

REPORTABLE

IN THE SUPREME COURT OF INDIA
CIVIL APPELLATE JURISDICTION

CIVIL APPEAL NO.2265 OF 2011

CHAMOLI DISTRICT CO-OPERATIVE BANK LTD.
THROUGH ITS SECRETARY/MAHAPRANDHAK & ANR. APPELLANT (S)

VERSUS

RAGHUNATH SINGH RANA & ORS. RESPONDENT (S)

J U D G M E N T

ASHOK BHUSHAN, J.

1. This appeal has been filed against the order dated 01.12.2010 of the Division Bench of the High Court of Uttarakhand by which judgment, the writ petition filed by the respondent - Raghunath Singh Rana has been disposed of after quashing the dismissal order dated 01.02.2002. Aggrieved by the judgment, the Chamoli District Co-operative Ltd., is in appeal before this Court.

The short facts necessary for deciding this appeal are: the Chamoli District Co-operative Bank Ltd. (hereinafter referred to as 'the appellant/Bank') is a District Co-operative Bank registered under the U.P. Co-operative Societies Act, 1965 (hereinafter referred to as 'the Act'). The Raghunath Singh Rana, respondent No.1 (hereinafter referred to as 'the employee/Respondent No.1') at the relevant time, was working as a Branch Manager at Ghat Branch of the Chamoli District. A charge

sheet dated 03.07.1992 was issued to the employee leveling 19 charges against him. The employee/respondent No.1 was asked to reply upto 3rd August, 1992. There was allegation against the employee/respondent No.1 that he made payments to the bearers of cheques without its prior collection and made payment to the bearer of the cheque, causing loss to the appellant/Bank. Further charges were that he had not taken any action against the persons concerned and had thus committed serious irregularities. Another set of charges were imputation that the respondent-employee has issued overdrafts/loans against the provision of the Act.

2. The employee/respondent No.1 submitted a reply on 31.07.1992 denying the allegations. On 05.8.1992, an Inquiry Officer was appointed to conduct the inquiry. The Inquiry Officer also submitted a report on 21.09.1992. The employee/respondent No.1 was placed under suspension by order dated 21.10.1992. No further steps were taken on the inquiry report dated 21.09.1992. However, a fresh charge sheet containing the charges which were levelled in the charge sheet dated 03.07.1992 as well as six additional charges was issued on 16.01.1993. The employee/respondent No.1 submitted a reply dated 04.02.1993 to the charge sheet denying the allegations. After submission of the reply by the employee/respondent No.1, a show-cause notice was issued to the petitioner by the District Co-operative Bank Ltd. dated 04.05.1993 asking the employee/respondent No.1 to submit a reply, failing which action under Regulation 84 of the U.P. Co-operative Societies Employees Service Regulations Act, 1975

was to be taken. The Disciplinary Authority passed a Resolution dated 11.07.2000 that charges against the employee/respondent No.1 have been proved and further action to be taken. The Disciplinary Authority passed an order on 01.02.2002, dismissing the employee/respondent No.1 with immediate effect. Aggrieved by dismissal order, writ petition was filed by the employee-respondent No.1 praying for quashing the order dated 01.02.2002 with further prayer that employee/respondent No.1 be reinstated in service with full back wages and salary.

3. The employee/respondent No.1's case in the writ petition was that after receipt of the charge sheet dated 18.01.1993, reply was submitted by the employee but without holding an inquiry, the Disciplinary Authority took a decision to dismiss the petition. No Inquiry have been held as provided by statutory regulations, hence, the entire proceedings are liable to be set aside.

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4. The appellant-Bank filed a counter affidavit in the writ petition. In the counter affidavit no inquiry report subsequent to charge sheet dated 18.01.1993 was referred to.

5. The Division Bench of the High Court heard the matter and vide judgment dated 01.12.2010 quashed the dismissal order. The Division Bench took the view that dismissal orders have been passed without holding an inquiry which deserves to be set aside.

6. Learned senior counsel appearing for the appellant-Bank contends that Inquiry Officer had issued a letter dated 11.09.1992 to the employee/respondent No.1 asking the employee/respondent No.1 to appear on 18.09.1992 at 10.00 AM, but employee/respondent No.1 failed to appear in the inquiry, hence, the view of the High court that no inquiry was held is not correct. He further submits that inquiry report dated 21.09.1992 was submitted by the Inquiry Officer which has been brought on record as Annexure P3. Learned counsel for the appellant-Bank further submits that there were serious allegations against the employee/respondent No.1 on the basis of which the employee/respondent No.1 was dismissed from service.

