THE CENTRAL GOVERNMENT INDUSTRIAL TRIBUNAL, JABALPUR

CGIT/LC/R/88/2018
Present: P.K.Srivastava
H.J.S..(Retd)

Shri Ram Bahori Verma,
S/o Shri Mahaveer Prasad Verma,
R/o Village- Barouli
Post-jaba Tahsil- Tyothar
Dist. Rewa (M.P)-486223

Workman

Versues

1. **Madhyanchal Gramin Bank,**
   through its General Manager Head Office,
   Poddar Coloni, Tili road,
   Sagar Distt. Sagar (M.P)-470002

2. **Madhyanchal Gramin Bank,**
   through its Disciplinary Authority,
   Head Office, Poddar Coloni, till road,
   Sagar Dist. Sagar (M.P) - 470002

3. **The Chairman,**
   Madhyanchal Gramin Bank,
   Head Office Poddar Coloni,
   Till road, Sagar Dist.Sagar (M.P) - 470002

Management

AWARD

(Passed on this 13th day of July, 2026)

As per letter dated 31.10.2018 by the Government of India, Ministry of Labour, New Delhi, the reference is made to this Tribunal under Section-10 of Industrial Disputes Act, 1947 (in short the 'Act')as per Notification No. **L-12012/21/2018 (IR(B-I))** dt 31.10.2018. The dispute under reference relates to:

"***Whether the action of the management of Madhyanchal Grameen Bank, in inflicting the punishment of" removal***

from services" on Shri Ram Bahori Verma S/o Shri Mahaveer Prasad Verma vide letter dated 26.06.2009 is legal and justified? If not, what relief the workman is entitled to?”

Notices were sent to the parties on the basis of reference. They appeared and filed their respective statement of claim.

Case of the workman is mainly that, he was working as an Office Assistant in the Sitalha branch of the Bank Distt. Rewa, he was alleged to have misbehaved with the Branch Manager. He was suspended vide order dated 26.06.2009 by the Bank on these allegations against him. He was issued a memo on 29.09.2009 by the Disciplinary Authority, seeking him to show cause why not disciplinary proceedings be initiated against him with regards to his alleged misbehavior with the Branch Manager Shri M.L. Gupta and handing over the keys of the Safe of the Bank to the Branch Manager without following the procedure, resulted into loss of Rs. 8,21,100/- as shortage in cash. He submitted his clarification on 14.10.2009, denying the allegations and said that due to suspension order issued against him, the Branch Manager M.L. Gupta directed him to deposit the Safe keys with him, thereafter he handed him the Safe keys, hence the sole responsibility of any cash shortage lies on the Branch Manager M.L. Gupta who had both the keys at the time when the Safe was opened for physical verification of Cash with Cashbook. He was issued a charge sheet on 24.07.2010 by the Disciplinary Authority, alleging his role in shortage of cash with the Branch amounting to Rs. 8,21,100/- which was as per Cash Balance Book, whereas on physical verification only cash Rs. 67,126 was found in the Safe. He again submitted his clarification dated 07.08.2010 with respect to charge sheet dated 24.07.2010 denying the charges on 21.04.2011, the Disciplinary Authority issued a charge sheet with allegations of grave misconduct said to have committed by him details as follows –

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6. [illegible]

7. [illegible]

