IN THE HIGH COURT OF JUDICATURE AT MADRAS

Reserved on : 08.08.2025	**Pronounced on :** 07.11.2025

CORAM :

THE HONOURABLE MR. JUSTICE MUMMINENI SUDHEER KUMAR

W.P.No.26475 of 2011

Neelaveni Ramachandran ... Petitioner

Vs.

1.National Bank For Agriculture and
Rural Development (NABARD)
Sterling Centre
Shiv Sagar Estate,
Dr.Annie Besant Road,
Post Box No.6552
Worli, Mumbai – 400 018.

2.The Chief General Manager
Enquiry Officer
Sterling Centre
Shiv Sagar Estate,
Dr.Annie Besant Road,
Post Box No.6552
Worli, Mumbai – 400 018. ...Respondents

Prayer: Writ Petition filed under Article 226 of the Constitution of India, praying for issuance of Writ of Certiorari to call for the records of the respondents in office order No.89 dated 19th June 2004 issued under Letter NB/CVC/293/14/2004-05 dated 21.06.2004 and confirm by the order NB CVC/54/14/2005-06 dated 28.04.2005 and quash the same.

For Petitioner : Mr.M.K.Kabir, Senior Counsel
for Mr.S.V.Pravin Rathinam

For Respondents : Mr.V.Vijay Narayanan, Senior Counsel
for Mr.K.Sukumaran

ORDER

This writ petition has been filed seeking a writ of certiorari to call for the records relating to and in connection with office order No.89 dated 19.06.2004 read with NB.CVC/293/14/2004-05 dated 21.06.2004 as confirmed by order bearing No.NB.CVC/54/14/2005-06 dated 28.04.2005 passed by the respondent No.2 and respondent No.1 respectively and to quash the same.

2. By virtue of the impugned proceedings, the services of the petitioner as General Manager of the respondent No.1 were terminated. For better appreciation, it is necessary to state certain relevant facts for disposal of the present writ petition.

3. The petitioner herein, who was initially appointed as Grade B Officer by the Reserve Bank of India, was posted as Senior Analyst in Agricultural Refinance Development Corporation in the year 1979 and thereafter, she was promoted as Deputy Manager and General Manager in the

years 1984 and 1996 respectively. While the petitioner was working as General Manager in the 1st respondent NABARD, she was sent on deputation to work as the Managing Director of Agri Development Finance (Tamil Nadu) Limited (hereinafter referred to as 'ADFT') which was promoted by the NABARD and the Government of Tamil Nadu jointly. While she was working as Managing Director of the ADFT, she was subjected to disciplinary proceedings by duly placing her under suspension vide office order No.124 dated 10.07.1999 and thereafter, a show cause notice dated 29.07.1999 was issued to the petitioner alleging certain grave irregularities and misconduct on the part of the petitioner. In response thereto, the petitioner submitted her reply on 01.11.1999. The 2nd respondent, having not been satisfied with the said reply, issued a charge sheet dated 25.07.2000 alleging various irregularities and misconduct on the part of the petitioner. In reply thereto, the petitioner submitted her explanation dated 26.09.2000.

4. It was thereafter, an enquiry officer was appointed and after having conducted an enquiry, the enquiry officer submitted his report on 16.09.2003 and the same was furnished to the petitioner to enable her to offer her remarks and accordingly, the petitioner submitted her objections on

18.10.2003. It was thereafter, an office order No.89 dated 19.06.2004 came to be issued by the respondent No.2 dismissing the petitioner from services of the NABARD. The said order dated 19.06.2004 and the reasons for issuing such order were communicated to the petitioner through letter dated 21.06.2004. Aggrieved by the said dismissal order, the petitioner filed an appeal before the 1st respondent on 22.11.2004 and the said appeal came to be rejected by the 1st respondent by passing an order dated 28.04.2005. It was aggrieved by the said original order of dismissal dated 19.06.2004 and the appellate order dated 28.04.2005, the petitioner filed the present writ petition in the year 2011.

5. As already noted above, the impugned orders were issued in the year 2004 and 2005 respectively. But the petitioner approached this Court by filing the present writ petition in the year 2011, that is, after a lapse of 6 years. Hence, this Court intends to examine as to whether there was any justification for the petitioner to approach this Court belatedly.

