IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated : 14.03.2025

Coram:
THE HONOURABLE MR.JUSTICE C.SARAVANAN

W.P.No.2550 of 2012
and M.P.No.1 of 2013

R.Sankaranarayanan

...Petitioner

Versus

1.Deputy General Manager
and Disciplinary Authority,
Corporation Bank,
Head Office,
Mangala Devi Temple Road,
Pandeshwar,
Mangalore – 575 001.

2.General Manager and Appellate Authority,
Corporation Bank,
Head Office,
Mangala Devi Temple Road,
Pandeshwar,
Mangalore – 575 001.

3.Executive Director and Reviewing Authority,
Corporation Bank,
Head Office,
Mangala Devi Temple Road,
Pandeshwar,
Mangalore – 575 001.

4.B.Santhanakrishnan

...Respondents

Writ Petition filed under Article 226 of the Constitution of India praying for issuance of a writ of certiorarified mandamus calling for the records of the 1st Respondent passing the Order of Dismissal of the Petitioner from the service of the Respondent Bank on 09.03.2010, as confirmed in Order passed by 2nd Respondent on 27.08.2010 and in the Order of 3rd Respondent passed on 13.08.2011 and quash the same and consequently, direct the Respondent to reinstate the Petitioner with back wages and all attendant benefits in service of the Respondent Bank.

For Petitioner	:	Mr.D.Mukundan
For Respondents – 1 to 3	:	Ms.T.Hemalatha
For Respondent – 4	:	No Appearance

ORDER

The relief sought in this Writ Petition is to quash the Order dated 09.03.2010 passed by the 1st Respondent, dismissing the Petitioner from service of the Respondent Bank as confirmed in the Order dated 27.08.2010 passed by 2nd Respondent and Order dated 13.08.2011 passed by the 3rd Respondent (hereinafter referred to as "Impugned Orders") and consequently, to direct the Respondent Bank to reinstate the Petitioner in service, with back wages and all attendant benefits.

2. The brief facts of the case are that the Petitioner joined the Respondent Bank as 'Clerical Assistant' on 26.07.1976. Thereafter, the Petitioner was promoted as 'Junior Middle Management Grade Scale I' in the year 1998 and then, was promoted as 'Middle Management Grade Scale II' in the year 2002. During the year 2006, the Petitioner was posted as 'Manager' at Kumbakonam Branch of the Respondent Bank.

3. While so, the Petitioner was suspended from service on 24.03.2008, pursuant to which, the Petitioner was issued with a Charge Memo dated 12.12.2008 by the 1st Respondent. The Charges framed against the Petitioner in the Charge Memo dated 12.12.2008 are as follows:

> *"**Charge No.1:** That in gross abuse of his official position, the Petitioner unauthorisedly opened various NREKCC/KCC accounts, without obtaining relevant records, such as account opening forms, mandate letter from the depositors etc., and thereafter raised loans against the security of said deposits and carried out unauthorised transactions in the said CCSDL/SDL accounts, by manipulating the drawing powers of the accounts concerned and credited the proceeds of such debits to various accounts of his family members/unconnected accounts maintained in the Branch/other Branch/Bank, issued broking firms/educational institutions etc., as the case may be, for amounts aggregating Rs.28.14 Lakh for personal gain.*
>
> ***Charge No.2:** That in gross abuse of his official position, on 11.01.2008, the Petitioner unauthorisedly opened an SDL account in the name of one Subbulakshmi in the computer system at the Branch by furnishing his own residential address and entering in the computer system a non-existing deposit number. Thereafter, the Petitioner frequently modified the drawing power under the said SDL account, raised unauthorized debits in*

the account and withdrew cash, transferred amount to the account of his family member/unconnected accounts, issued Pay Orders favouring share broking firm and/or for closure of SDL accounts to the tune of Rs.18.04 Lakh.

Charge No.3: *That in gross abuse of his official position, the Petitioner unauthorisedly raised two debit entries aggregating Rs.9.00 Lakh in the CC Account of M/s.Murugappa Pharmaceuticals and M/s.Karpaga Vinayagar Agencies and utilized the proceeds aggregating Rs.7.21 Lakh for closure two unauthorized CCSDL accounts, transferred part amount aggregating Rs.1.72 Lakh to Savings Bank Account of his daughter Ms.Priyanka Kaushik and balance of Rs.0.07 Lakh to the joint SB a/c of Smt.Ramaprabha and Shri Vaithiswaran.*

Charge No.4: *That in gross abuse of his official position, the Petitioner opened two SDL accounts of Rs.4.00 Lakh each in the name of Shri.N.Kapati against the security of Fixed Deposits of Rs.6.00 Lakh each standing in her name and withdrew cash for personal gain. That without closing the said SDLs, the Petitioner released the securities and credited the proceeds of the said deposits to the current account of M/s.Karpaga Vinayagar Agencies. That the said SDLs were closed subsequently by the Petitioner by unauthorisedly transferring funds from SDL standing in the name of Subbulakshmi.*

Charge No.5: *That in gross abuse of his official position, the Petitioner raised unauthorized debit entries/credit entries under Savings Bank accounts of certain constitutions of the Bank by unauthorizedly including his name as one of the joint account holder under once account and thereafter, transferred amount/withdrew cash aggregating Rs.4.38 Lakh and utilized the proceeds to issue Pay Orders in the name of share broking firm/to SB account of his son.*

Charge No.6: *That the petitioner entered and authorized in the computer system, various collection/clearing instruments for amount aggregating Rs.19.20 Lakh by recording misleading narrations and on realization the proceeds were routed through GL – sundry deposit account and thereafter, utilized the said amount to issue Pay Orders in the name of share broking firms, issue drafts in favour of other Banks, credit to unconnected accounts.*

Charge No.7: *That in gross abuse of his official position, the Petitioner sanctioned and disbursed two AGJL of Rs.50,000/- each and utilized the loan proceeds for himself.*

Charge No.8: That, on 01.03.2007, the Petitioner accommodated a borrower by sanctioning a loan of Rs.75,000/- under Prime Minister's Rozgar Yojana (PMRY) and permitted the borrower to withdraw the loan proceeds in cash, instead of remitting the amount in the supplier. That about 6 cash credits were also made by the Petitioner into the said PMRY loan account as would indicate that the Petitioner had personal dealings with the said borrower in violation of Corporation Bank Officer Employees (Conduct) Regulations, 1982."