8. [illegible],

And was directed to submit his clarification within 10 days. He did submit his reply to the charge sheet dated 21.04.2011 on 09.05.2011, in which he again stated that there was cash balance of Rs. 8,87,226/- as per Cash Book Register which was kept in the Safe, jointly operated by him and the Branch Manager, both had one key of the Safe and Safe could be opened only when both the keys were applied to it. He further stated that, he had handed over the keys of the Safe to the Branch Manager on 26.07.2009, after receiving his suspension letter on direction of the Branch Manager and the Safe was opened for physical verification on 27.06.2009 by applying both the keys, which were with the Branch Manager, hence he could not be held liable for any shortage in the Safe and only the Branch Manager could explain it because he had both the keys with him. He further stated that, he deposited Rs. 1,30,000/- on 02.07.2009 due to Police pressure, who threatened to arrest him if the amount was not deposited. He also stated that, regarding allegations against him with respect to deposit of account holder Shiv Narayan Gupta amounted Rs. 20,000/-, he said that the account holder did not make any complain in this respect. According to the workman, the enquiry which was conducted against him is unjust and improper, the charges were wrongly held proved against him and the punishment is also disproportionate to the charges. He has further prayed that this action of Management Bank is unjust, illegal and arbitrary and has requested that by setting aside the punishment order, he be reinstated with back wages and benefits.

The Management Bank has taken a case that, at the relevant time, the workman was working as Office Assistant, on the post of Cashier in the Branch, Shri M.L. Gupta was the Branch Manager, the Branch contained only staff i.e. the Branch Manager and the Cashier. On 26.06.2009 at about 05 PM, the workman went out of the Branch and came back after consuming Alcohol, he misbehaved with the Branch Manager M.L. Gupta and threw on ground the Branch telephone in presence of customers. Under instructions from Head Office, he was suspended by the Branch Manager on 26.06.2009, this order was served on him on next the next day morning i.e. 27.06.2009, when he came to the Branch. He did not acknowledge the order of the suspension and left the Branch without handing over cash, he kept the keys on the table of the Branch Manager. Since, the Branch contained only two employees and the workman left the Branch without permission, the Branch Manager M.L. Gupta had to discharge the duties of cahier on 27.06.2009. When he opened the Safe (currency chest) for verification of cash, the available cash was recorded in the Cash Book Register was Rs. 8,87,226/- whereas the cash found in the Currency Chest was short by Rs. 8,21,100/-. It is further the case of the Management Bank that, the cash holding limit of the Branch was only 04 Lacs and the Branch Manager as well the workman were joint custodians of the cash, on many days cash was found in excess of the limit, the current amount was maintained with Union Bank of India Branch Jawa, cash was withdrawn on many occasions from the current account through Cheques in spite of the fact that there was sufficient cash available with the Branch on 15.06.2009 and 23.06.2009, the Union Bank branch was in need of remittance of Rs. 10 Lacs, but the fact that there was a sufficient cash available with the Branch, the Applicant and the Branch Manager paid only Rs. 5 Lacs and 10 Lacs to the Union Bank under pretext of shortage of cash with the Branch. It was also found that the Branch Manager M.L. Gupta was in active collusion with workman in all his misconducts and to hide their misconducts, the facts were not reported to the Head Office. Further, according to Bank, one customer Shiv Narayan Gupta, handed over cash Rs. 20,000/- to the Applicant workman on 29.05.2009, to be deposited in his account. The Applicant Workman received the cash, made entry in the passbook of the Account Holder, handed over the deposit slip under his seal and signature but did not deposit with the Bank and did not made entry in this respect in the relevant registers. He kept this amount with him. On 12.06.2009 when the Account holder come to withdraw Rs. 17,000/-, he found that there was no entry with respect to Rs. 20,000/-, which he deposited on 29.05.2009. He made a complaint in this respect, thereafter the workman made good deficit by way of depositing amount in the account of the Account Holder. The workman was issued a charges of misconduct with respect to these allegations, enquiry was proceeded against him after his reply on the show cause notice with respect to the charge sheet was found not satisfactory.

He was given full opportunity to defend himself during the enquiry. He cross-examined Management witnesses and produced his defense witness also. The Enquiry Officer filed his enquiry report holding the charges proved. The Disciplinary Authority concluded with the findings and after finding the reply of the workman on show cause notice issued by Disciplinary Authority with the copy of enquiry report not satisfactory, he was awarded punishment of removal from service, which is proportionate to the charges proved. The Management has requested that the reference be answered against the workman.

A preliminary issue was framed vide order dated 10.08.2022 which is as follows –

Whether, the enquiry conducted against the workman is just, proper and legal?

