

Oriental Bank Of Commerce & Anr vs R.K. Uppal on 11 August, 2011

Author: R.M. Lodha

Bench: R.M. Lodha, Aftab Alam

IN THE SUPREME COURT OF INDIA

CIVIL APPELLATE JURISDICTION

CIVIL APPEAL NO. 128 OF 2007

Oriental Bank of Commerce & Anr.

.... Appellants

Versus

R.K. Uppal

.... Respondent

JUDGMENT

R.M. Lodha, J.

Two questions presented for consideration in this appeal by special leave, at the instance of the appellants--Oriental Bank of Commerce and its General Manager - are: (one) whether in terms of regulation 17 of Oriental Bank of Commerce Officer Employees (Discipline and Appeal) Regulations, 1982 (for short, 'the 1982 Regulations'), the appellate authority is required to accord personal hearing to the respondent in a departmental appeal; and (two) whether the order dated June 4, 2004 passed by the appellate authority in the appeal preferred by the respondent under regulation 17 suffers from infirmity for want of reasons.

2. The brief facts leading to the above questions are these :

the respondent--R.K. Uppal (hereinafter referred to as `delinquent') faced departmental inquiry under regulation 6 of the 1982 Regulations for acts of omission and commission committed by him while working as Senior Manager/Incumbent In-charge at 19-D, Chandigarh Branch. The article of charges served on the delinquent contained four charges, namely : (I) between the period September 14, 1999 to December 20, 1999, while recommending sanction of credit facilities and further enhancements in the account of M/s. Dunroll Industries Limited, the delinquent failed to ensure that the proposal has been properly appraised/processed and all the relevant information has been recorded in the process note; (II) the delinquent recommended release of working capital facilities aggregating to Rs. 64 lac in the account of M/s. Dunroll Industries Limited for the unit located at Sikandarabad (UP) at a distance of approximately 300 k.m. from the branch although the monitoring of unit at such a distant place was not possible; (III) the delinquent recommended enhancement of Rs. 175 lac in the Bank Guarantee limit on November 17, 2000 in the account of M/s. Dunroll Industries Limited without ensuring satisfactory conduct of the account and without going into the details of the transactions and implications thereof and (IV) the delinquent released credit facilities in the account of M/s. Dunroll Industries Limited without complying with the terms of sanction.

3. On March 17, 2003, Shri M.K. Ghosh, Commissioner for Departmental Inquiries, Central Vigilance Commission, was appointed inquiring authority to inquire into the above charges levelled against the delinquent.

4. The delinquent submitted his reply and denied the charges. The inquiring authority after recording the evidence submitted its report on November 11, 2003. Charge I and Charge II were held to be partly proved while Charge III and Charge IV were held to be proved.

5. The findings and report of the inquiring authority were sent to the delinquent who in response submitted his representation on December 15, 2003. The disciplinary authority concurred with the findings of the inquiring authority and keeping in view the seriousness of charges and gravity of the proved conduct, it imposed the penalty of dismissal vide order dated February 14, 2004.

6. The delinquent preferred appeal under regulation 17 of the 1982 Regulations assailing his dismissal order on diverse grounds and also requested for grant of personal hearing. The appellate authority rejected the delinquent's request for personal hearing and dismissed his appeal vide its order dated June 4, 2004.

7. The delinquent challenged the order of penalty dated February 14, 2004 and also the order of the appellate authority before the High Court of Punjab and Haryana. The Division Bench of that Court vide its order dated January 23, 2006 allowed the delinquent's writ petition partly and set aside the order of the appellate authority and remitted the matter back to it with a direction to pass a reasoned order after giving an opportunity of hearing to the petitioner. It is this order which is impugned in the present appeal.

8. We have heard Mr. K.N. Bhatt, senior counsel for the appellants and Mr. Ram Lal Roy, counsel for the respondent. Re : Question (one)

9. Regulation 17 of the 1982 Regulations reads as follows:-

"17. Appeals :

(i) An officer employee may appeal against an order imposing upon him any of the penalties specified in regulation 4 or against the order of suspension referred to in regulation 12. The appeal shall lie to the Appellate Authority.

(ii) An appeal shall be preferred within 45 days from the date of receipt of the order appealed against. The appeal shall be addressed to the Appellate Authority and submitted to the authority whose order is appealed against. The authority whose order is appealed against shall forward the appeal together with its comments and the records of the case to the Appellate Authority. The Appellate Authority shall consider whether the findings are justified or whether the penalty is excessive or inadequate and pass appropriate orders. The Appellate Authority may pass an order confirming, enhancing, reducing or setting aside the penalty or remitting the case to the authority which imposed the penalty or to any other authority with such direction as it may deem fit in the circumstances of the case....."

