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W.P.No.44564 of 2016

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 17.02.2026

CORAM

THE HONOURABLE MR.JUSTICE HEMANT CHANDANGOUDAR

W.P.No.44564 of 2016
and
W.M.P.No.38371 of 2016

P.Dhandavarayan
S/o.Palani
Retired Senior Foreman (Carpentry)
107, South Street, Bahour
Puducherry – 607 402.

... Petitioner

vs.

1. Asset Manager (ED)
Oil and Natural Gas Corporation Ltd.,
Cauvery Asset HR/ER
Neravy Complex, Karaikal – 609 604.
2. Oil and Natural Gas Corporation Ltd.,
Represented by Chief Manager (HR-1/C, D & A)
Cauvery Asset HR/ER
Neravy Complex, Karaikal – 609 604.
3. Rangarajan Raju
Retired Sr.S.P., C.B.I
17-A, 3rd Street, AKR Gardens
Valasaravakkam, Chennai-600 087.

... Respondents

Writ Petition filed under Article 226 of the Constitution of India
seeking a Writ of Certiorari, to call for the records in proceedings

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No.KKL/CA/HR/D&A/PD/2016 dated 27.10.2016 on the file of the first respondent and quash the same as illegal, incompetent and wholly without jurisdiction.

For Petitioner : Ms.V.Srimathi
For Respondents : Mr.P.N.Radhakrishnan
for R2
R1 & R3 – Served – No Appearance

ORDER

The petitioner challenges the order dated 27.10.2016 passed by the first respondent. By the said order, the petitioner was imposed with the minor punishment of forfeiture of Performance Related Pay in full for the year 2015, in terms of Paragraph 34(ii) of the ONGC Conduct, Discipline and Appeal Rules, 1994 (Amended 2011) (hereinafter referred to as the “ONGC Rules”).

2. The petitioner, while serving as Executive Senior Foreman (Carpentry) in the respondent Corporation, was issued a charge memo alleging that he had borrowed money from one Sivaguru, son of Ramasamy, and that the cheques issued by him towards repayment were dishonoured on 09.11.2015. It was alleged that, by such acts, he had committed offences under Sections 138 and 142 of the Negotiable Instruments Act, 1881 and



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Section 420 of the Indian Penal Code.

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3. A criminal complaint was filed before the Judicial Magistrate, Puducherry, in STC Nos. 44, 45, and 46 of 2016, which is pending adjudication. It was further alleged that the petitioner failed to inform the respondent Corporation about the pendency of the said criminal proceedings. It was also alleged that he had borrowed money from Mr. V. Thirugnanasambandam and two other employees of the respondent Corporation and had failed to repay the same, as reflected in the complaints submitted by the complainants vide letter dated 23.05.2016.

4. The petitioner denied the charges. However, his explanation was found to be unsatisfactory, necessitating a departmental enquiry. Before the Enquiry Officer, the Presenting Officer examined six witnesses as P.W.1 to P.W.6. The said witnesses were cross-examined by the petitioner. Documents produced by the petitioner as well as by P.W.2 were marked as exhibits. Upon consideration of the oral and documentary evidence, the Enquiry Officer returned a finding that the charges against the petitioner stood proved.



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5. Thereafter, the petitioner was issued a second show cause notice, to which he submitted a reply dated 26.09.2016, challenging the findings of the Enquiry Officer. The Disciplinary Authority, after considering the enquiry report and the further explanation submitted by the petitioner, passed the impugned order.

6. Ms. V. Srimathi, learned counsel appearing for the petitioner, submitted that, except for the self-serving statements of the prosecution witnesses, there is no cogent evidence to establish that the petitioner had borrowed money from the said witnesses. She further contended that the mere pendency of criminal proceedings would not, by itself, establish that the petitioner had borrowed money and failed to discharge the alleged debts.

7. It was also submitted that, though the Disciplinary Authority referred to the further explanation submitted by the petitioner, no independent reasons have been assigned for accepting the enquiry report and rejecting the petitioner's explanation. Therefore, according to her, the impugned order of punishment is arbitrary, discriminatory, and violative of the principles of natural justice.



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8. Per contra, Mr. P. N. Radhakrishnan, learned counsel appearing for the second respondent Corporation, submitted that the statements of P.W.1 to P.W.6, coupled with documentary evidence, clearly establish that the petitioner is a habitual borrower and had defaulted in repayment of the loan amounts borrowed. According to him, such conduct is in violation of Rules 19 and 3(j), read with Schedule II (12), (18), and (31) of the ONGC Rules.

9. Therefore, in the absence of any perversity or arbitrariness in the findings returned by the Enquiry Officer, the impugned order passed by the Disciplinary Authority is in conformity with the ONGC Rules and the principles of natural justice and does not warrant any interference.

10. The submissions made by the learned counsel on either side, as well as the materials available on record, have been duly considered.

11. The enquiry report dated 19.08.2016 discloses that six witnesses, namely P.W.1 to P.W.6, were examined by the Presenting Officer and were cross-examined at length by the petitioner. P.W.2 produced a cheque for a sum of Rs.12 lakhs alleged to have been issued by the petitioner. However, in cross-examination, P.W.2 admitted that, except for the figure, the date and



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bearer columns were left blank and that the remaining particulars were not filled in. He also admitted that the alleged transaction for a sum of Rs.12 lakhs did not take place and that the figure in the cheque was materially altered.