On the basis of evidence on record, the preliminary issued was decided vide order dated 18.02.2025, the enquiry was held just, legal and proper. This order is part of this Judgment and Award.

Following additional issues were framed, which is as follows –

1. ***Whether, the misconduct is proved in the findings of the enquiry?***
2. ***Whether, the punishment imposed is just and proper?***

Parties were granted opportunity to lead evidence on additional issues.

No evidence was filed. The workman did not appear in the case even at the time of hearing of preliminary issue and thereafter, he has not filed any affidavit, he has filed documents with respect to charge of enquiry as well punishment order, admitted by the Management Bank.

The Management Bank has filed affidavit of its witness as his examination in chief. No cross-examination has been done by the workman.

None appeared on behalf of the workman at the time of argument. I have heard argument of Learned Counsel for Management Bank Mr. Vijay Tripathi and have gone through the record. Management has filed written submissions also, which are part of record. I have gone through the written submissions as well.

Additional Issue No. 1 –

The charges have been detailed earlier. I have gone through the Enquiry proceedings, the evidence of the Management witness as well documents perused in the enquiry and the enquiry report, it comes out from the perusal of the enquiry related documents that, the Enquiry Officer had recorded findings that, the entry of Cash balance was mentioned in the Cash Balance Book on 26.06.2009, which was returned by the workman and this fact is not disputed. The Workman was suspended in the morning of 27.06.2009 and the order was served on him by the Manager in the morning itself. The workman left the Branch, leaving the keys of the Safe at the table of the Branch Manager and this fact is also not disputed. This action of the workman is in violation of Circular of Bank, Circular No. 144/1980, hence a misconduct, which is also established according to the Enquiry Officer and I did not have any occasion to disagree with these findings that there was deficiency in Cash. Since, the Branch Manager and the Workman Cashier, both were liable for opening of the Safe, hence both are liable for the deficiency. This is also established from evidence that, on many occasions (details mentioned in the evidence of the witness) the cash was found beyond its limit in the Branch. Again both the Branch Manager and the Cashier workman were responsible to ensure that cash did not exceed beyond its limit. Hence, maintaining of cash beyond limit in the Branch is also a misconduct and disobedience of instructions in this respect. I find no occasion to disagree with the findings of the Enquiry Officer that the Workman had received Rs. 20,000/- from account holder Shiv Narayan Gupta, he made entry in this respect in his pass-book and handed over him a deposit slip signed and sealed by him, but he did not deposit it with the Bank and did not make entry in the relevant registers. This fact was revealed when the Account holder applied for withdrawal of Rs. 17,000/- on 12.06.2009, then the workman made good deficit, **hence the findings of the Enquiry Officer with respect to proof of charges are held not perverse.**

Additional Issue No. 1 stands answered accordingly.

Additional Issue No. 2 –

The charges proved are serious misconduct and are acts of moral turpitude and punishment is of dismissal from service. Learned Counsel for Management Bank has relied on following Judgments in this respect, which are being reproduced as follows –

1.The Hon'ble Supreme Court has held in the case of SBI v. Narendra Kumar Pandey, reported in (2013) 2 SCC 740: (2013) 1 SCC (L&S) 459 that:-

> ***22. We are of the view that the High Court also committed an error in holding that since no witness was examined in support of the charges; it was a case of no evidence. In an ex parte inquiry, in our view, if the charges are borne out from the documents kept in the normal course of business, no oral evidence is necessary to prove those charges. When the charged officer does not attend the inquiry, then he cannot contend that the inquiring authority should not have relied upon the documents which were not made available or disclosed to him. Of course, even in an ex parte inquiry, some evidence is necessary to establish the charges, especially when the charged officer denies the charges, uncontroverted documentary evidence in such situation is sufficient to prove the charges.***

2.The Hon'ble Supreme Court has held in the case of State Bank of Bikaner & Jaipur v. Nemi Chand Nalwaya, reported in (2011) 4 SCC 584: (2011) 1 SCC (L&S) 721 that:

> ***8. When a court is considering whether the punishment of "termination from service" imposed upon a bank employee is shockingly excessive or disproportionate to the gravity of the proved misconduct, the loss of confidence in the employee will be an important and relevant factor. When an unknown person comes to the bank and claims to be the Account-holder of a long inoperative Account, and a bank employee, who does not know such person, instructs his colleague to transfer the Account from "dormant" to "operative"***

category (contrary to the instructions regulating dormant Accounts) without any kind of verification, and accepts the money withdrawal form from such person, gets a token and collects the amount on behalf of such person for the purpose of handing it over to such person, he in effect enables such unknown person to withdraw the amount contrary to the banking procedures; and ultimately, if it transpires that the person who claimed to be the Account-holder was an impostor, the bank cannot be found fault with if it says that it has lost confidence in the employee concerned. A bank is justified in contending that not only the employees who are dishonest, but those who are guilty of gross negligence, are not fit to continue in its service.

3. The Hon'ble Supreme Court has held in the case of <u>B.C. Chaturvedi v. Union of India, reported in (1995) 6 SCC 749</u> that:-

12. Judicial review is not an appeal from a decision but a review of the manner in which the decision is made. Power of judicial review is meant to ensure that the individual receives fair treatment and not to ensure that the conclusion which the authority reaches is necessarily correct in the eye of the court. When an inquiry is conducted on charges of misconduct by a public servant, the Court/Tribunal is concerned to determine whether the inquiry was held by a competent officer or whether rules of natural justice are complied with. Whether the findings or conclusions are based on some evidence, the authority entrusted with the power to hold inquiry has jurisdiction, power and authority to reach a finding of fact or conclusion. But that finding must be based on some evidence. Neither the technical rules of Evidence Act nor of proof of fact or evidence as defined therein, apply to disciplinary proceeding. When the authority accepts that evidence and conclusion receives support therefrom, the disciplinary authority is entitled to hold that the delinquent officer is guilty of the charge. The Court/Tribunal in its power of judicial review does not act as appellate authority to

reappreciate the evidence and to arrive at its own independent findings on the evidence. The Court/Tribunal may interfere where the authority held the proceedings against the delinquent officer in a manner inconsistent with the rules of natural justice or in violation of statutory rules prescribing the mode of inquiry or where the conclusion or finding reached by the disciplinary authority is based on no evidence. If the conclusion or finding be such as no reasonable person would have ever reached, the Court/Tribunal may interfere with the conclusion or the finding, and mould the relief so as to make it appropriate to the facts of each case.

18. A review of the above legal position would establish that the disciplinary authority, and on appeal the appellate authority, being fact-finding authorities have exclusive power to consider the evidence with a view to maintain discipline. They are invested with the discretion to impose appropriate punishment keeping in view the magnitude or gravity of the misconduct. The High Court/Tribunal, while exercising the power of judicial review, cannot normally substitute its own conclusion on penalty and impose some other penalty. If the punishment imposed by the disciplinary authority or the appellate authority shocks the conscience of the High Court/Tribunal, it would appropriately mould the relief, either directing the disciplinary/appellate authority to reconsider the penalty imposed, or to shorten the litigation, it may itself, in exceptional and rare cases, impose appropriate punishment with cogent reasons in support thereof.

4. The similar view has been taken by the Hon'ble Supreme Court in the case of State Bank of Bikaner & Jaipur v. Nemi Chand Nalwaya, (2011) 4 SCC 584: (2011) 1 SCC (L&S) 721:-