7. It is further contended that First Information Reports have been lodged against the employee/respondent No.1 and criminal cases are pending.

8. We have considered the submissions and perused the record.

9. The statutory regulations have been framed under the Act, namely, U.P. Co-operative Societies Employees Service Regulations, 1975, which regulations are applicable with regard to the conduct of Disciplinary enquiry against the employee/respondent No.1 and where governing the field at the relevant time. Regulation 84, Chapter-VII of the Regulation deals

with Penalties, Regulation 85 deals with Disciplinary proceedings, and Regulation 86 deals with Appeal. Regulation 85 which deals with Disciplinary proceedings, is as follows:-

"85. Disciplinary Proceedings.-

(i) The disciplinary proceedings against an employee shall be conducted by the Inquiring Officer (referred to in clause (iv) below) with due observance of the principles of natural justice for which it shall be necessary -

(a) The employee shall be served with a charge-sheet containing specific charges and mention of evidence in support of each charge and he shall be required to submit explanation in respect of the charges within reasonable time which shall not be less than fifteen days;

(b) Such an employee shall also be given an opportunity to produce at his own cost or to cross-examine witnesses in his defence and shall also be given an opportunity of being heard in-person, if he so desires;

(c) If no explanation in respect of charge sheet is received or the explanation submitted is unsatisfactory, the competent authority may award him appropriate punishment considered necessary.

(ii)(a) Where an employee is dismissed or removed from service on the ground of conduct which has led to his conviction on a criminal charge; or

(b) Where the employee has absconded and his whereabouts are not known to the society for more than three months; or

(c) Where the employee refuses or fails without sufficient cause to appear before the Inquiring Officer when specifically called upon in writing to appear; or

(d) Where it is otherwise (for reasons to be recorded) not possible to communicate with him, the competent authority may award appropriate punishment without taking or continuing disciplinary proceedings.

(iii) Disciplinary proceedings shall be taken by the society against the employee on a report made to this

effect by the inspecting authority or an officer of the society under whose control the employee is working.

(iv) The inquiring officer shall be appointed by the appointing authority or by an officer of the society authorised for the purpose by the appointing authority:

Provided that the officer at whose instance disciplinary action was started shall not be appointed as an inquiring officer nor shall the inquiring officer be the appellate authority.

....."

10. From the facts, as noted above, it is clear that charge sheet dated 03.07.1992 was issued to the employee/respondent No.1 to which he submitted a reply on 31.07.1992. Inquiry report dated 21.09.1992 was issued and submitted. However, without proceeding any further on the basis of the inquiry report dated 21.09.1992, a fresh charge sheet dated 18.01.1993 was issued to the employee/respondent No.1 containing 24 charges. The employee/respondent No.1 was asked to submit a reply within 15 days. Reply to the subsequent charge sheet was again filed by the employee/respondent No.1 on 04.02.1993. The second charge sheet having been issued on 18.01.1993 which included all the charges which were contained in the earlier charge sheet, the earlier proceedings consequent to charge sheet dated 03.07.1992 stood abandoned. The appellant-Bank decided to proceed with the Disciplinary Inquiry on the basis of charge sheet dated 18.01.1993. After 18.01.1993 charge sheet reply was submitted by the employee/respondent No.1 on 04.02.1993 but there is no material on the record brought by the appellant-Bank indicating that any inquiry proceedings were conducted.

11. It is relevant to note that in the writ petition filed by the employee/respondent No.1, specific averments were made that disciplinary proceedings against him were conducted in violation of principles of natural justice and against the procedure prescribed in Regulation 85, which averments were made in paragraphs 19 and 25 of the writ petition, to the following effect:-

"19. That since the whole of the procedure adopted in conducting of the disciplinary proceeding is against the principle of natural justice and procedure mention in regulation 85, In fact, no inquiry worth to name has been conducted by the respondents. The so called inquiry was a mere eye-wash. It is a farce and fraud played on the statutory rights of the petitioner."

