basis of recovery and the possibility of an amicable resolution, and furnish appropriate instructions to counsel before the next date of hearing.

10. List on 07th July, 2026.

SANJEEV NARULA, J

APRIL 28, 2026
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