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W.A.No.423 of 2024

IN THE HIGH COURT OF JUDICATURE AT MADRAS

Reserved on 23.06.2025	Delivered on 04.07.2025
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CORAM:

THE HONOURABLE MR. JUSTICE R.SUBRAMANIAN
AND
THE HONOURABLE MR. JUSTICE K.SURENDER

W.A.No.423 of 2024
and
C.M.P.No.2865 of 2024

- 1.Canara Bank
Rep. by its Executive Director,
Industrial Relations Department,
Head Office, Manipal,
Karnataka – 576 105.
- 2.The General Manager (Personnel)/
Appellate Authority, Canara Bank,
Industrial Relations Department,
Head Office, Manipal,
Karnataka – 576 105.
- 3.The Deputy General Manager,
Disciplinary Authority,
Canara Bank,
Industrial Relations Department,
Head Office, Manipal,
Karnataka – 576 105.



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4. The Deputy General Manager,
Regional Office,
Canara Bank,
Industrial Relations Department,
West Ponnurangam Street,
R.S.Puram, Coimbatore.

... Appellants

Vs.

D.Manoharan

...Respondent

Prayer: Writ Appeal filed under Clause 15 of the Letters Patent, praying to set aside the order dated 13.10.2023 in W.P.No.3688 of 2015.

For Appellants : Mr.P.Raghunathan
for M/s.T.S.Gopalan and Co.
For Respondent : Mr.G.Sankaran, Senior Counsel
for Mr.S.Ashok Kumar



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J U D G M E N T

WEB COPY (Judgment of the Court was delivered by **R.SUBRAMANIAN, J.**)

The Bank is on appeal aggrieved by the judgment of the learned Single Judge made in W.P.No.3688 of 2015 dated 13.10.2023, in and by which, the learned Single Judge modified the punishment of dismissal from service as stoppage of increment for a period of two years with cumulative effect, with a further direction to disburse all terminal benefits and attendant benefits to the employee concerned.

2. The respondent who was appointed as Clerical Staff in the Bank on 24.10.1984 was promoted as an Assistant Manager in the year 2001. He was transferred and posted as Assistant Manager in the Mettupalayam Branch in June 2004 and he worked in that capacity till 08.01.2006. Thereafter, he was transferred to the Coimbatore Branch and he joined duty on 10.01.2006. Charges were framed against him on 07.11.2006 for certain delinquencies alleged to have been committed by him during his tenure as Assistant Manager in Mettupalayam Branch.



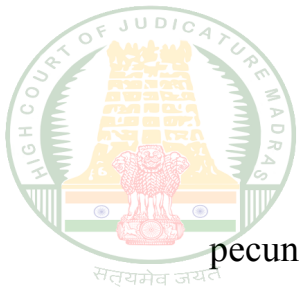
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3. Since the explanation of the respondent was not accepted, the enquiry officer was appointed and domestic enquiry was conducted. The enquiry officer filed a report concluding that the charge Nos.1 to 4 and 10 to 21 were proved. Charge Nos.5, 6 and 9 were held to be not proved and charge Nos.7 and 8 were partially proved.

4. The second show cause notice was issued and the disciplinary Authority imposed a punishment of dismissal from service by its order dated 07.01.2008. The appeal preferred by the respondent against the order of dismissal was also dismissed by the General Manager (Personnel) on 24.06.2008. A Review Application that was filed was also dismissed. This led to the challenge of the order of punishment in this Court.

5. Before the writ Court the respondent mainly contended that though the charges were common, no common enquiry was conducted as contemplated under Rule 10 of the Syndicate Bank Officer Employees' (Conduct) Regulations, 1976. It was also claimed that there was no

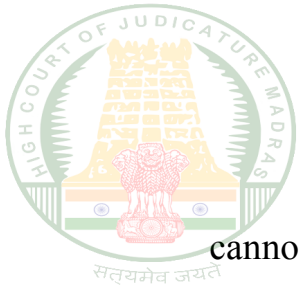


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pecuniary loss to the Bank and all the actions, of the respondent, were in tune with usual course of business of the Bank and were also within the knowledge of the higher officials. It was also further contended that while higher officials involved in the very same transaction were let off with minor punishments, the respondent alone was singled out and major punishment of dismissal was inflicted upon him. Objection was also taken to the unusual procedure adopted by the Bank in accepting the report of the Vigilance Officer without the respondent being given an opportunity to cross-examine the witnesses, who were allegedly examined by the Vigilance Officer.

