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**IN THE HIGH COURT OF PUNJAB & HARYANA
AT CHANDIGARH1.**

CWP-15859-1999 (O&M)

Date of Decision:19.01.2026

Sukhbir Singh through his legal heirs

.....Petitioners

Versus

The Registrar Cooperative Societies, Haryana and another

.....Respondents

2.

CWP-3726-1999 (O&M)

The Faridabad Central Co-operative Bank Limited

.....Petitioner

Versus

The Registrar, Cooperative Societies, Haryana and others

.....Respondents

CORAM: HON'BLE MR. JUSTICE JASGURPREET SINGH PURI

Present:- Mr. Rajbir Singh Sihag, Advocate,
Mr. Manav Dhull, Advocate and
Mr. J.S. Dhuhane, Advocate for the petitioner(s)
in CWP-3726-1999 and
for respondent No.2 in CWP-15859-1999.

Mr. Arpandeep Narula, Advocate for the petitioner
in CWP-15859-1999 and
for respondent No.2 in CWP-3726-1999.

JASGURPREET SINGH PURI J.(Oral)

1. Both the above-mentioned cases are taken up together for
final disposal with the consent of learned counsel for the parties, as the

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issues involved therein are inter-connected. Accordingly, the same are being disposed of by this common judgment.

2. CWP No.15859 of 1999 has been filed by the petitioner, Sukhbir Singh, Secretary of the Cooperative Society, whereas CWP No.3726 of 1999 has been filed by the Faridabad Central Cooperative Bank. The impugned order challenged in both the petitions is the same.

3. The grievance of the petitioner, Sukhbir Singh, is pertaining to the part of the impugned order whereby his order of dismissal has been upheld, whereas the grievance of the petitioner-Bank relates to the portion of the order by which back wages have been granted to him till 18.11.1997.

4. For the purpose of narrating the facts of the case, reference is made to CWP No.15859 of 1999 filed by petitioner-Sukhbir Singh.

5. Learned counsel appearing on behalf of the petitioner, Sukhbir Singh, submitted that the petitioner was serving as a Secretary of a Cooperative Society and was an employee of respondent No.2-Bank. He further submitted that two charge-sheets were served upon him pertaining to embezzlement/misappropriation in the Fatehpur Tagga Cooperative Society and in the Fatehpur Billoch Cooperative Society. He further submitted that the basic allegations against the petitioner were of embezzlement/misappropriation, in addition to certain allegations pertaining to absence from duty and disobedience of the orders of higher authorities. The petitioner-Sukhbir Singh, was dismissed from service by the Board of Administrators in the meeting dated 26.07.1989 vide

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Resolution No.3. Pursuant thereto, the dismissal order dated 09.08.1989 was issued by the Managing Director, which has been placed on record as Annexure P-1 and is based on the aforesaid two charge-sheets. Thereafter, the petitioner-Sukhbir Singh, preferred a statutory appeal challenging the aforesaid order of dismissal before learned Registrar, Cooperative Societies, Haryana, Chandigarh. Vide order dated 25.09.1992 (Annexure P-2), the learned Registrar set aside the order passed by the Managing Director and granted liberty to the respondents to proceed against the petitioner from the stage of supply of the enquiry report and thereafter to pass a fresh order in accordance with law. The learned Registrar set aside the order of dismissal on the ground that a copy of the enquiry report had not been supplied to the petitioner, resulting in non-compliance of the principles of natural justice, which caused prejudice to him. Thereafter, vide Annexure P-3, the petitioner requested the Managing Director to permit him to join duties in view of the fact that the order of dismissal had been set aside; however, he was not allowed to do so. Subsequently, vide Annexure P-4 dated 01.02.1996, the petitioner again requested the Managing Director of respondent No.2-Bank to permit him to join duties but to no avail. A similar request was once again made vide Annexure P-5 dated 25.10.1996, however, the petitioner, Sukhbir Singh, was never permitted to resume duties.

6. Thereafter, respondent No.2-Bank filed a revision petition before the learned Financial Commissioner and Secretary to Government of Haryana, Cooperation Department, Chandigarh, assailing the order

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passed by the Registrar, Cooperative Societies, Haryana, Chandigarh. The said revision petition was, however, dismissed by the learned Financial Commissioner vide order dated 21.10.1993 (Annexure P-6) on the ground of maintainability. Thereafter, vide Annexure P-7, the Bank informed the petitioner-Sukhbir Singh, that it had been considered and resolved to supply him a copy of the enquiry report, which was accordingly furnished to him.

