

Union Of India & Ors vs Shri Bihari Lal Sidhana on 25 March, 1997

Equivalent citations: AIR 1997 SUPREME COURT 3659, 1997 (4) SCC 384, 1997 AIR SCW 1912, 1997 AIR SCW 1911, 1997 LAB. I. C. 2077, (1997) 3 SCR 465 (SC), (1997) 2 SCJ 122, (1997) 4 JT 595 (SC), (1997) 76 FACLR 268, (1997) 2 LABLJ 620, 1997 (3) SCALE 459, 1997 LAB LR 498, (1997) 2 SERVLR 574, (1997) 4 JT 541 (SC), (1997) 3 SUPREME 679, (1997) 66 DLT 789, 1997 (4) SCC 385, (1997) 33 BANKLJ 389, (1997) 2 BANKCAS 9, (1997) 3 SUPREME 739, 1997 LABLR 497, 1997 (4) JT 541, (1997) 2 BANKCLR 308, (1997) 3 SCALE 536, (1997) 3 LAB LN 56, (1997) BANKJ 722, 1997 (2) UPLBEC 1175, (1997) 2 CURLR 16, (1997) 2 SCT 772, (1997) 3 SCR 364 (SC), (1997) 3 LAB LN 73, (1997) 3 SCT 318, (1997) 2 UPLBEC 1175, (1997) 2 CURLR 13, (1997) 2 ESC 1057, (1997) 2 SERVLR 523, (1997) 3 SCALE 459, (1997) 4 SCJ 212, 1997 SCC (L&S) 965, 1997 SCC (L&S) 1076

Bench: K. Ramaswamy, D.P. Wadhwa

PETITIONER:
UNION OF INDIA & ORS.

Vs.

RESPONDENT:
SHRI BIHARI LAL SIDHANA

DATE OF JUDGMENT: 25/03/1997

BENCH:
K. RAMASWAMY, D.P. WADHWA

ACT:

HEADNOTE:

JUDGMENT:

O R D E R Leave granted. We have heard learned counsel on both sides.

This appeal by special leave arises from the judgment of the Division Bench, made on September 12, 1996 in L.P.A.No.215/1979 by the Delhi High Court. While the respondent was working as a cash clerk in Delhi Milk Scheme, temporary Mis-appropriation of the funds on more than one occasion was discovered. When misappropriation of Rs.17,744,91 on April 2,1972 was reported, a prosecution was pending, orders were passed by the competent authority on April 24, 1972 as under :

"In pursuance of the proviso to sub-rule (1) of Rule 5 of the Central Civil services (Temporary Services) Rules, 1965, I hereby terminate forthwith the services of Shri B.L. Sidhana, Case clerk (under suspension), Delhi milk scheme and direct that he shall be paid a sum equivalent to the one equivalent to the amount of pay and allowances for a period of notice) was drawing them immediately before the date on which he was drawing them immediately before the date on which he was placed under suspension."

The respondent was acquitted of the charge in the criminal case and therefore, he filed a writ petition. In his order, the learned single Judge held thus :

"The petition of Cash Clerk is one of confidence and responsibility. Even if the incidents averred against the petitioner were not proved, they were such, as to lead a prudent employer to terminate the services of the employee on the ground of his, not being desirable. The order of termination was passed, as noticed above, one year after the criminal case had started and two years after the enquiry. The enquiry appears not to have been completed, so, no definite opinion had been arrived as with regard to the guilt of the petitioner. No. evil consequences were visited on the termination. No. evil consequences were visited on the petition as a result of the order of termination. Nor has any stigma been attached. No. penalties were inflicted on the petitioner despite the enquiries, and the started of the criminal case. In the circumstances the order of termination simpliciter is valid. Since the order is innocuous, there is no need to peer behind it, unless malafides had been established."

On appeal, the Division Bench reversed it, holding that the order of removal does indicate that it was termination of the services of the respondent with stigma attached by mentioning (under suspension). Rule 5(1) of the central civil services (Temporary service) Rules, 1965 was exercised with stigma attached in the order. The order does indicate that he was under suspension. It postulates that it was by way of a misconduct and thereby without conducting the enquiry, the termination of the service of the respondent was illegal. Consequently, instead of reinstating him into service the court directed the appellant-employer to pay him compensation in a sum of Rs. 2.50 lakhs. Aggrieved by that order, this appeal has been filed.

It is true that respondent was acquitted by the criminal court but acquittal does not automatically give him the right to be reinstated into the services. It would still be open to the competent authority to make decision whether the delinquent Government servant can be taken into service or disciplinary action should be taken under the Central civil services (Clarification, Control & Appeal)

Rules or under the Temporary services Rules. Admittedly, the respondent had been working as a temporary Government servant before he was kept under suspension. The termination order indicated the factum that he, by then, was under

suspension. It is only a way of describing him as being under suspension when the order came to be passed but that does not constitute any stigma. Mere acquittal of Government employee does not automatically entitle the Government employee to reinstatement. As stated earlier, it would be open to the appropriate competent authority to take a decision whether the enquiry into the conduct is required to be done before directive reinstatement of appropriate action should be taken as per law, if otherwise, available. Since the respondent is only a temporary Government servant, the power being available under Rules, it is always open to a temporary Government servant, the power being available under rules, it is always open to the competent authority to invoke the said power and terminate the service of the employee instead of conducting the enquiry or to continue in service a Government servant accused of defalcation of public money. Reinstatement would be a charter for him to indulge with impunity in misappropriating of public money.

Under these circumstances, the Division Bench of the High court was clearly in error in directing payment of the compensation which amounts to premium for misconduct.

The appeal is accordingly allowed. The judgment of the Division Bench stands set aside and that of the learned single Judge stands confirmed. The writ petition stands dismissed. No costs.