12. The petitioner produced documents pertaining to the borrowings, including expenses for construction of a house, marriage of his daughter, purchase of a new car, and the marriage registration certificate of his daughter. However, according to the petitioner, the Enquiry Officer failed to consider the said documents and, contrary to the evidence available on record, returned a finding that the charges against the petitioner stood proved.

13. The petitioner submitted a further explanation to the second show cause notice challenging the findings of the Enquiry Officer, stating, inter alia, as follows:

“7. During cross examination, all the witnesses have categorically admitted that the instruments were in blank. The PW2 has submitted the original cheque for a sum of Rs.12 Lakhs bearing No.290076. Except the figure, date column and the bearer column



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are all kept in blank, without filling with particulars. Further the PW2 himself admitted that no part of Rs.12 Lakhs took place. The figure also materially altered and it is crystal clear that the witnesses has committed an act of forgery in this regard and also the very act of producing before this authority to have unlawful gain as it amounts to guilty of perjury.

8. The PW3 lodged private complaint in STC Nos.44, 45 and 46 of 2016 under Sections 138 and 142 of Amended Negotiable Instruments Act and under Section 420 of IPC. Before instating the complaint of PW3 said to have been caused mandatory notice, but so far I have no knowledge about it and filing of the above cases were also brought to my notice through my department. Hence, I have no intention to conceal anything with the employer and the term of concealment does not arise. Further the matter is pending for adjudicating before the Judicial Magistrate Court and so far I was not convicted. Therefore, I have not committed any misconduct as stated.

9. As far as the statements of PW2, 3, 4 and 5, I have already submitted my objections. Though I have enlightened my bona fides and also irregularities committed by the PW2, 3, 4 and 5 and blank documents exhibited by them. The Presenting Officer ought to have been concluded the matter in affirmative to my defense, on the contrary of the Presenting Officer had concluded that article of charge stands proved beyond doubt.”



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14. Though P.W.2, in his cross-examination, categorically admitted that the figure in the cheque had been materially altered and that, except for the figure, the date and bearer columns were left blank, the petitioner contended that P.W.3 had lodged a private complaint without his knowledge and that summons had not been served on him in the said criminal proceedings. He further stated that he had not been convicted by the jurisdictional Magistrate Court.

15. Insofar as the statements of P.W.3, P.W.4, and P.W.5 are concerned, the petitioner alleged that the Enquiry Officer failed to take note of the irregularities committed by them and the discrepancies in the documents marked through their evidence.

16. The petitioner further stated that he had borrowed a sum of Rs.1,50,000/- from Mr. Thirugnanasambandam on various dates and that the said amount was subsequently discharged through ICICI Bank. According to the petitioner, it was incumbent upon the said lender to return all the instruments executed in connection with the loan upon discharge of the liability.



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17. In the statement of Mahesan, it is mentioned that the petitioner had borrowed money for the construction of a house, for the marriage of his daughter, and for the purchase of a new car, and that he had advanced a sum of Rs.4,00,000/- to the petitioner, for which the petitioner is alleged to have issued a cheque for Rs.12,00,000/-. The petitioner contended that no prudent person would issue a cheque for Rs.12,00,000/- towards a borrowing of Rs.4,00,000/-, particularly when no such transaction had taken place between the petitioner and Mr. Mahesan in the year 2014.

18. It is further seen that, as early as in 2009, the petitioner had obtained permission from ONGC, by proceedings dated 06.10.2009, and had availed a housing loan from the State Bank of India on 04.08.2009. It is also stated that the petitioner's daughter's marriage was solemnised on 21.11.2007 and that he had purchased a car on 19.06.2012.

19. The impugned order passed by the third respondent discloses that, though the further explanation submitted by the petitioner was taken into consideration, no independent reasons have been assigned for rejecting the same and for accepting the findings of the Enquiry Officer.



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20. It is a settled principle of law that punishment in a departmental enquiry can be sustained only when the foundational requirements of a valid charge memo, adherence to the principles of natural justice, proof of charges by legally acceptable evidence, and independent application of mind by the Disciplinary Authority are strictly complied with. Any infraction of these essential elements vitiates the entire disciplinary proceedings and renders the order of punishment liable to be quashed. In the present case, the impugned order does not satisfy these essential legal requirements and is therefore not legally sustainable.

21. In the light of the foregoing discussions, this Court is of the considered view that the findings returned by the Enquiry Officer are contrary to the evidence on record and that the Disciplinary Authority, without assigning any independent reasons, mechanically accepted the report by rejecting the petitioner's further explanation. Under such circumstances, the impugned order of punishment is arbitrary, discriminatory and not legally sustainable.



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22. Accordingly, the Writ Petition stands allowed and the impugned order dated 27.10.2016 is hereby quashed. Consequently, the connected miscellaneous petition is closed. There shall be no order as to costs.

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Index : Yes / No

Neutral Citation : Yes / No

Speaking / Non-speaking

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To

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HEMANT CHANDANGOUDAR, J.,

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