25. That the disciplinary proceeding held against the petitioner was not conducted in accordance with the provisions of natural justice and procedure prescribed under the Regulations of 1975. Serious objections were raised by the petitioner through his replies dated 31.07.1993, 04.02.1993 and 21.03.1993 but no heed was given to the objections raised by the petitioner. Once the charge sheet has been issued to the petitioner, second charge sheet cannot be sent by the Inquiry Officer in the same disciplinary proceeding. But this objections was also not considered by the Inquiry Officer or disciplinary authority. After the reply dated 04.02.1993 to the charge-sheet dated 18.01.1993, no inquiry was held by the Inquiry Officer. Instead of holding the inquiry in accordance with the provisions, the disciplinary authority sent the letter dated 04.05.1993 saying that the charges were proved against the petitioner. Between 18.01.1993 to 04.05.1993 no inquiry was held and the petitioner was never called upon to cross examine the witnesses. No records or documents which the petitioner has requested to inspect were summon or made available to the petitioner. Even these documents were not available to the petitioner. Even those documents were not inspected or considered by the disciplinary authority and inquiry officer. The way the Disciplinary Proceeding were conducted it cost serious doubt and aspersion against the respondents. It

appears that before the conduct of the inquiry the respondents made up their mind to get rid of the petitioner and for that reason they have conducted the inquiry in such a perfunctory manner, which is not known to services jurisprudence."

12. In the counter affidavit, the averments made in paragraph 19 and 25 were replied by the appellant-Bank in paragraph 18 and 24, which are to the following effect:-

"18. That in reply to the contents of para nos.18 & 19 of the writ petition it is submitted that the grounds on which the charges issued were found proved was supplied to the petitioner vide letter no.251-52 annexure no.7 to the writ petition, instead of a copy of the enquiry report. The letter of charges serves the purpose of an enquiry report. That it is incorrect to say that no reasonable opportunity was given to the petitioner by the Inquiry Officer a letter dated 6-1-93 Annexure No.5 to the writ petition was sent to the petitioner to know whether he wanted to be cross-examined by his witnesses, but the petitioner did not want any such opportunity. Further, the petitioner was directed to appear before the committee of management in person, but he did not appear at all. Another opportunity was given as per resolution no.14 dated 25.11.1993 which was also not available by him. Petitioner was again given an opportunity to appear before the committee on 3-8-2000 Annexure No.10 to the writ petition to explain his case personally, but he did not appear. It is therefore, totally false to say that no opportunity of being heard was given to the petitioner. Copy of the resolution no.14 dated 25.11.1993 is annexed herewith and is marked as Annexure No. CA.5 to this counter affidavit."

24. That the contents of para nos.25, 26, 27 & 28 of the writ petition are denied. It is incorrect to say that the second charge sheet dated 18-1-93 was sent in the same disciplinary proceedings as a matter of fact this was the first and the only chargesheet issued. Disciplinary proceedings were initiated on 21.10.92 and, therefore, charge sheet was issued to the petitioner on 18.1.93 to which reply was submitted by the petitioner on 4.2.93. It is wrong to allege that records were not made available to the petitioner as the petitioner did not want to refer to any record and he did not make any request even during the course of the cross examination

of the witness. It is further incorrect to state that opportunity was not given to the petitioner. That the answering respondent is justified in dismissing the services of the petitioner as heavy loss of Rs.35,00,000/- approximately was caused to the bank, exceeding all his powers and overlooking all the norms laid down by the bank in making unsecured advances to various customers/parties. Therefore, the order of the respondents dismissing the services of the petitioner is lawful and in the interest of justice and the writ petition of the petitioner is liable to be dismissed on this ground alone."

13. As noted above, learned counsel for the appellant/Bank has referred to the letter issued by the Inquiry Officer dated 11.09.1992, calling the employee/respondent No.1 to appear before the Inquiry Officer on 18.09.1992. The inquiry report dated 21.09.1992 mentioned that the employee/respondent No.1 did not appear, hence the inquiry report was submitted. The letter dated 11.09.1992 and the inquiry report dated 21.09.1992 loses all its importance when the bank decided to issue a fresh charge sheet on 18.11.1993 which includes all earlier charges. The petitioner submitted a reply on 04.02.1993 but thereafter no inquiry proceeding seems to have taken place. The employee/respondent No.1 made a specific complaint that inquiry proceeding has not been held and there is violation of Regulation 85. No specific reply have been made, by the appellant/bank referring to any inquiry proceeding before the Inquiry Officer or the date of any inquiry.

14. As noted above, Regulation 85 is a statutory Regulation according to which an opportunity to the employee to produce at his own cost or to cross-examine witnesses in his defence and

shall also be given an opportunity of being heard in person, if he so desires. Regulation 85 (i) (b) is specifically mandates the said requirements.

