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BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

Reserved On : 11.07.2025

Pronounced On : 18.07.2025

CORAM:

THE HONOURABLE DR. JUSTICE A.D. MARIA CLETE

W.P. (MD) No.22132 of 2016
and
W.M.P. (MD) Nos.15849 to 15851 of 2016

V.Kothandaraman,
S/o. P.Vellaisamy
9-13-45, First Floor,
VOC street, Viswanathapuram
Madurai District. ...Petitioner

Vs.

1. The Chairman
Life Insurance Corporation of India Ltd,
Central office,Yogakshema
Jeevan Beema Marg,
Mumbai -400021.

2. The Managing Director
Appellate Authority
Life Insurance Corporation of India Ltd,
Central office,Yogakshema
Jeevan Beema Marg,
Mumbai -400021.

3. The Executive Director (Personal)
(Disciplinary Authority)
Life Insurance Corporation of India Ltd,
Central office, Yogakshema
Jeevan Beema Marg,
Mumbai - 400021.

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4. The Manager (OS)
The office of the Senior Divisional Manager
Life Insurance Corporation of India Ltd,
Divisional office,
Sellur, Madurai - 625 002. ... Respondents

PRAYER in W.P.:

To issue a Writ of Certiorari, to call for the records pertaining to the impugned orders in ERD/SZ/R/06-07/2 dated 28.03.2014 issued by the Respondent No.3 and the consequential orders in ERD/SZ/A/2014-15/1 dated 12.12.2014 passed by the Respondent No.2, the Appellate Authority and in ERD/SZ/M/14-15/7 dated 26.12.2015 passed by the Respondent No.l and quash the same as illegal and Consequently set aside the punishment of "Reduction by three stages in the time scale of pay applicable to his cadre and recovery of loss of Rs.6,29,236/- (Rupees Six lakhs twenty nine thousand two hundred thirty six only) and pass such further or other orders as this Court may deem fit and proper in the circumstances of the case and thus render Justice.

PRAYER IN W.M.P.(MD) No.15849 of 2016:

To Stay the operation of the impugned orders in ERD/ SZ/R/06-07/2 dated 28.03.2014 issued by the Respondent No.3 and the consequential orders in ERD/SZ/A/2014-15/1 dated 12.12.2014 passed by the Respondent No.2, Appellate Authority and the order in ERD/SZ/M/14-15/7 dated 26.12.2015 passed by the Respondent No.l pending disposal of the above Writ Petition and thus render justice.

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PRAYER IN W.M.P.(MD) No.15850 of 2016:

To pass an order of interim direction to the Respondent No.4 to remit back the amount recovered from the petitioner's monthly salary pending disposal of the above Writ Petition and thus render justice.

PRAYER IN W.M.P.(MD) No.15851 of 2016:

To pass an order of interim injunction restraining the Respondent No.4 from implementing the recovery from the petitioner's monthly salary pending disposal of the above Writ Petition and thus render justice.

APPEARANCE OF PARTIES:

For Petitioner : Mr. M.M. Iqbal.

For Respondents : Mr.K.Vinoharan
for Mr.G.Prabhu Rajadurai

J U D G M E N T

Heard.

2. The petitioner, who was working as a Branch Manager in the Life Insurance Corporation of India (LIC), has filed this writ petition under Article 226 of the Constitution of India seeking the issuance of a writ of Certiorari to quash the order dated 28.03.2014 passed by the

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Disciplinary Authority, the appellate order dated 12.12.2014, and the memorial rejection order dated 26.12.2015. By the impugned orders, the petitioner was imposed a major penalty of reduction by three stages in the time scale of pay and directed to remit a sum of Rs.6,29,236/- towards financial loss allegedly caused to the Corporation in the matter of ULIP policy transactions during his tenure at the Tenkasi Branch.

3. The disciplinary proceedings commenced with a charge memorandum dated 22.09.2009, wherein the petitioner was charged with failure to remit premium amounts collected from policyholders and lapses in policy issuance procedures. An enquiry was conducted pursuant to the denial of charges. Initially, a report dated 21.03.2011 found the charges established except charge No.1(a)2 and 1(b)2. Upon representation, the matter was remitted for further enquiry. A second enquiry was conducted, culminating in a report dated 02.05.2013, again holding the petitioner guilty of several charges. A second show cause notice was issued and, after considering the petitioner's reply, the Disciplinary Authority passed the final order dated 28.03.2014, which was subsequently confirmed in appeal and memorial.

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4. The petitioner's main ground of challenge is that he was denied a fair opportunity to defend himself due to non-production of a crucial document, namely, the Control Register maintained at the Branch Office. It is contended that this register would have shown that all proposal forms and remittances were duly sent to the Divisional Office and, therefore, the petitioner cannot be held liable for any financial loss. The petitioner states that he had repeatedly sought production of this document during the enquiry and even filed an application under the Right to Information Act, only to learn that the document was not available. It is his case that the Control Register formed the bedrock of his defence and that non-production thereof has vitiated the enquiry and resulted in grave prejudice. The learned counsel appearing for the petitioner would rely upon the decision in ***K. Chidambaram v. Government of Tamil Nadu,*** reported in ***1989 II LLJ 106 (Mad)*** in support of his contention that failure to furnish relevant documents amounts to violation of natural justice.