10. The High Court has taken a view that regulation 17 of the 1982 Regulations impliedly requires that a delinquent who has preferred appeal is afforded an opportunity of personal hearing by the appellate authority. While taking such view, the High Court relied on a decision of this Court in Ram Chander v. Union of India & Ors.¹ and a Full Bench decision of that Court in Ram Niwas Bansal v. State Bank of Patiala & Anr.² .

11. We shall refer to the above two decisions first. In Ram Chander's case¹ before this Court, the appellant who was employed as Shunter, Grade 'B' in the Railways was removed from service after holding disciplinary inquiry wherein his guilt of misconduct was held to be proved. The inquiry officer proceeded ex-parte against the delinquent as he did not appear and recorded a finding that misconduct was proved. The disciplinary authority (General Manager) concurred with the view of the inquiry officer; formed a provisional view that penalty of removal should be imposed on him and issued a show cause notice to the delinquent in this regard. This time, the delinquent did respond to the show cause notice and submitted his explanation. The disciplinary authority was not satisfied with the delinquent's response and imposed the penalty of removal. The delinquent preferred a departmental appeal before the Railway Board under the relevant Rules. His appeal was dismissed by the appellate authority. The delinquent then challenged the orders of the appellate authority and disciplinary authority before the 1 (1986) 3 SCC 103 2 (1998) (4) SLR 711 High Court in a writ petition. The writ petition was dismissed and so also the Letters Patent Appeal preferred by him. The matter then reached this Court in an appeal by special leave. Inter alia, the contention of the delinquent before this Court was that it was incumbent upon the appellate authority to afford him personal hearing before his appeal was decided. Construing the relevant Rules, namely, Rule 18(ii)

of the Railway Servants (Discipline & Appeal) Rules, 1968 and Rule 22(2) of the said Rules, this Court held (at pages 117-118) as under :

"25.Such being the legal position, it is of utmost importance after the Forty-Second Amendment as interpreted by the majority in Tulsiram Patel [(1985) 3 SCC 398] case that the appellate authority must not only give a hearing to the government servant concerned but also pass a reasoned order dealing with the contentions raised by him in the appeal. We wish to emphasize that reasoned decisions by tribunals, such as the Railway Board in the present case, will promote public confidence in the administrative process. An objective consideration is possible only if the delinquent servant is heard and given a chance to satisfy the authority regarding the final orders that may be passed on his appeal. Considerations of fair play and justice also require that such a personal hearing should be given.

26. In the result, the appeal must succeed and is allowed. The judgment and order of a learned Single Judge of the Delhi High Court dated August 16, 1983 and that of the Division Bench dismissing the letters patent appeal filed by the appellant in limine by its order dated February 15, 1984 are both set aside, so also the impugned order of the Railway Board dated March 11, 1972. We direct the Railway Board to hear and dispose of the appeal after affording a personal hearing to the appellant on merits by a reasoned order in conformity with the requirements of Rule 22(2) of the Railway Servants (Discipline and Appeal) Rules, 1968, as expeditiously as possible, and in any event, not later than four months from today."

In our opinion, in Ram Chander's case¹, this Court has not laid down as an absolute proposition that in matters of departmental appeal against the punishment order of a disciplinary authority, the appellate authority must invariably afford personal hearing to a delinquent.

12. Insofar as, Punjab and Haryana High Court is concerned, it is true that in Ram Niwas Bansal² while dealing with a similar regulation, i.e. regulation 70 of the State Bank of Patiala (Officers) Service Regulations, 1979, the Full Bench of that Court has read into such rule a provision of right of personal hearing to a delinquent but we find it difficult to approve that view. As a matter of fact, the judgment of this Court in the case of State Bank of Patiala Vs. Mahendra Kumar Singhal³ was not brought to the notice of that Court nor that judgment was adverted to which lays down in clear terms that the rule of natural justice does not necessarily in all cases confer 3 (1994) Supp (2) SCC 463 a right of audience at appellate stage. This is what this Court said (at page 464) in Mahendra Kumar Singhal³ :

"2. Heard counsel on both sides. The respondent was visited with the punishment of dismissal from service. He filed a departmental appeal which came to be dismissed, whereupon he moved the High Court by way of a writ petition. The High Court quashed the order of the appellate authority on the ground that no personal hearing was given before the appeal was dismissed. The matter was, therefore, remitted to the appellate authority to dispose of the appeal after hearing the delinquent personally. It

is against the said order that the present appeal is filed.

