

IN THE HIGH COURT OF JUDICATURE AT PATNA

**Letters Patent Appeal No.929 of 2014
IN
Civil Writ Jurisdiction Case No. 4667 of 2009**

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Binod Singh Saumitra, S/o Sri Ram Janak Singh, Resident of 209-B, Shivkunj Apartment, Gandhi Nagar, Boring Road, P.S. S.K. Puri, District Patna, presently residing at 302, Monindra Kutir Apartment, Kanti Factory Road, M.G. Nagar, Kankarbagh, Patna-26, the then Senior Manager, Zonal Office, Allahabad Bank, Budh Marg, Patna.

.... Appellant

Versus

1. The Chairman & Managing Director, Allahabad Bank, H.O. Netaji Subhash Road, Kolkata.
2. The Deputy General Manager, Allahabad Bank, Zonal Office, Budh Marg, Patna.
3. The Assistant General Manager, Allahabad Bank, Zonal Officer, Patna.

.... Respondents

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Appearance :

For the Appellant	:	Mr. Dhruva Mukherjee, Sr. Advocate Mr. Santosh Kumar, Advocate Mr. Sandeep Singh, Advocate
For the Respondents	:	Mr. Naresh Kr. Malhotra, Sr. Advocate Mr. Binod Kr. Sinha, Advocate Ms. Akansha

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**CORAM: HONOURABLE MR. JUSTICE AJAY KUMAR TRIPATHI
and**

**HONOURABLE JUSTICE SMT. NILU AGRAWAL
C.A.V. JUDGMENT**

(Per: HONOURABLE JUSTICE SMT. NILU AGRAWAL)

Date: 23-02-2018

The appellant, who was the writ petitioner, has assailed the order dated 27.03.2014 in this intra-court appeal, passed by the learned Single Judge whereby and whereunder the order passed by the Assistant General Manager, Allahabad Bank dated 07.09.2007 imposing punishment of removal from service, which has been upheld by the Deputy General Manager (Appellate Authority) vide order dated 14.11.2007 and reviewing authority vide order dated



15.12.2008, had not been interfered with by the learned Single Judge.

2. The appellant was the Senior Manager in Allahabad Bank posted at Patliputra Colony, Patna Branch. During his tenure in the said branch between 30.09.2003 to 12.06.2006, a departmental proceeding was initiated against him in which allegation was that a large number of Cash Credit loans sanctioned and disbursed recklessly without pre-credit appraisal, by accepting forged/ fabricated I.T. returns and imposters were made guarantors to the mortgaged property. Enquiry was conducted by the Enquiry Officer Mr. C.K. Pandey and out of the four articles of charges, three articles of charges were proved and with regard to article 1, which related to two charges; one charge was proved and second charge in article 1 relating to signature in one of the documents by one Baiju Singh/ Baijnath Singh was partly proved.

3. The Disciplinary Authority after going into the imputations and the show cause reply of the appellant passed order of removal from service in terms of Clause 4(1) of the Allahabad Bank Officer Employees' (Discipline and Appeal) Regulations, 1976, which was challenged by the appellant in review, but review was dismissed by the reviewing authority vide order dated 15.12.2008.



4. Mr. Dhruva Mukherjee, learned Senior Counsel for the appellant submits that since one of the charges was partly proved, the Disciplinary Authority did not issue a disagreement note and no second show cause notice was given by the Disciplinary Authority before imposing punishment, therefore, serious prejudice has been caused to the appellant. He submits that the interpretation or requirement of issuance of second show cause on the notes of disagreement has been mandated in a well established legal position declared by the Hon'ble Apex Court in the case of *Punjab National Bank and others Vs. Kunj Behari Mishra*, since reported in (1998) 7 SCC 84.