6. These claims were resisted by the Bank contending that Rule 10 of the Syndicate Bank Officer Employees' (Conduct) Regulations, 1976 is only directory and not mandatory. The respondent/ official was also faulted for not having sought for a common enquiry. It was contended that though other officials were also charge sheeted along with the respondent, on the seriousness of the delinquencies, the Bank had come to the conclusion that the respondent is liable for the major punishment and such a conclusion



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cannot be interfered with by the writ Court under Article 226 of the Constitution of India. It was also pointed out that at least on two charges viz., Charge Nos.4 and 5, the respondent had availed certain pecuniary benefits. Therefore, the respondent cannot be treated on par with others.

7. The writ Court upon consideration of the rival contentions, the materials placed before it and the law relating to disciplinary proceedings concluded that the action of the Bank in singling out the respondent for the major punishment of dismissal was unwarranted. The writ Court also found that there was a practice in the Branch to accommodate certain clients in business interest, with the knowledge and approval of the Regional Office. It was also found that there was no pecuniary loss to the Bank because of the issuance of Demand Draft and accommodating one of the clients viz., M/s. Sri Ram Agencies with extra cheque discounting facilities. On the aforesaid conclusions, the learned Single Judge modified the punishment as indicated above. Aggrieved the Bank is on appeal.



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8. We have heard Mr.P.Raghunathan, learned counsel appearing for the Bank and Mr.G.Sankaran, learned Senior Counsel appearing for Mr.S.Ashok Kumar, learned counsel for the respondent.

9. Mr.P.Raghunathan, learned counsel appearing for the Bank would vehemently contend that when the charges are different and when a specific allegation of personal pecuniary gain has been made against the respondent, the learned Single Judge was not right in concluding that he should be treated on par with other senior officers. The learned counsel would mainly rely upon two charges relating to provision of additional cheque discounting facilities to M/s.Sri Ram Agencies and allowing M/s.Sri Ram Agencies to purchase a Demand Draft without making payments. Mr.P.Raghunathan, learned counsel would invite us to the conclusions of the enquiry officer to contend that these conclusions being un-controverted, the learned Single Judge was not right in reducing the punishment.



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10. Contending contra, Mr.G.Sankaran, learned Senior Counsel appearing for the respondent would submit that as far as discounting of the cheque in favour of his wife, the charge was held to be only partially proved and as far as issuance of demand draft is concerned, the circumstances under which it came to be issued have been explained by the customer viz., M/s.Sri Ram Agencies under two letters dated 05.03.2017 marked as Defence Exhibit DEX-18 and 19. It was also contended that the letter dated 13.04.2007 also marked as Defence Exhibit DEX-17 would also amplify the fact that there is no pecuniary loss to the Bank because of the action of the respondent.

11. It is also pointed out by Mr.G.Sankaran, learned Senior Counsel, that admittedly the other officers who were charged along with the respondent were seniors to him and they held a supervisory position. Many of the actions of the respondent were pursuant to their directions. Therefore, the respondent, who is a junior officer cannot be visited with a capital punishment of dismissal from service, while the seniors were spared with reduction in rank or stoppage of increment as the case may be.



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12. We had considered the rival submissions. No doubt, 21 charges were framed against the respondent. But, most of the charges are split up and many of them are as a consequence of earlier charges. The major delinquencies that were attributed to the respondent are that he had permitted some of the customers cheque discounting facilities over and above the limits and that he had allowed the customers to purchase a draft without payment in cash or any other form. There is one another allegation that he had discounted a cheque issued by one of the customers in favour of his wife and upon the cheque being dishonoured, he had debited the account of the customer, which is not in tune with normal Banking procedure.

13. As far as the CDD accounts are concerned, it is admitted that it is the Senior Manager C.A.N.Murthy @ C.A.Narasimha Murthy, who was responsible for sanctioning of excess CDD facilities and he had also admitted that he had sanctioned those facilities and he had also owned up the responsibility and ratified the action for the respondent.