5. The respondents, on the other hand, have submitted that the Control Register was not available and that the petitioner, being the Branch Manager and custodian of the document at the relevant time, had

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failed to produce it. It is further submitted that the enquiry findings were not based on the Control Register at all, but on independent materials, such as proposal forms, acknowledgment receipts, internal audit reports, statements of LIC staff, and customer grievances. The respondents also contended that the disciplinary proceedings were conducted fairly and in accordance with Regulation 39 of the LIC (Staff) Regulations, 1960, and that the petitioner was given every opportunity to defend himself.

6. The petitioner had not immediately approached this Court after the enquiry report was served. On the contrary, he submitted his reply to the show cause notice, participated in the post-enquiry process, and thereafter filed both a departmental appeal and a memorial. The authorities concerned, upon due consideration of the materials on record, rejected both. In this context, it becomes pertinent to consider whether this Court can interfere with the findings of fact arrived at by the disciplinary authorities and confirmed by the appellate and memorial authorities.

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7. The law on this point is well settled. The scope of judicial review under Article 226 in matters of disciplinary proceedings is limited. The Court does not act as an appellate forum and cannot reappreciate evidence or substitute its own view unless the findings are perverse, based on no evidence, or vitiated by mala fides or violation of natural justice. In ***Union of India v. P. Gunasekaran,*** reported in ***(2015) 2 SCC 610***, the Supreme Court reaffirmed that judicial review is confined to the decision-making process and not the decision itself.

8. The only question that arises, therefore, is whether the non-supply of the Control Register constitutes such a violation as would justify interference. In this regard, it is necessary to examine what role, if any, the Control Register played in the disciplinary process. The petitioner has contended that the Control Register maintained at the branch office would have established that the proposal forms and corresponding premium remittances were duly forwarded to the Divisional Office, and that its non-production fatally impaired his defence. However, upon a careful perusal of the enquiry report and the counter affidavit, it is evident that the Control Register was neither relied

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upon nor cited by the Enquiry Officer in arriving at the finding of guilt. The conclusion of misconduct was drawn from independent materials such as customer statements, acknowledgments of premium payments, audit discrepancies, and staff depositions, all of which pointed to unremitted proposal deposits traceable to the petitioner's tenure. While the Control Register may have been relevant from the perspective of the petitioner's defence, it cannot be described as a foundational or indispensable document in the fact-finding process. There is also no material on record to suggest that its absence caused such prejudice as would vitiate the enquiry or render the findings perverse. While the petitioner did request production of the Control Register during the enquiry and subsequently under RTI, no contemporaneous explanation was offered as to how the said document, if produced, would have altered the substance of the findings.

9.The law on this point is well settled. The Supreme Court in ***Syndicate Bank v. Venkatesh Gururao Kurati,*** reported in ***(2006) 3 SCC 150***, held that non-supply of documents which are not relied upon in the enquiry does not violate the principles of natural justice. Even when a document is relevant, the burden lies on the delinquent officer to

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establish actual prejudice. In the present case, the petitioner has not shown how the Control Register assuming it was available would have rebutted the overwhelming independent evidence against him. The mere assertion that it was crucial is insufficient, particularly when the disciplinary findings are otherwise supported by materials on record and have been accepted by the Appellate and Memorial Authorities. The appellate authority, by order dated 12.12.2014, confirmed the findings, noting that the petitioner, as the officer in overall charge of the branch, had failed to ensure that the proposal forms and deposits were properly routed to the Divisional Office and had not submitted any concrete proof to rebut the allegations.

10. On an overall consideration of the materials and arguments, this Court finds no grounds to interfere with the impugned orders in exercise of the writ jurisdiction. The enquiry was conducted in accordance with procedure, the petitioner was heard at every stage, and the punishment imposed is based on relevant evidence. The penalty imposed cannot be said to be disproportionate to the nature of the misconduct, which involved a substantiated financial loss and breach of trust. There is no allegation or indication of mala fides, bias, or

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extraneous consideration in the initiation or conduct of the disciplinary proceedings. It is also relevant to note that the petitioner had availed the alternate remedies of appeal and memorial, both of which were considered on merits and rejected, thereby reinforcing the finality of the disciplinary action taken.

11. Accordingly, the Writ Petition is dismissed. There shall be no order as to costs. Consequently, connected Miscellaneous Petitions are closed.

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Index: Yes / No
Speaking Order / Non-speaking Order
Neutral Citation : Yes / No
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DR. A.D. MARIA CLETE, J.

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Pre-delivery Judgment made in
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