15. From the pleadings and the materials on record, it is clear that no inquiry was conducted by the appellant/Bank in conformity with Regulation 85 (i) (b) after issuance of charge sheet dated 16.01.1993. The High Court has set aside the dismissal order after coming to the conclusion that without holding an inquiry the employee/respondent No.1 has been dismissed. No materials have been brought in the appeal to indicate that any inquiry was conducted or inquiry report was submitted subsequent to the charge sheet dated 16.01.1993.

16. Learned counsel for the appellant/Bank has submitted that in the Resolution passed by the Disciplinary Authority that inquiry report has been mentioned.

17. Imposing of any penalty on an employee of the bank that too major penalty of dismissal from service can only be done after following the statutory provisions governing the disciplinary proceedings.

18. It is also relevant to note that after submission of reply dated 04.02.1993, Disciplinary Authority issued a show-cause notice on 04.05.1993 asking the employee/respondent No.1 to submit his reply. When the Inquiry Officer was appointed,

conducting of the inquiry was mandatory and without conducting of an inquiry and without any inquiry report having been served on the employee/respondent No.1, Disciplinary Authority could not have proceeded to impose any punishment. The compliance of principles of natural justice by the appellant-Bank is not a mere formality, more so when the statutory provisions specifically provides that disciplinary proceedings shall be conducted with due observations of the principles of natural justice.

19. The compliance of natural justice in domestic/disciplinary inquiry is necessary has long been established. This Court has held that even there are no specific statutory rule requiring observance of natural justice, the compliance of natural justice is necessary. Certain ingredients have been held to be constituting integral part of holding of an inquiry. The Apex Court in Sur Enamel and Stamping Works Pvt. Ltd. v. Their Workmen reported in (1964) 3 SCR 616 has laid down following:-

"... An enquiry cannot be said to have been properly held unless, (i) the employee proceeded against has been informed clearly of the charges levelled against him, (ii) the witnesses are examined - ordinarily in the presence of the employee - in respect of the charges, (iii) the employee is given a fair opportunity to cross-examine witnesses, (iv) he is given a fair opportunity to examine witnesses including himself in his defence if he so wishes on any relevant matter, and (v) the inquiry officer records his findings with reasons for the same in his report."

20. The Apex Court again in State Bank of India Vs. R.K. Jain and Ors., reported in (1972) 4 SCC 304 held that if an inquiry is

vitiated by violation of principles of natural justice or if no reasonable opportunity was provided to the delinquent to place his defence, it cannot be characterized as a proper domestic inquiry held in accordance with the rules of natural justice. In paragraph 23, the following was laid down:-

".....As emphasised by this Court in *Ananda Bazar Patrika (P) Ltd. v. Its Workmen*, (1964) 3 SCR 601, the termination of an employee's service must be preceded by a proper domestic inquiry held in accordance with the rules of natural justice. Therefore, it is evident that if the inquiry is vitiated by violation of the principles of natural justice or if no reasonable opportunity was provided to a delinquent to place his defence, it cannot be characterized as a proper domestic inquiry held in accordance with the rules of natural justice....."

21. The Apex Court in *State of Uttranchal & Ors. Vs. Kharak Singh* reported in (2008) 8 SCC 236 had occasion to examine various contours of natural justice which need to be specified in a departmental inquiry. The Apex Court noticed earlier judgments where principles were laid down as to how inquiry is to be conducted. It is useful to refer paragraphs 9, 10, 11, 12, 13 and 15, which are to the following effect:-

"....9. Before analyzing the correctness of the above submissions, it is useful to refer various principles laid down by this Court as to how enquiry is to be conducted and which procedures are to be followed.

10. The following observations and principles laid down by this Court in *Associated Cement Co. Ltd. vs. The Workmen and Anr.* [1964] 3 SCR 652 are relevant:

"... .. In the present case, the first serious infirmity from which the enquiry suffers proceeds from the fact that the three enquiry officers claimed that they themselves had witnessed the alleged misconduct of Malak Ram. Mr. Kolah contends that if the Manager and the other officers saw Malak Ram committing the act of misconduct, that itself would not disqualify them from holding the

domestic enquiry. We are not prepared to accept this argument. If an officer himself sees the misconduct of a workman, it is desirable that the enquiry should be left to be held by some other person who does not claim to be an eye-witness of the impugned incident. As we have repeatedly emphasised, domestic enquiries must be conducted honestly and bona fide with a view to determine whether the charge framed against a particular employee is proved or not, and so, care must be taken to see that these enquiries do not become empty formalities. If an officer claims that he had himself seen the misconduct alleged against an employee, in fairness steps should be taken to see that the task of holding an enquiry is assigned to some other officer. How the knowledge claimed by the enquiry officer can vitiate the entire proceedings of the enquiry is illustrated by the present enquiry itself.