7. It is now well settled that the courts will not act as an appellate court and reassess the evidence led in the domestic enquiry, nor interfere on the ground that another view is possible on the material on record. If *the enquiry has been fairly and properly held and the findings are based on evidence, the question of adequacy of the evidence or the reliable nature of the evidence will not be grounds for interfering with the findings in departmental enquiries. Therefore, courts will not interfere with findings of fact recorded in departmental enquiries, except where such findings are based on no evidence or where they are clearly perverse. The test to find out perversity is to see whether a tribunal acting reasonably could have arrived at such conclusion or finding, on the material on record. The courts will however interfere with the findings in disciplinary matters, if principles of natural justice or statutory regulations have been violated or if the order is found to be arbitrary, capricious, mala fide or based on extraneous considerations. (Vide B.C. Chaturvedi v. Union of Indial, Union of India v. G. Ganayutham, Bank of India v. Degala Suryanarayana and High Court of Judicature at Bombay v. Shashikant S. Patil.)*

5. That, the Hon'ble Supreme Court has held in <u>the case of Pravin Kumar v. Union of India, reported in (2020) 9 SCC 471:-</u>

37. Applying these guidelines to the facts of the case in hand, it is clear that the punishment of dismissal from service is far from disproportionate to the charges of corruption, fabrication and intimidation which have unanimously been proven against the appellant. Taking any other view would be an anathema to service jurisprudence. to attract dismissal from service, then the purpose behind having such major penalties, If we were to hold that systematic corruption and its blatant cover-up are inadequate which are explicitly provided for under Article 311 of the Constitution, would be obliterated.

6. The Hon'ble Supreme Court has held in the <u>case of SBI v. R. Periyasamy, reported in (2015) 3 SCC 101</u> that:-

11. It is interesting to note that the learned Single Judge went to the extent of observing that the concept *of preponderance of probabilities is alien to domestic enquiries. On the contrary, it is well known that the standard of proof that must be employed in domestic enquiries is in fact that of the preponderance of probabilities. In Union of India v. Sardar Bahadur, this Court held that a disciplinary proceeding is not a criminal trial and thus, the standard of proof required is that of preponderance of probabilities and not proof bevond reasonable doubt. This view was upheld by this Court in SBI v. Ramesh Dinkar Pundell. More recently, in SBI v. Narendra Kumar Pandey!!, this Court observed that a disciplinary authority is expected to prove the charges levelled against a bank officer on the preponderance of probabilities and not on proof beyond reasonable doubt.*

12. Further, in Union Bank of India v. Vishwa Mohanl2, this Court was confronted with a case which was similar to the present one. The respondent therein was also a bank employee, who was unable to demonstrate to the Court as to how prejudice had been caused to him due to non-supply of the inquiry authorities report/findings in his case. This Court held that in the banking business absolute devotion, diligence, integrity and honesty needs to be preserved by every bank employee and in particular the bank officer. If this were not to be observed, the Court held that the confidence of the public/depositors would be impaired. Thus, in that case the Court set aside the order of the High Court and upheld the dismissal of the bank employee, rejecting the ground that any prejudice had been caused to him on Account of non-furnishing of the inquiry report/findings to him.

13. While dealing with the question as to whether a person with doubtful integrity ought to be allowed to work in a government department, this Court in Commr. of Police v. Mehar Singh13, held that while the standard of proof in a criminal case is proof beyond all reasonable doubt, the proof in a departmental proceeding is merely the preponderance of probabilities. The Court observed that quite often the

> ***criminal cases end in acquittal because witnesses turn hostile and therefore, such acquittals are not acquittals on merit. An acquittal based on benefit of doubt would not stand on a par with a clean acquittal on merit after a full-fledged trial, where there is no indication of the witnesses being won over. The long-standing view on this subject was settled by this Court in R.P. Kapur v. Union of India 14, whereby it was held that a departmental proceeding can proceed even though a person is acquitted when the acquittal is other than honourable. We are in agreement with this view,***

7. The Hon'ble Supreme Court has also held in the case State Bank of Bikaner & Jaipur v. Nemi Chand Nalwaya, reported in (2011) 4 SCC 584: (2011) 1 SCC (L&S) 721 that:-