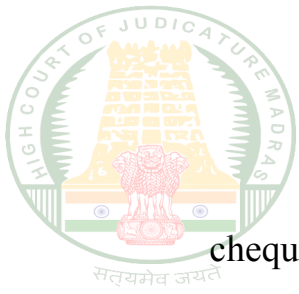


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14. On the charge of the cheque issued in the name of Smt.Bhuvaneswari, the enquiry officer has held that the charge was proved only partially and the same has also not resulted in any loss to the Bank. In fact, the enquiry officer while examining the said transaction under irregularities No.8 and 9 had concluded that the debits were done with the parties knowledge and it is improbable that such a huge debits were done without the knowledge of the party. He has also concluded that he is not fully convinced to say that such huge debits are unauthorized. Therefore, the two circumstances which were relied upon by the learned counsel for the Bank to contend that the delinquencies committed by the respondent are far more serious than the delinquencies committed by the other officers are shown to be the action done pursuant to the instructions of the senior officials and there was no financial loss to the Bank or pecuniary gain to the delinquent official/ respondent.

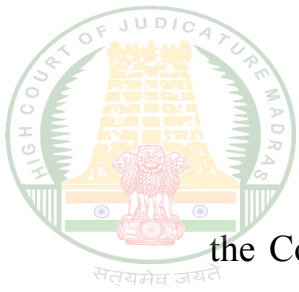
15. We have gone through the report of the enquiry officer. We find that the enquiry officer had concluded that the irregularities or the charges were proved on the ground that there were some delay in holding the



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cheques of customers to enable them to make good the money so as to prevent dis-honour of the cheques. The enquiry officer himself had stated, in the report, that it is quiet normal in Banking practice to hold the cheques of valuable customers to enable them to make good the money in order to prevent dis-honour of cheques. But, only blame that has been placed on the respondent is that the cheques were withheld for a larger period than usual. This, according to the respondent, was done as per the directions of the senior officials.

16. Mr.G.Sankaran, learned Senior Counsel would draw our attention to the judgment of the Hon'ble Supreme Court in ***Union of India and others Vs. Mohammed Ibrahim*** reported in ***(2004) 10 SCC 87*** in support of his contention that the conclusions of the enquiry officer based upon the statements made by the Vigilance Officer cannot be sustained. He would also draw our attention to the judgment of the Hon'ble Supreme Court in ***Naresh Chandra Bharadwaj Vs. Bank of India and others*** reported in ***(2019) 15 SCC 786***, to buttress his submission that there should be parity of punishment amongst the co-delinquents. While dealing with the power of



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the Court to tinker with the quantum of punishment, the Hon'ble Supreme Court in the said judgment had held that where a co-delinquent is awarded a lesser punishment by the disciplinary Authority even when the charges or mis-conduct were identical or co-delinquent is foisted with more serious charges, it will be open to the Court to seek to achieve equality in the punishment. The Hon'ble Supreme Court also pointed out that the fetters on the power of the Court to interfere with the quantum of punishment are not absolute. If the punishment imposed shocks the conscience of the Court it is always open to the Court to interfere with the quantum of punishment.

17. Reliance is also placed on the judgment of the Division Bench of this Court in ***Principal Secretary to Government and others Vs. K.R.Palanisamy*** reported in (2021) SCC Online Mad 2850, wherein, the Division Bench had after referring to various judgments on the issue relating to quantum of punishment including the one in ***Naresh Chandra Bharadwaj Vs. Bank of India and others*** (supra) concluded as follows:-

11. A reading of the above paragraphs makes it abundantly clear that the courts cannot assume the function of disciplinary/departmental authorities and to decide the



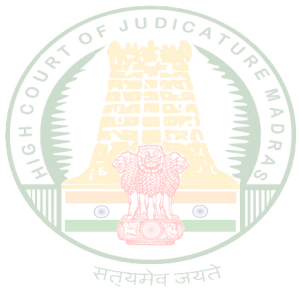
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quantum of punishment and nature of penalty to be awarded, as this function is exclusively within the jurisdiction of the competent authority, but, an exception is carved out therein to the effect that if the co-delinquent is awarded lesser punishment by the disciplinary authority even when the charges of misconduct was identical or the co-delinquent was foisted with more serious charges, then the Court is at liberty to interfere with the punishment. In such case, instead of remitting the matter back, the Court can substitute a suitable punishment.