6. Mr.M.K.Kabir, learned Senior Counsel for Mr.S.V.Pravin Rathinam, learned counsel appearing for the petitioner has drawn attention of this Court to Paragraph No.16 of the affidavit filed in support of this writ

petition for explaining the delay in filing the present writ petition. The said Paragraph No.16 reads as under:

> *"16. I filed an appeal with the Board of Directors of NABARD and they dismissed my appeal by letter dated 28.04.2005. 1 had to leave Madras as I could not sustain myself in Madras. I could also not seek any legal assistance I thereafter went back to my husband's village and I feel ill. I had been facing a lot of feminine problems known to my age and I was also depressed by all the about events. I could not digest that the rise in my career could come to a grinding halt in the manner it did and that too not on account of any misconduct on my part and it took considerable time for me to come to terms with the happenings. I could not challenge the order all these days as I had virtually become immobile. It was in this situation that on 28th May 2007. I met my present counsel in a friend's family wedding at Komarapalayam and I happened to discuss with him on the inequitable manner in which I was dealt with. I took an appointment from him and met him in the second week of June 2007. Hence the delay in filing the writ petition. The delay was not willful or wanton and I had been subjected to a lot of harassment. He advised me on the legal issues involved. I would have retired in May 2007 had I been in employment."*

7. From the perusal of the above paragraph, it is noticed that the petitioner had tried to justify the delay upto the year 2007 by stating that she was facing a lot of feminine problems and she was also depressed and it is

only on meeting her counsel on 28.05.2007 in a friend's family wedding at Komarapalayam, she discussed about the punishment imposed on her and accordingly, she has chosen to file the present writ petition on following the legal advise.

8. From the above, it is evident that the petitioner was advised in the month of May/June 2007, but why the present writ petition was not filed immediately thereafter is not stated. Even for the delay explained upto the year 2007, absolutely no material is placed before this Court and no reasons have been furnished for the delay of 4 years i.e., from 2007 to 2011. In the light of the above, this Court is left with no other option except to infer that the petitioner has accepted the order of dismissal passed by the 2nd respondent, as confirmed by the 1st respondent, and kept quiet for more than 6 years and for the reasons best known, she approached this Court after a lapse of 6 years. In the absence of any reasonable explanation for the delay, this Court is of the considered view that the petitioner, being not diligent in pursuing the case, is not entitled to invoke discretionary jurisdiction of this Court under Article 226 of the Constitution of India belatedly. On this ground alone, the writ petition is liable to be dismissed.

9. Be that as it may, one of the interesting question that is raised in the writ petition is about the jurisdiction of the respondents to take disciplinary action against the petitioner. As already noted above, the petitioner, who was working as General Manager in the NABARD, was sent on deputation to ADFT and was appointed as Managing Director of ADFT and during her tenure as Managing Director of ADFT, the said irregularities and misconduct was attributed to the petitioner. The petitioner claims that once she was appointed as Managing Director of the ADFT, the NABARD cease to be her employer and therefore, has no jurisdiction to initiate and conduct any disciplinary proceedings against the petitioner. Alternatively, it is also argued that all the irregularities that were alleged against the petitioner are all while she was working as the Managing Director of the ADFT and therefore, NABARD has no jurisdiction to initiate disciplinary proceedings against the petitioner in respect of those irregularities.

10. In the light of the above contentions raised on behalf of the petitioner, which goes to the root of the matter this Court has examined the issue in elaborate. If really the petitioner is of the view that she cease to be

the employee of the NABARD, on being appointed as the Managing Director of ADFT, the petitioner ought to have taken such objection when she was initially placed under suspension by order dated 10.07.1999 itself or atleast when a charge sheet was issued to her on 25.07.2000. But no such objection was taken by the petitioner till the conclusion of the enquiry. If really the petitioner intends to claim that on her appointment as Managing Director of ADFT her relationship with NABARD was severed, the petitioner ought to have placed before this Court her order of appointment or any other material to show that there was severance of her relationship with NABARD. But no such material is placed before this Court. On the contrary, the respondents have taken a specific stand in counter affidavit at Paragraph No.6(i) stating that the petitioner was sent on deputation to ADFT. But the petitioner has not chosen to contradict the said stand of the respondents either by filing the reply affidavit or otherwise. In the absence of any contradiction to the same, the contention raised on behalf of the petitioner alleging severance of her relationship with NABARD cannot be accepted.

11. Then, coming to the second objection on the jurisdiction of the NABARD on the ground that the irregularities alleged were all committed

while she was working as Managing Director of ADFT, no doubt, all the irregularities that were alleged are all while she was working as Managing Director of ADFT.

