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**IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH**

**CWP-15594-2000 (O&M)
Date of Decision:21.02.2025**

R.S. VERMA

..... Petitioner

Versus

THE BOARD OF DIRECTORS, GURGAON GRAMIN BANK

..... Respondent

CORAM: HON'BLE MR. JUSTICE JAGMOHAN BANSAL

Present : Mr. Pankaj Nanhera, Advocate with
Mr. Rahul Gautam, Advocate and
Mr. Navneet Sharma, Advocate
for the petitioner.

Mr. Bhushan Bhatia, Advocate
for the respondent-Bank.

JAGMOHAN BANSAL, J. (Oral)

1. The petitioner through instant petition under Article 226 of the Constitution of India is seeking setting aside of order dated 30.12.1999 whereby two increments with cumulative effects have been stopped apart from other punishments.

2. The petitioner joined respondent-Gurugram Gramin Bank on 24.07.1978 as Field Officer. The respondent issued him charge sheet dated 05.04.1994 and placed him under suspension. He filed reply to charge sheet. After conducting enquiry, Enquiry Officer did not find him guilty in his report. The Disciplinary Authority did not agree with the report of Enquiry Officer and issued him show cause notice proposing punishment of stoppage of two increments with cumulative effect. The



petitioner filed reply to show cause notice. The Disciplinary Authority by impugned order dated 30.12.1999 awarded punishment of forfeiture of two increments with cumulative effect. The Disciplinary Authority further passed administrative order whereby petitioner's suspension order was revoked and it was ordered that he shall not be entitled to receive any pay and allowance for the period under suspension except subsistence allowance already received. He unsuccessfully preferred appeal before Board of Directors.

3. Mr. Pankaj Nanhera, counsel for the petitioner submits that impugned order was passed beyond the scope of show cause notice. In the show cause notice, there was proposal to forfeit two increments with cumulative effect whereas Disciplinary Authority awarded additional punishment by way of denial of increments which accrued during suspension period. The petitioner remained under suspension for six years. Four increments besides two forfeited increments had accrued to him during the said period. If the impugned order is implemented in toto, the petitioner would be deprived from six increments with cumulative effect. The punishment order was passed by Chairman of the Board and he was part of Board of Directors which considered his appeal. The Disciplinary Authority could not be part of appellate forum.

4. *Per contra*, Mr. Bhushan Bhatia, counsel for the respondent-Bank submits that Chairman of the Bank was Disciplinary Authority. He being Chairman of the Board presided over meetings of the Board, however, he recused with respect to appeal of the petitioner. While appeal of petitioner was considered, Chairman recused and another member presided over the Board.



5. I have heard the arguments of learned counsel for the parties and perused the record with their able assistance.

6. Learned counsel for the respondent expressed his inability to controvert the fact that in the show cause notice, there was proposal of forfeiture of two increments with cumulative effects whereas outcome of impugned order is forfeiture of six increments and there is no provision which permits denial of increments during period of suspension.

7. The petitioner was issued show cause notice prior to impugned punishment order. In the show cause notice, there was proposal to forfeit two increments with cumulative effect. The Disciplinary Authority could not travel beyond the show cause notice whereas the said authority while forfeiting two increments with cumulative effect denied the petitioner increments which accrued during the suspension period. The petitioner had remained under suspension for six years. In the absence of particular Rule denying increments during suspension period, the respondent could not deny increments which accrued during suspension period. He might be denied full pay and allowances, however, increments could not be forfeited.

8. The petitioner has further raised issue of participation of Chairman in the meeting of Board of Directors which considered his appeal. From the perusal of record, it is evident that Disciplinary Authority was Chairman of the Board of Directors. He was supposed to preside every meeting of the Board of Directors. In every meeting, there may be one or more agendas to be discussed. In case, there is one agenda i.e. disciplinary action against an employee, the Disciplinary Authority cannot be part of Board of Directors either as Chairman or otherwise,



however, if there are multiple agendas, the Disciplinary Authority is bound to recuse from the particular agenda but is not required to recuse from the entire proceedings.

9. From the perusal of impugned order, it is evident that while appeal of petitioner was considered, meeting was not presided by Disciplinary Authority. It was another member who presided over the meeting. From the perusal of record, it also appears that there were multiple agendas which were considered by the Board. This Court does not find any infirmity in the proceedings of Board of Directors. It cannot be concluded that chairman who had passed impugned order as Disciplinary Authority was part of Board of Directors while considering appeal of the petitioner.

10. In the wake of above discussion and findings, the impugned order is set aside to the extent of forfeiture of increments during suspension period.

11. Disposed of.

12. Pending misc. application(s), if any, shall also stand disposed of.

(JAGMOHAN BANSAL)
JUDGE

21.02.2025
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Whether speaking/reasoned	Yes/No
Whether Reportable	Yes/No