12. If the principle enunciated in the above judgments is applied to the facts of the instant case, it is clear that the writ petitioner is entitled for the similar treatment, that has been extended to N.Subramanian and after passage of time, remitting the matter again to the authorities would not serve any purpose. Thus, directing the authorities to modify the punishment imposed on the writ petitioner to the one that has been imposed on N.Subramanian would meet the ends of justice. Thus, the learned Single Judge rightly set aside the Government Order refusing to extent such benefit to him. We find no reason to interfere with the said order.



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18. In view of the above decision, it is clear that the power of the Court to interfere with the quantum of punishment though restricted is available to ensure that all the delinquents are treated equally. Admittedly, the respondent was the junior most of the officers who were charge sheeted for various irregularities that happened in the Mettupalayam Branch of the Bank. Almost all others have been let off with minor punishments.

19. In fact Mr.A.Maria Joseph, who was also charged with breach of Regulation 3(1) read with Regulation 24 of the Syndicate Bank Officer Employees' (Conduct) Regulations, 1976 was let off with a censure. Mr.R.Jeevanandam, who was the Senior Branch Manager was also charged with a very same delinquency of breach of Regulation 3(1) read with Regulation 24 of the Syndicate Bank Officer Employees' (Conduct) Regulations, 1976 was visited with the punishment of reduction of Basic Pay by one level and stoppage of increment during the period of reduction. Mr.P.Ravindran another Assistant Manager who was also found guilty of the very same delinquencies was let off with the punishment of censure. The Karta of the entire episode Mr.C.A.Narisimha Murthy @ C.A.N.Murthy

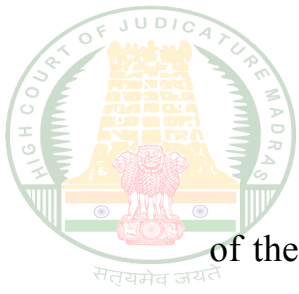


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who was the Branch Manager at the relevant point of time was let off with the punishment of reduction of Grade Scale of pay from MMGS-III to MMGS-II.

20. We must point out that the articles of charges particularly made against C.A.N.Murthy and the respondent are almost the same, excepting for the one fact that the respondent discounted the cheque in favour of his wife. That particular charge has been held to be not proved by the enquiry officer. It is in this backdrop the punishment imposed on the respondent was examined by the learned Single Judge and the learned Single Judge has reached a conclusion that the punishment is too onerous, but, shockingly disproportionate to the proved charges.

21. We find that the learned Single Judge has referred to the judgment of the Hon'ble Supreme Court in ***Lucknow Gramin Bank Vs. Rajendra Singh*** reported in ***2013 (5) LLN 100***, which lays down the principles relating to quantum of punishment and as well as the judgment in ***Naresh Chandra Bharadwaj Vs. Bank of India and others*** (supra). The judgment



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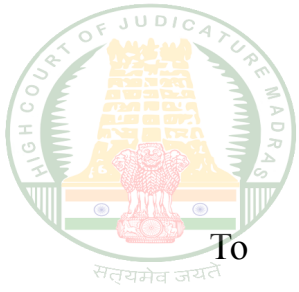
of the Division Bench of this Court in ***Principal Secretary to Government***

and others Vs. K.R.Palanisamy (supra) was also adverted to by the learned Single Judge. We find ourselves in entire agreement with the conclusions reached by the learned Single Judge for the reasons assigned supra. We therefore do not see any reason the interfere with the orders of the learned Single Judge in this appeal.

22. The Writ Appeal fails and it is accordingly **dismissed**. However, the parties will bear their own costs. Consequently, the connected miscellaneous petition is closed.

(R.SUBRAMANIAN, J.) (K.SURENDER, J.)
04.07.2025

dsa
Index : No
Internet : Yes
Neutral Citation : No
Speaking order



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To

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- 1.The Executive Director,
Canara Bank
Industrial Relations Department,
Head Office, Manipal,
Karnataka – 576 105.
- 2.The General Manager (Personnel)/
Appellate Authority, Canara Bank,
Industrial Relations Department,
Head Office, Manipal,
Karnataka – 576 105.
- 3.The Deputy General Manager,
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R.SUBRAMANIAN, J.
and
K.SURENDER, J.

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