5. Another argument urged by the counsel for the appellant is that the Enquiry Officer Mr. C.K. Pandey was himself one of the signatories of two documents M-33/1 and M-33/2, which were the counter signature of the said C.K. Pandey on the income tax returns of one of the borrowers on which the appellant is alleged to have granted loan to one of the borrowers, were not found to be genuine. He, thus, alleges bias against the Enquiry Officer and submits that in view of the Vigilance Management in Public Sector Banks Vis-a-Vis the Role and Functions of the CVC as per Clause 12.3.5 (xiii) on allegations of bias, the Enquiry Officer should have kept the proceedings in abeyance and referred



the matter to the Disciplinary Authority and would only resume after he was advised by the Disciplinary Authority to go ahead, which was not done. He submits that having failed to adhere to the said legal positions the departmental proceeding stood vitiated, which the learned Single Judge failed to appreciate.

6. However, learned Senior Counsel Mr. Naresh Malhotra appearing for the Allahabad Bank lays emphasis on the fact that the Disciplinary Authority has not differed with the report of the Enquiry Officer, hence, no second show cause was required under the Allahabad Bank Officer Employees' (Discipline and Appeal) Regulations, 1976. He submits that out of the four charges three were proved by the Enquiry Officer and with regard to article 1, which related to two points, one point was proved and the other was partly proved, which was only with regard to impersonation of one Baiju Singh/ Baijnath Singh in the documents, but the loan having been granted recklessly was proved. He refers to the relevant extract of the order of the Disciplinary Authority to show that the Enquiry Officer found all the charges proved and one point, which was partly proved with regard to article 1 of the charges, was that impersonation was not substantiated. Relevant extract of the order of the Disciplinary Authority is reproduced hereinbelow :



“The Enquiry Officer has found 03 Articles proved while one is held partly proved. After a careful perusal of the entire proceedings of the enquiry and point-to-point analysis in the enquiry report, I agree with the findings of the enquiry Officer. The EO has held partly proved the charge that Sri B.S. Saumitra sanctioned/disbursed two cash credit limits wherein the guarantors are impersonator. However, in one case, the EO has held the element partly proved as because no management document was produced to substantiate the impersonation. However, it is observed that there is enough circumstantial evidence in the deposition of the witness to substantiate the charge. Sri Binod Singh Saumitra sanctioned large number of cash credit loans recklessly violating the guidelines of the Bank. The charge is held proved in 14 illustrative loan accounts out of 15. The aggregate exposure of the bank is more than 124.50 lac in these illustrative loan accounts. Sri Saumitra has sanctioned loans on the basis of forged documents submitted by the borrowers without any verification thereof. It has been held proved that Sri Saumitra sanctioned two cash credit limits to the same borrowers in order to provide him undue financial accommodation of Rs. 7.00 lac in an irregular manner. Both the units are closed and



the Bank's funds are at stake. It has also been established that Sri Saumitra sanctioned three loans aggregating Rs. 51.00 lacs under AI Property scheme of the Bank irregularly violating the stipulated guidelines of the Bank. Most of the loan accounts sanctioned irregularly have since turned bad/NPA."

7. So far as allegation of bias against the Enquiry Officer is concerned, he submits that the appellant did not approach the Disciplinary Authority against the appointment of Enquiry Officer, who had the competence to decide such objection instead he raised such plea before the Enquiry Officer himself. Even otherwise, documents M-33/1 and M-33/2 were just counter signatures of the said Mr. C.K. Pandey on the I.T. returns, which was hardly of any consequence and considering the magnitude of the charges and that there is no violation of principles of natural justice nor any prejudice has been caused to the appellant, the punishment order has rightly not been interfered with by the learned Single Judge.

8. Hence, considering the order of the learned Single Judge in entirety that the finding arrived at by the Enquiry Officer finding the appellant guilty and the Disciplinary Authority thereafter imposing punishment of removal from service not to be perverse and that principle of natural justice has been followed,



calls for no interference. We find no error in the order dated 27.03.2014, passed by the learned Single Judge.

9. Appeal is, accordingly, dismissed. There will be no order as to costs.

(Nilu Agrawal, J)

I Agree
Ajay Kumar Tripathi, J

(Ajay Kumar Tripathi, J)

Rajesh/-

AFR/NAFR	AFR
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