7. Learned counsel appearing for the petitioner further submitted that although a copy of the enquiry report was supplied to the petitioner pursuant to the setting aside of the dismissal order, the petitioner was neither permitted to join duties nor was any second show-cause notice issued to him after the conclusion of the enquiry. He submitted that when the enquiry officers in both the enquiries had submitted their reports, it was for the disciplinary authority to consider the enquiry reports and, after due application of mind, issue a show-cause notice along with the enquiry report. However, no show-cause notice was issued to the petitioner; only the enquiry report was supplied, and the respondent-Bank straightaway dismissed the petitioner vide Annexure P-9 dated 18.11.1997. He further submitted that a bare perusal of the order of dismissal would show that it was based solely on the *ipse dixit* of the Board of Directors who passed the order, as not a single reason has been assigned as to why the petitioner was to be dismissed. The petitioner was aggrieved not only on the ground of dismissal itself but also on the ground that the nature of the punishment was not commensurate with the

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allegations leveled against him. He submitted that the aforesaid argument can be fortified from the fact that no show-cause notice was issued to the petitioner proposing any punishment and no opportunity was given to the petitioner to rebut the same due to the absence of such notice. He further submitted that although, when the services of the petitioner were earlier dismissed, a show-cause notice was issued to him before the order of dismissal, the said order was subsequently set aside by the Registrar, Cooperative Societies. Since the order was set aside and liberty was granted to the Bank to proceed afresh, it was incumbent upon respondent-Bank to proceed in accordance with law by serving a show-cause notice proposing any punishment and affording the petitioner- Sukhbir Singh, an opportunity to rebut the same on the basis of facts and law. However, the respondent-Bank failed to do so, although the enquiry report was supplied to the petitioner. He also submitted that in this manner, there has been a flagrant violation of the principles of natural justice and on this ground as well, the order of dismissal was illegal and bad in law.

8. The petitioner-Sukhbir Singh, then assailed the aforesaid order of dismissal passed by the Managing Director on the basis of the resolution passed by the Board of Directors before the learned Registrar, Cooperative Societies. However, vide order Annexure P-11, the same was dismissed. It was, however, observed that the petitioner would be entitled to his salary up to the date of the issuance of the impugned order, and the respondent-Bank was directed to pay the same to the appellant. In this way, the petitioner- Sukhbir Singh, has assailed the aforesaid order dated

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26.11.1998 passed by the Registrar, Cooperative Societies, pertaining to the dismissal of his appeal. The Bank has also assailed the same order, challenging the portion by which it was directed that the petitioner was entitled to salary up to the issuance of the impugned order.

9. Learned counsel, while making submissions, submitted that the order dated 18.11.1997 of dismissal and the appellate order dated 26.11.1998 to the extent it dismissed the appeal, are liable to be set aside on various grounds. He submitted that the order of dismissal passed on 18.11.1997 is without any reason as to how the concerned Board of Directors or the Managing Director came to the conclusion to inflict punishment, particularly when no show-cause notice was issued to the petitioner after the completion of the enquiry. In this manner, there has been violation of the principles of natural justice. He further submitted that another ground as to why the order of dismissal and the appellate order was bad in law was that the punishment order was based upon two enquiries and there had been a wholesale violation of the process which was required to be followed by the Bank. He also submitted that one enquiry report has been attached with the present petition as Annexure P-7, with regard to the enquiry in respect of the Fatehpur Billoch branch. A perusal of the same would show that, while referring to the record, the charges were stated to be proved against the petitioner, whereas neither any evidence was recorded or discussed nor was any opportunity given to the petitioner to rebut or cross-examine anyone. The enquiry officer purely on the basis of the record shown by the presenting officer, came to

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conclusion with respect to various allegations pertaining to embezzlement. A further perusal of the order would show that no reference has been made to any witness as to who proved the aforesaid record, of which he was never given any chance to cross-examine nor to rebut. In a summary manner, the aforesaid charges were stated to be proved, which is therefore in clear violation of the rules as well as the principles of natural justice. The manner in which the enquiry was conducted is evident from the aforesaid enquiry report dated 17.04.1989, and therefore, on this ground, the punishment order could not have been inflicted upon the petitioner.