3. No rule has been brought to our attention which requires the appellate authority to grant a personal hearing. The rule of natural justice does not necessarily in all cases confer a right of audience at the appellate stage. That is what this Court observed in *F.N. Roy v. Collector of Customs, Calcutta* [1957 SCR 1151 = AIR 1957 SC 648]. We, therefore, think that the impugned order is not valid. Our attention was, however, drawn to the decision in *Mohinder Singh Gill v. Chief Election Commissioner, New Delhi* [(1978) 1 SCC 405] wherein observation is made in regard to the right of hearing. But that was not a case of a departmental inquiry, it was one emanating from Article 324 of the Constitution. In our view, therefore, those observations are not pertinent to the facts of this case."

13. In *Union of India and Anr. v. Jesus Sales Corporation*⁴, this Court was concerned with an appeal that was filed against the judgment of the Full Bench of the Delhi High Court holding that an oral hearing has to be given by appellate authority before taking a decision under 3rd proviso to sub-section (1) of Section 4-M of the 4 (1996) 4 SCC 69 Imports and Exports (Control) Act, 1947. The Court noticed Section 4-M of that Act and in paragraph 3 at page 73 of the Report framed the question as to whether the requirement of hearing to the appellants has to be read as an implicit condition while construing the scope of 3rd proviso to sub-section (1) of Section 4-M. This Court held (at pages 74-75) as under :

"5. The High Court has primarily considered the question as to whether denying an opportunity to the appellant to be heard before his prayer to dispense with the deposit of the penalty is rejected, violates and contravenes the principles of natural justice. In that connection, several judgments of this Court have been referred to. It need not be pointed out that under different situations and conditions the requirement of compliance of the principle of natural justice vary. The courts cannot insist that under all circumstances and under different statutory provisions personal hearings have to be afforded to the persons concerned. If this principle of affording personal hearing is extended whenever statutory authorities are vested with the power to exercise discretion in connection with statutory appeals, it shall lead to chaotic conditions. Many statutory appeals and applications are disposed of by the competent authorities who have been vested with powers to dispose of the same. Such authorities which shall be deemed to be quasi-judicial authorities are expected to apply their judicial mind over the grievances made by the appellants or applicants concerned, but it cannot be held that before dismissing such appeals or applications in all events the quasi-judicial authorities must hear the appellants or the applicants, as the case may be. When principles of natural justice require an opportunity to be heard before an adverse order is passed on any appeal or application, it does not in all circumstances mean a personal hearing. The requirement is complied with by affording an opportunity to the person concerned to present his case before such quasi-judicial authority who is expected to apply his judicial mind to the issues involved. Of course, if in his own discretion if he requires the appellant or the applicant to be heard because of special facts and circumstances of the case, then certainly it is always open to such authority to decide the appeal or the application only after affording a personal hearing. But any order passed after taking into consideration the points raised in the appeal or the application shall not be held to be invalid merely

on the ground that no personal hearing had been afforded. This is all the more important in the context of taxation and revenue matters. When an authority has determined a tax liability or has imposed a penalty, then the requirement that before the appeal is heard such tax or penalty should be deposited cannot be held to be unreasonable as already pointed out above. In the case of *Shyam Kishore v. Municipal Corpn. of Delhi* [(1993) 1 SCC 22] it has been held by this Court that such requirement cannot be held to be harsh or violative of Article 14 of the Constitution so as to declare the requirement of pre-deposit itself as unconstitutional. In this background, it can be said that normal rule is that before filing the appeal or before the appeal is heard, the person concerned should deposit the amount which he has been directed to deposit as a tax or penalty. The non-deposit of such amount itself is an exception which has been incorporated in different statutes including the one with which we are concerned. Second proviso to sub-section (1) of Section 4-M says in clear and unambiguous words that an appeal against an order imposing a penalty shall not be entertained unless the amount of the penalty has been deposited by the appellant. Thereafter the third proviso vests a discretion in such appellate authority to dispense with such deposit unconditionally or subject to such conditions as it may impose in its discretion taking into consideration the undue hardship which it is likely to cause to the appellant. As such it can be said that the statutory requirement is that before an appeal is entertained, the amount of penalty has to be deposited by the appellant; an order dispensing with such deposit shall amount to an exception to the said requirement of deposit. In this background, it is difficult to hold that if the appellate authority has rejected the prayer of the appellant to dispense with the deposit unconditionally or has dispensed with such deposit subject to some conditions without hearing the appellant, on perusal of the petition filed on behalf of the appellant for the said purpose, the order itself is vitiated and is liable to be quashed being violative of the principles of natural justice.

14. Thus, in *Jesus Sales Corporation*⁴, it was held by this Court that under the relevant rule, it was not obligatory upon the appellate authority to hear the appellant.