..... It is necessary to emphasise that in domestic enquiries, the employer should take steps first to lead evidence against the workman charged, give an opportunity to the workman to cross-examine the said evidence and then should the workman be asked whether he wants to give any explanation about the evidence led against him. It seems to us that it is not fair in domestic enquiries against industrial employees that at the very commencement of the enquiry, the employee should be closely cross-examined even before any other evidence is led against him. In dealing with domestic enquiries held in such industrial matters, we cannot overlook the fact that in a large majority of cases, employees are likely to be ignorant, and so, it is necessary not to expose them to the risk of cross-examination in the manner adopted in the present enquiry proceedings. Therefore, we are satisfied that Mr. Sule is right in contending that the course adopted in the present enquiry proceedings by which Malak Ram was elaborately cross-examined at the outset constitutes another infirmity in this enquiry."

11) In *ECIL v. B. Karunakar* (1993) 4 SCC 727, it was held:

"(1) Where the enquiry officer is other than the disciplinary authority, the disciplinary proceedings break into two stages. The first stage ends when the disciplinary authority arrives at its conclusions on the basis of the evidence, enquiry officer's report

and the delinquent employee's reply to it. The second stage begins when the disciplinary authority decides to impose penalty on the basis of its conclusions. If the disciplinary authority decides to drop the disciplinary proceedings, the second stage is not even reached.

While the right to represent against the findings in the report is part of the reasonable opportunity available during the first stage of the inquiry viz., before the disciplinary authority takes into consideration the findings in the report, the right to show cause against the penalty proposed belongs to the second stage when the disciplinary authority has considered the findings in the report and has come to the conclusion with regard to the guilt of the employee and proposes to award penalty on the basis of its conclusions. The first right is the right to prove innocence. The second right is to plead for either no penalty or a lesser penalty although the conclusion regarding the guilt is accepted. It is the second right exercisable at the second stage which was taken away by the Forty-second Amendment. The second stage consists of the issuance of the notice to show cause against the proposed penalty and of considering the reply to the notice and deciding upon the penalty. What is dispensed with is the opportunity of making representation on the penalty proposed and not of opportunity of making representation on the report of the enquiry officer. The latter right was always there. But before the Forty-second Amendment of the Constitution, the point of time at which it was to be exercised had stood deferred till the second stage viz., the stage of considering the penalty. Till that time, the conclusions that the disciplinary authority might have arrived at both with regard to the guilt of the employee and the penalty to be imposed were only tentative. All that has happened after the Forty-second Amendment of the Constitution is to advance the point of time at which the representation of the employee against the enquiry officer's report would be considered. Now, the disciplinary authority has to consider the representation of the employee against the report before it arrives at its conclusion with regard to his guilt or innocence in respect of the charges.

* * *

Article 311(2) says that the employee shall be given a "reasonable opportunity of being heard in respect

of the charges against him". The findings on the charges given by a third person like the enquiry officer, particularly when they are not borne out by the evidence or are arrived at by overlooking the evidence or misconstruing it, could themselves constitute new unwarranted imputations. The proviso to Article 311(2) in effect accepts two successive stages of differing scope. Since the penalty is to be proposed after the inquiry, which inquiry in effect is to be carried out by the disciplinary authority (the enquiry officer being only his delegate appointed to hold the inquiry and to assist him), the employee's reply to the enquiry officer's report and consideration of such reply by the disciplinary authority also constitute an integral part of such inquiry.

Hence, when the enquiry officer is not the disciplinary authority, the delinquent employee has a right to receive a copy of the enquiry officer's report before the disciplinary authority arrives at its conclusions with regard to the guilt or innocence of the employee with regard to the charges levelled against him. That right is a part of the employee's right to defend himself against the charges levelled against him. A denial of the enquiry officer's report before the disciplinary authority takes its decision on the charges, is a denial of reasonable opportunity to the employee to prove his innocence and is a breach of the principles of natural justice."