10. He further submitted that so far as the second enquiry report is concerned, in pursuance of the order passed by this Court dated 09.01.2026 for production of the record, the Bank has produced the record before this Court. While referring to the record pertaining to the second enquiry dated 03.01.1986, which is in vernacular form and relates to the other society, namely Fatehpur Tagga, it would show that neither any reference was made to any witness of the Bank nor of the petitioner. The only basis for proving the charges against the petitioner pertained to the statement made by Sukhbir Singh that he had issued some receipts dated 09.08.1983 but did not take money from the persons who had deposited the amount, and when he subsequently received the money, he deposited the same on 25.04.1985 which according to learned counsel for the Bank, this statement was an admission of fact and, therefore, no enquiry was required. He submitted that it is a settled principle that

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whenever a delinquent officer makes any admission of fact or of the charges against him, a detailed enquiry is not required. However, in the present case, it was not a case of any admission by the petitioner, Sukhbir Singh. He only stated that he had issued receipts without taking money because the depositors did not deposit the money at that time, and when the depositors subsequently deposited the money, he deposited it with the society. This was a matter of evidence which could have been adduced and proved by the Bank by summoning the concerned witnesses and examining the record, which was never done in the present case. In fact, no proper enquiry was conducted, except for the aforesaid statement made by the petitioner, and on the basis of this statement alone, the punishment order of dismissal could not have been passed against him. In this manner, in both the enquiries, the enquiry officers failed to follow the process of law and the principles of natural justice. Both enquiries are, therefore, vitiated, being violative of the principles of natural justice and not only are the impugned orders liable to be set aside but the enquiry reports are also liable to be set aside by this Court.

11. He further submitted that the petitioner, Sukhbir Singh, is now deceased and is being represented by his legal representatives, including his children and widow. He would have attained the age of superannuation in the year 2010, but because of the pendency of the present petition, neither the difference in salary as per the impugned order dated 18.11.1997 nor any other benefits have been granted to the petitioner or his legal representatives. He has therefore prayed for the

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setting aside of the impugned order of dismissal dated 18.11.1997 and the appellate order dated 26.11.1998 (Annexure P-11).

12. On the other hand, learned counsel appearing for the respondent-Bank submitted that its grievance in filing CWP No.3726-1999 pertains to that portion of the impugned order passed by the learned Appellate Authority whereby it was directed to pay salary to the petitioner up to 18.11.1997. He submitted that it is undisputed that after the first order of dismissal was set aside by the Appellate Authority, the petitioner, Sukhbir Singh, was not permitted to join duties and he never performed the duties. Therefore, on the basis of the principle of “no work, no pay”, the petitioner is not entitled to the grant of the aforesaid salary. To the submissions made by the learned counsel for the petitioner-Sukhbir Singh, learned counsel for the respondent-Bank submitted that, so far as the enquiry report pertaining to the Fatehpur Billoch branch, attached with the present petition as Annexure P-7, is concerned, he does not dispute that no reference was made to any witness or to any evidence being recorded. However, as regards the enquiry pertaining to Fatehpur Tagga, which has been produced before this Court today in vernacular form dated 03.01.1986, since the petitioner, Sukhbir Singh, admitted his guilt, as recorded by the enquiry officers, there was no requirement of conducting a full-fledged enquiry. On the basis of this admission of guilt, the enquiry officer recorded that the charges of embezzlement against the petitioner stood proved and on this basis, the punishing authority passed the order of termination, which, therefore, cannot be faulted.

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13. I have heard the learned counsels for the parties.

14. The petitioner, who was earlier charge-sheeted in two charge-sheets, was dismissed on the basis of the aforesaid charge-sheets vide Annexure P-1. On appeal filed by the petitioner, the order of dismissal was set aside by the Registrar, Cooperative Societies, being the appellate authority, on the ground that the petitioner was not supplied with the enquiry report. Thereafter, the petitioner made various requests to the Managing Director of the Bank vide Annexures P-3 to P-5, seeking permission to join duties since the order of dismissal had been set aside, but undisputedly he was not permitted to rejoin service. It was thereafter that a fresh order of dismissal was passed after supplying a copy of the enquiry report to the petitioner. On a query being raised to learned counsel for the respondent-Bank during the course of arguments, as to whether, after the setting aside of the initial order of dismissal and the supply of the enquiry report for the second time, a show-cause notice proposing any penalty was issued to the petitioner or not to which he submitted that as per the record, no such notice was issued. The enquiry report was simply supplied to the petitioner and the petitioner stated that whatever he had stated before the enquiry may be treated as his reply. This Court is of the considered opinion that the mere statement of the petitioner that whatever he had stated before the enquiry officer may be treated as his reply is not sufficient to comply with the procedure and the principles of natural justice. After the enquiry is completed, the competent/punishing authority is bound to issue a second show-cause

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notice to the delinquent employee along with the enquiry report, proposing a penalty. The rationale behind issuing a second show-cause notice is to give the delinquent employee an adequate opportunity to controvert the same in accordance with law. In the absence of such a notice, there is a procedural lapse, resulting in infringement of the rights of the petitioner and violation of the principles of natural justice. Non-issuance of a second show-cause notice is fatal for the respondent-Bank.