12. It is now settled law that the authority borrowing an employee on deputation will have no power to take disciplinary action, though it is always open for the borrowing authority to conduct an enquiry into the misconduct and submit a report to the lending authority for taking appropriate disciplinary action, or, in the alternative, to make a request to lending authority by furnishing necessary material to take disciplinary action against an erring official who is on deputation.

13. In the instant case, the borrowing authority has not chosen to conduct any enquiry. Therefore, it has to be examined whether the lending authority was at all required by the borrowing authority to take disciplinary action against the petitioner or not. In this connection, the respondents have taken a specific stand in the counter affidavit filed in the present writ petition stating that the NABARD has received several complaints about the irregularities committed by the petitioner while on deputation with ADFT and therefore, basing upon the said complaints, the Board of Directors of

NABARD directed for a vigilance enquiry and accordingly, the irregularities have come out and accordingly, the disciplinary proceedings were initiated against the petitioner. The respondents in support of their stand in the counter affidavit also placed before this Court various proceedings namely proceedings No.NB.FA/1195/CGMS.20/98-99 dated 23.03.1999 and Internal Departmental Memorandum vide Ref.No.NB.LD(KBN).No.1887/99-2000 dated 25.02.2000.

14. From the above, it cannot be said that the NABARD on its own conducted an enquiry against the petitioner without there being any request from the ADFT. For the reasons best known, the petitioner also has not chosen to implead the ADFT as party respondent to the writ petition. If at all the petitioner is of the view that there was no request from the ADFT to take appropriate action against the petitioner or that she was the employee of the ADFT, it would have been appropriate for the petitioner to implead the ADFT as party respondent. Therefore, this Court is not inclined to accept both the contentions raised on behalf of the petitioner.

15. Be that as it may, this Court has also cursorily examined the case

of the petitioner on merits. On examining the same, this Court is convinced that it is a case of admission of some of the charges by the petitioner and therefore, no interference with the impugned proceedings is warranted for the following reasons:

15.1. In this connection, it would be necessary to refer to some of the allegations/charges levelled against the petitioner and the reply submitted by the petitioner in her explanation. The charge levelled against the petitioner in Paragraph No.3(ii)(c) of the charge sheet and the explanation offered by the petitioner thereto at Paragraph No.10 of the explanation are as under:

Charges	Explanation
3.(ii)(c) Although the then Chairman of the Company, in the 12th Board meeting held on 13 April 1998, had expressed the view that ICDs with M/s. SSIEL should not have been rolled over and the Board thereupon had decided against any further roll-over of the ICDs, you had once again rolled over the ICD for Rs. 50 lakh, due on 04 May 1998, in blatant contravention of the Board's specific instructions not to do so. You had also not kept the Board informed about the roll-over.	10) Reference Para 3(ii) (c): At the material time where the roll over of the Inter Corporate Deposits was allowed, efforts were on to get some security from the borrowing company, so as to strengthen the hands of ADFT. I was afraid that any effort to deny roll over would militate against such efforts and adversely affect the interest of ADFT. Here again, the decision was taken in good faith and I had no intention whatsoever to bypass or violate the instructions of the Board. Subsequently, the Board was kept informed of roll over and the reasons therefor. The decision regarding the roll over was a pure and simple Commercial/ Business decision.

15.2. Further, the charge levelled against the petitioner in Paragraph No.3(ii)(e) (iii) of the charge sheet and the explanation offered by the petitioner at Paragraph No.15 of the explanation are extracted hereunder in tabular form:

<table>
<tr><th>Charges</th><th>Explanation</th></tr>
<tr>
<td>
3.(ii).(e)(iii) You as MD of the Company indulged in the corrupt practice of making payments from the company's funds to persons in whom you or your co-signatory of the Company's cheque viz. Mr. K Srinivasan (the then Vice President of the Company) were interested, by issuing cheques on the Company's current accounts in their favour for substantial amounts, and thereby causing embezzlement of Company's funds, as per cases indicated below.
<table>
<tr><th>Sr No.</th><th>Bank /Branch</th><th>Current Account No.</th><th>Cheque No.</th><th>Payee's Name</th><th>Amount (Rs.)</th></tr>
<tr><td>01.</td><td>Kancheepuram CCB Madipakkam Branch</td><td>87</td><td>513180</td><td>P.M. Jayaraman</td><td>3,50,000/-</td></tr>
<tr><td>02.</td><td>Kancheepuram CCB Madipakkam Branch</td><td>87</td><td>513873</td><td>P. Vijayalakshmi</td><td>3,50,000/-</td></tr>
<tr><td>03.</td><td>Bank of Madura, Teynampet, Anna Salai</td><td>28110</td><td>957273</td><td>H. Hajamohideen & N S Ishack</td><td>17,00,000/-</td></tr>
</table>
</td>
<td>
15) Reference Para 3(ii) (e) (iii): I invite your kind attention to Paragraph 05(i) on Page 7 of the Show Cause Notice on the same subject which alleged that I was subscribing my signatures on blank cheques etc and those cheques were subsequently misappropriated by Shri K.Srinivasan, the then Vice-President (opr) by writing the dates and names of the payee as per his choice outside the purview of the transactions of the ADFT. Contrary to this, the charge sheet now indicates that I had indulged in the corrupt practice of making payments from the Company's funds to persons in whom my co-signatory or I were interested. I request you to make available to me a copy of the supporting evidence based on which the charge has now been framed to enable me to reply to this charge. With a view to arriving at the truth, the Bank may like to get the original paid checks chemically examined by the concerned experts so as to
</td>
</tr>
</table>

15.3. So also, the charge levelled against the petitioner at Paragraph No.3.(ii).(e)(iv) and the explanation offered by the petitioner in response thereto at Paragraph No.16 of the explanation are extracted hereunder:

Charges	Explanation
3.(ii).(e)(iv) It is observed that on several occasions the Company had borrowed, or you allowed borrowings on behalf of the Company, against security of the Company's F.Ds without satisfying yourself of the need for such borrowings and also failed to verify the end use of such borrowings. Consequently, amounts aggregating about Rs.1,44,59,412/- were misused by Mr. K Srinivasan, the then Vice President of the Company as per details given in Annexure I-A. Thus, you committed acts of gross negligence, indifference and indolence which resulted in financial loss to the Company.	16) Reference Para3 (ii) (e) (iv): I deny the charge that I had allowed the borrowings on behalf of the company without satisfying myself of the need of the borrowings and also failed to verify the end use of such borrowings. The misutilisation of funds to the tune of Rs. 1,44,59,412 by Sri K.Srinivasan was an act, solely and individually committed by him without my knowledge in connivance with the officials of the KCCB branch. As you are aware, all the associated documents relating to the Current Account and Fixed Deposits were concocted, forged, or got prepared by the then Vice president Sri K. Srinivasan on his own to conceal the misappropriation of funds committed by him and to mislead the officials, auditors and the other staff of the Company. It is unfortunate that the instead of fixing the responsibility on Sri K. Srinivasan, for the aforesaid acts the Bank has chosen to accuse me of the same.

15.4. From the above charges levelled against the petitioner and the explanation offered by the petitioner, it is evident that the petitioner has directly or indirectly admitted the allegations levelled against her. The charge No.3(ii)(c) is that the Chairman of the ADFT in the 12th Board meeting held on 13.04.1998 expressed the view that ICDs with M/s.SSIEL should not have been rolled over and the Board decided against any further roll-over of the ICDs. The petitioner had rolled over the ICD for Rs.50 lakh, due on 04.05.1998, in blatant contravention of the Board's specific instructions. As against the said allegation from the explanation offered by the petitioner, it is evident that the petitioner has violated the specific instruction issued by the Board and allowed roll-over of the ICD of M/s.SSIEL. So also, in respect of other charges extracted above, the petitioner has admitted her guilt.

16. In the light of the above, especially taking into consideration the abnormal delay in approaching this Court and failure of the petitioner to explain the delay in approaching this Court and especially not being able to furnish any reason for the delay from the year 2007 to 2011, this Court is not inclined to exercise its discretionary jurisdiction under Article 226 of the

Constitution of India, in favour of the petitioner.

17. Accordingly, the writ petition is dismissed. No costs. Connected miscellaneous petitions, if any, shall stand closed.

07.11.2025

Index : Yes/No
Speaking Order : Yes/No
dpa

To:

1.National Bank For Agriculture and
Rural Development (NABARD)
Sterling Centre
Shiv Sagar Estate,
Dr.Annie Besant Road,
Post Box No.6552
Worli, Mumbai – 400 018.

2.The Chief General Manager
Enquiry Officer
Sterling Centre
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Post Box No.6552
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MUMMINENI SUDHEER KUMAR,J.
dpa

Pre-Delivery Order made in
W.P.No.26475 of 2011

07.11.2025