12) In *Radhey Shyam Gupta vs. U.P. State Agro Industries Corporation Ltd. and Another*, (1999) 2 SCC 21, it was held:

"34. But in cases where the termination is preceded by an enquiry and evidence is received and findings as to misconduct of a definitive nature are arrived at behind the back of the officer and where on the basis of such a report, the termination order is issued, such an order will be violative of the principles of natural justice inasmuch as the purpose of the enquiry is to find out the truth of the allegations with a view to punish him and not merely to gather evidence for a future regular departmental enquiry. In such cases, the termination is to be treated as based or founded upon misconduct and will be punitive. These are obviously not cases where the employer feels that there is a mere cloud against the employee's conduct but are cases where the employer has virtually accepted the definitive and clear findings of the enquiry officer, which are all arrived at behind the back of the employee -- even though such acceptance

of findings is not recorded in the order of termination. That is why the misconduct is the foundation and not merely the motive in such cases."

13) In *Syndicate Bank and Others vs. Venkatesh Gururao Kurati*, (2006) 3 SCC 150, the following conclusion is relevant:

"18. In our view, non-supply of documents on which the enquiry officer does not rely during the course of enquiry does not create any prejudice to the delinquent. It is only those documents, which are relied upon by the enquiry officer to arrive at his conclusion, the non-supply of which would cause prejudice, being violative of principles of natural justice. Even then, the non-supply of those documents prejudice the case of the delinquent officer must be established by the delinquent officer. It is well-settled law that the doctrine of principles of natural justice are not embodied rules. It cannot be put in a straitjacket formula. It depends upon the facts and circumstances of each case. To sustain the allegation of violation of principles of natural justice, one must establish that prejudice has been caused to him for non-observance of principles of natural justice."

15. From the above decisions, the following principles would emerge:

i) The enquiries must be conducted bona fide and care must be taken to see that the enquiries do not become empty formalities.

ii) If an officer is a witness to any of the incidents which is the subject matter of the enquiry or if the enquiry was initiated on a report of an officer, then in all fairness he should not be the Enquiry Officer. If the said position becomes known after the appointment of the Enquiry Officer, during the enquiry, steps should be taken to see that the task of holding an enquiry is assigned to some other officer.

(iii) In an enquiry, the employer/department should take steps first to lead evidence against the workman/delinquent charged and give an opportunity to him to cross-examine the witnesses of the employer. Only thereafter, the workman/delinquent be asked whether he wants to lead any evidence and asked to give any explanation about the evidence led against him.

(iv) On receipt of the enquiry report, before proceeding further, it is incumbent on the

part of the disciplinary/punishing authority to supply a copy of the enquiry report and all connected materials relied on by the enquiry officer to enable him to offer his views, if any."

22. From the proposition of law, as enunciated by Apex Court as noted above, and the facts of the present case, we arrive at the following conclusions:-

(a) After service of charge sheet dated 16.01.1993 although the petitioners submitted his reply on 04.02.1993 but neither Inquiry Officer fixed any date of oral inquiry nor any inquiry was held by the Inquiry Officer.

(b) Mandatory requirement of a disciplinary inquiry i.e. is holding of an inquiry when the charges are refuted and serving the inquiry report to the delinquent has been breached in the present case.

(c) The employee/respondent No.1 having not been given opportunity to produce his witnesses in his defence and having not been given an opportunity of being heard in person, the statutory provisions as enshrined in Regulation 85 (i) (b), have been violated.

(d) The Disciplinary Authority issued show case notice dated 04.05.1993 to the employee/respondent No.1 without holding of an inquiry and subsequent resolution by Disciplinary Authority taken

in the year 2000 without their being any further steps is clearly unsustainable. The High Court has rightly quashed the dismissal order by giving liberty to the bank to hold de-novo inquiry within a period of six months, if it so desires.

(e) The bank shall be at liberty to proceed with the Disciplinary Inquiry as per directions of the High Court in paragraph (1) of the judgment. The High Court has already held that petitioner shall be deemed to be under suspension and shall be paid suspension allowance in accordance with rules.

23. In view of the foregoing discussion and our conclusion, as noted above, we do not find any merit in this appeal. In the result, the appeal is dismissed.

.....J.
(ABHAY MANOHAR SAPRE)

JUDGMENT

NEW DELHI
MAY 17, 2016

.....J.
(ASHOK BHUSHAN)