4. In response to the aforesaid Charge Memo dated 12.12.2008, the Petitioner submitted his Reply on 27.12.2008 before the 1st Respondent, denying the charges levelled against him. Thereafter, the Respondent Bank appointed the 4th Respondent as Enquiry Officer to enquire into the charges framed against the Petitioner.

5. The 4th Respondent conducted the domestic enquiry and submitted his Enquiry Report dated 27.12.2009 before the 1st Respondent, holding that the Charge Nos.1, 2, 3, 4 & 7 framed against the Petitioner were proved; Charge Nos.5 & 6 framed against the Petitioner were partly proved and only Charge No.8 framed against the Petitioner was not proved.

6. Based on the Enquiry Report of the 4th Respondent, the 1st Respondent vide Order dated 09.03.2010, dismissed the Petitioner from

service. As against the Dismissal Order dated 09.03.2010 passed by the 1st Respondent, the Petitioner preferred an Appeal before the 2nd Respondent, but, the said Appeal was dismissed by the 2nd Respondent vide Order dated 27.08.2010. Aggrieved by the Order of the 2nd Respondent, the Petitioner filed a Review Petition before the 3rd Respondent, but, the same was rejected by the 3rd Respondent vide Order dated 13.08.2011. Hence, left with no other alternative, the Petitioner has filed this Writ Petition before this Court for the aforesaid relief.

7. The learned counsel for the Petitioner submitted that the documents produced by the Petitioner were not considered by the 4th Respondent and the enquiry was not conducted in a proper manner. It is further submitted that the Petitioner availed a Housing Loan in respect of his personal property and the said Housing Loan had become a Non-Performing Asset due to non-payment of installments and hence, proceedings under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 were initiated against the Petitioner. In this background, the Petitioner's Savings Accounts and other Deposit Accounts in various Branches of Tamil Nadu were freezed by the

Respondent Bank during the year 2008.

8. On the other hand, the learned counsel for the Respondents 1 to 3 submitted that the Order dated 09.03.2010 passed by the 1st Respondent as confirmed by the Order dated 27.08.2010 of the 2nd Respondent and Order dated 13.08.2011 of the 3rd Respondent do not warrant any interference since the charges framed against the Petitioner are serious in nature.

8.1. It is further submitted by the learned counsel for the Respondents 1 to 3 that the Enquiry Officer had held in his findings that Charge Nos.1, 2, 3, 4 & 7 framed against the Petitioner were proved; Charge Nos.5 & 6 framed against the Petitioner were partly proved and Charge No.8 framed against the Petitioner was not proved.

8.2. The learned counsel for the Respondents 1 to 3 submitted that in this case, serious fraudulent activities have been committed by the Petitioner and the same warranted the penalty of dismissal from service. It is also submitted that with regard to the unauthorized irregular transactions carried out by the Petitioner, Central Bureau of Investigation (CBI), Anti

Corruption Branch, Chennai had also registered a case against the Petitioner.

9. Heard the learned counsel for the Petitioner as well as learned counsel for the Respondents 1 to 3.

10. As far as this case is concerned, the charges framed against the Petitioner are of serious nature. During the period between 11.05.2006 and 25.03.2008, when the Petitioner was working as a Branch Manager at Kumbakonam Branch of the Respondent Bank, the Petitioner had committed various irregularities such as effecting unauthorised transactions without authority of the depositors, transferred the deposits of one branch to another branch, raised CCSDL/SDL against such deposits, raised SDL against non-existing deposits, unauthorisedly raised debits in the customer's accounts, granted loans in the name of certain customers of the branch and used the said funds for his own personal gain. By committing these misconducts, the Petitioner had breached the trust placed on him by the Respondent Bank.

11. It is to be noted that the Petitioner has not been able to establish by any evidence to prove that there were irregularities in the disciplinary proceedings conducted by the 1st Respondent pursuant to the Charge Memo dated 12.12.2008 issued against the Petitioner.

12. The scope for interference by Courts in departmental disciplinary proceedings is limited. The Courts are concerned only with the decision making process and not with the decision *per se*. Unless the punishment awarded to the delinquents is arbitrary or without any reasoning or disproportionate for the misconduct proved, the Courts cannot interfere with a decision of the Disciplinary Authority. Only where the punishment imposed on a delinquent was either disproportionate to the charges framed against the delinquent and/or shocks the conscience of the Court, the Courts can interfere.

13. In the present case, the Enquiry Officer had clearly held in his findings that Charge Nos.1, 2, 3, 4 & 7 framed against the Petitioner were proved and Charge Nos.5 & 6 framed against the Petitioner were partly proved and only Charge No.8 framed against the Petitioner was not proved.

Therefore, there is no scope for interfering with the Impugned Orders passed by the Respondents 1, 2 and 3.

14. For the foregoing reasons, this Writ Petition is dismissed. No costs. Consequently, connected Miscellaneous Petition is closed.

14.03.2025

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Index : Yes/No

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C.SARAVANAN, J.

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