> ***10. The fact that the criminal court subsequently acquitted the respondent by giving him the benefit of doubt, will not in any way render a completed disciplinary proceedings invalid nor affect the validity of the finding of guilt or consequential punishment. The standard of proof required in criminal proceedings being different from the standard of proof required in departmental enquiries, the same charges and evidence may lead to different results in the two proceedings, that is, finding of guilt in departmental proceedings and an acquittal by giving benefit of doubt in the criminal proceedings. This is more so when the departmental proceedings are more proximate to the incident, in point of time, when compared to the criminal proceedings. The findings by the criminal court will have no effect on previously concluded domestic enquiry. An employee who allows the findings in the enquiry and the punishment by the disciplinary authority to attain finality by non-challenge, cannot after several years, challenge the decision on the ground that subsequently, the criminal court has acquitted him.***

8. That, the Hon'ble Supreme Court has held in the case of U.P. SRTC v. Suresh Chand Sharma, reported in (2010) 6 SCC 555: (2010) 2 SCC (L&S) 239, that if the allegation of corruption/misappropriation has been leveled in the charge sheet and it has been proved in that case there cannot be any

other punishment than dismissal from service. The relevant portion of the judgment is as under:-

> ***21. We do not find any force in the submissions made by Dr. J.N. Dubey, learned Senior Counsel for the employee that for embezzlement of such a petty amount, punishment of dismissal could not be justified for the reason that it is not the amount embezzled by a delinquent employee but the mens rea to misappropriate the public money.***
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> ***22. In Municipal Committee, Bahadurgarh v. Krishnan Behari2 this Court held as under: (SCC p. 715, para 4)***
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> > ***"4.... In a case of such nature-indeed, in cases involving corruption there cannot be any other punishment than dismissal. Any sympathy shown in such cases is totally uncalled for and opposed to public interest. The amount misappropriated may be small or large; it is the act of misappropriation that is relevant."***
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> ***Similar view has been reiterated by this Court in Ruston & Hornsby (1) Ltd. v. T.B. Kadam10, U.P. SRTC v. Basudeo Chaudhary, Janatha Bazar (South Kanara Central Coop. Wholesale Stores Ltd.) v. Sahakari Noukarara Sanghal2, Karnataka SRTC v. B.S. Hullikatti13 and Rajasthan SRTC v. Ghanshyam Sharma14***
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> ***23. In NEKRTC v. H. Amaresh15 and U.P. SRTC v. Vinod Kumar16 this Court held that the punishment should always be proportionate to the gravity of the misconduct. However, in a case of corruption/misappropriation, the only punishment is dismissal.***
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> ***24. Thus, in view of the above, the contention raised on behalf of the employee than punishment of dismissal from service was disproportionate to the proved delinquency of the employee, is not worth acceptance.***

9. The Hon'ble Supreme Court has held in the case of SBI v. Ajai Kumar Srivastava reported in, (2021) 2 SCC 612: (2021) 1 SCC (L&S)457 that:-

42. Before we conclude, we need to emphasize that in banking business absolute devotion, integrity and honesty is a sine qua non for every bank employee. It requires the employee to maintain good conduct and discipline and he deals with money of the depositors and the customers and if it is not observed, the confidence of the public/depositors would be impaired. It is for this additional reason, we are of the opinion that the High Court has committed an apparent error in setting aside the order of dismissal of the respondent dated 24-7-1999 confirmed in departmental appeal by order dated 15-11-1999.

In the light of aforesaid principles of proposition of law laid down in the decisions mentioned above, I do not find any disproportionality in the punishment order. The punishment order is held proportionate to the charges proved.

Additional Issue No. 2 stands answered accordingly.

On the basis of above discussion and findings, the reference is answered as follows.

AWARD

Holding the action of the management of Madhyanchal Grameen Bank, in inflicting the punishment of removal from service on Shri Ram Bahori Verma vide letter dated 26.06.2009 is legal and justified, the workman is held entitled to no relief.

No order as to cost.

DATE:- 13/07/2026

(P.K.SRIVASTAVA)
PRESIDING OFFICER