15. So far as the enquiry conducted is concerned, it presents a very interesting reading. The enquiry report attached with the present petition as Annexure P-7, pertaining to the Fatehpur Billoch branch, shows that the enquiry officer, on the basis of the record, straightaway held that various charges were proved against the petitioner-Sukhbir Singh. Undisputedly, neither any reference was made to any witness or other record, nor was any opportunity granted to the petitioner to cross-examine any witness, if any, or to rebut the record. A perusal of the aforesaid report shows that the findings were based solely on reference to the record, without giving the petitioner any opportunity to address the charges. Therefore, the enquiry was defective in nature and violative of the principles of natural justice and the process of law. So far as the second enquiry pertaining to Fatehpur Tagga is concerned, a perusal of the record, produced before this Court today in vernacular form, shows that the learned counsel for the Bank has referred to paragraphs of the enquiry report in which it is recorded by the enquiry officer that the

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petitioner, Sukhbir Singh, had issued certain receipts on 09.08.1983. The petitioner stated that he had not received any money from the concerned persons at that time, but later, upon receipt of the money, he deposited the same on 25.04.1985, and also deposited some part of the interest. Learned counsel for the respondent-Bank argued that there was a gap of about two years, and therefore it was a clear case of embezzlement by the petitioner, Sukhbir Singh, since he issued receipts in 1983 but deposited the money only in 1985. However, this Court is of the considered view that the aforesaid statement made by the petitioner cannot tantamount to admission of any guilt. The petitioner stated that when he had issued receipts for some other persons, those persons had not deposited the money at that time but later deposited it and he subsequently deposited the same in the Bank. This aspect ought to have been addressed by adducing evidence through summoning the concerned persons as witnesses to determine the point of time when they deposited the money. A proper enquiry was therefore required to be conducted by the respondent-Bank. Such a statement made by the petitioner, Sukhbir Singh, cannot be treated as an admission of guilt. Consequently, the contention of the learned counsel for the respondent-Bank that no detailed enquiry was required on the basis of the petitioner's alleged admission of guilt is not in accordance with law.

16. The petitioner is now stated to have died, and he is represented by his legal representatives, including his widow and children. This Court is of the considered view that, so far as the petition

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filed by the Bank challenging the portion of the order directing payment of salary up to 18.11.1997 is concerned, no illegality or perversity can be found in that portion of the order in view of the fact that after setting aside of the order of dismissal of the petitioner from service when he requested number of times to the bank to join him duties, the same was not permitted by the bank and therefore it was not the fault of the petitioner-Sukhbir Singh that he did not perform the duties and the principles of “no pay for no work” are not applicable in the present case. Had it been a case that the petitioner himself did not join duties despite the setting aside of the dismissal order then the situation would have been different. However, since the respondent-Bank did not permit him to join duties, the petitioner was entitled to full salary and other benefits for that period. Accordingly, the petition bearing No. CWP-3726-1999 filed by the Bank is hereby dismissed.

17. So far as the petition filed by the petitioner, Sukhbir Singh, is concerned, both enquiries were defective in nature and violative of principles of natural justice. Further, when the matter was remanded and liberty was granted by the appellate authority, no second show cause notice was issued to the petitioner, yet the order of dismissal was passed. This also constitutes a clear violation of the principles of natural justice. Accordingly, both the orders-the impugned order of dismissal dated 18.11.1997 and the order of the appellate authority dated 26.11.1998 to the extent of dismissing the appeal of the petitioner-Sukhbir Singh, are hereby set aside.

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18. The petitioner-Sukhbir Singh, would therefore be entitled to the benefits he would have received had he been alive, as the legal representatives of the petitioner are on record. It has been stated by learned counsels for both parties that the petitioner would have attained the age of superannuation in the year 2010. Therefore, he is entitled to salary and other benefits from 19.11.1997 till he would have attained the age of superannuation. For this part of salary, petitioner will be entitled to 50% of the salary and all other benefits which would have accrued to him shall also be granted on the basis of the aforesaid 50% of the salary. Similarly he will also be entitled to full salary upto 18.11.1997 as per impugned order during which he was not permitted to join duties. The aforesaid total amount shall be paid by respondent No.2-Bank to the widow of the petitioner-Sukhbir Singh, namely Usha Devi, by way of a bank draft within a period of three months from today, along with interest @ 6% per annum (simple). However, there shall be no order as to costs.

(JASGURPREET SINGH PURI)
JUDGE

19.01.2026

shweta

Whether speaking/reasoned : Yes/No
Whether reportable : Yes/No