15. In *Ganesh Santa Ram Sirur v. State Bank of India and Anr.*⁵, the appellate authority proposed to enhance the penalty imposed upon the delinquent by the punishing authority. The disciplinary authority recommended to the punishing authority the punishment of reduction in substantive salary at one stage. The punishing authority accepted the recommendation of the disciplinary authority and imposed the punishment accordingly. The appellate authority proposed to enhance the penalty to an order of removal. In this context, inter alia, one of the contentions raised before this Court was that the order of removal from service could not be sustained as no personal hearing was given to the delinquent before the enhancement of punishment even though personal interview was specifically asked for. The Court noticed various judgments of this Court including the Constitution Bench judgment in *Managing 5 (2005) 1 SCC 13 Director, ECIL, Hyderabad and others v. B. Karunakar and Ors.*⁶ and also the judgment of the Punjab and Haryana High Court in *Ram Niwas Bansal*². In paragraph 31 at page 29 of the Report, it was held that the approach and test adopted in *B. Karunakar*⁶ should govern all cases where the complaint is not that there was no hearing, no notice and no opportunity but one of not affording the proper hearing that is adequate or a full hearing or violation of a procedural rule or requirement governing that inquiry. We have not been able to discern anything in *Ganesh Santa Ram Sirur*⁵ that lays down that the appellate authority must, in all cases of departmental appeal, afford personal hearing to the delinquent.

16. Be it noted that the principal question for consideration in B. Karunakar⁶ was whether the report of the inquiry officer/authority who/which is appointed by the disciplinary authority to hold an inquiry into the charges against the delinquent employee is required to be furnished to the employee to enable him to make proper representation to the disciplinary authority before such authority arrives at its own finding with regard to guilt or otherwise of the employee and the punishment, if any, to be awarded to him. While dealing with this question and its diverse facets, the Court 6 (1993) 4 SCC 727 exhaustively considered the principles of natural justice in the context of furnishing the report of the inquiry officer/authority to the delinquent employee. B. Karunakar⁶ does not deal with the question of necessity of affording a personal hearing to a delinquent by the appellate authority.

17. Mr. K.N. Bhatt, learned senior counsel for the appellants cited a Single Bench decision of Andhra Pradesh High Court in Y. Malleswara Rao v. Chief General Manager, State Bank of India, Hyderabad & Ors.⁷ In that case the delinquent was visited with the penalty of removal from service. The concerned delinquent preferred appeal before the appellate authority and one of the contentions raised before the High Court was that the appellate authority failed to afford a personal hearing to the delinquent and, therefore, the order of the appellate authority suffered from transgression of an essential principle of natural justice. The Single Judge of the High Court referred to decisions of this Court in Mahendra Kumar Singhal³, Jesus Sales Corporation⁴ and Ganesh Santa Ram Sirur⁵ and also the decision of Full Bench of Punjab and Haryana High Court in Ram Niwas Bansal². The Single Judge also referred to few decisions of other High Courts and followed the proposition propounded by this 7 2006 LAB. I.C. 1384 Court in Mahendra Kumar Singhal³ viz; that in the absence of the specific requirement by the relevant rules, there is no right to a personal hearing at the appellate stage and the rules of natural justice do not require that in all cases a right of audience should be provided at the appellate stage.

18. It is now fairly well settled that the requirements of natural justice must depend on the circumstances of the case, the nature of the inquiry, the rules under which the tribunal is acting, the subject matter that is being dealt with and so forth. In the words of Ramaswami, J. (Union of India & Anr. v. P.K. Roy & Ors.⁸) the extent and application of the doctrine of natural justice cannot be imprisoned within the straitjacket of a rigid formula. The application of the doctrine depends upon the nature of jurisdiction conferred on the administrative authority, upon the character of the rights of the persons affected, the scheme and policy of the statute and other relevant circumstances disclosed in the particular case.

19. A right of appeal is not an inherent right. None of the facets of natural justice requires that there should be right of appeal from any decision. The extent of power of an appellate forum and the mode and manner of its exercise can always be provided in the 8 AIR 1968 SC 850 provision that creates such right. Insofar as provision of appeal in regulation 17 of the 1982 Regulations is concerned, it must be stated that the said provision affords to an employee right of appeal against an order imposing upon him any of the penalties specified in regulation 4 or against the order of suspension referred to in regulation 12. It provides for limitation within which the appeal is to be preferred. As per the said provision, the appeal must be addressed to the appellate authority and submitted to the authority whose order is appealed against. The authority whose order is appealed

against is required to forward the appeal together with its comments and also the record of the case to the appellate authority. The appellate authority then proceeds with the consideration of the appeal and considers whether the findings are justified; whether the penalty is excessive or inadequate and passes appropriate order confirming, enhancing, reducing or setting aside the penalty or remitting the case to the authority that imposed the penalty or to any other authority with such direction as it may deem fit in the circumstances of the case. The appeal provision in regulation 17 of the 1982 Regulations does not expressly provide for personal hearing to the appellant. Is the right of personal hearing to the appellant implicit in the provision? We think not. In our considered view, in the absence of personal hearing to the appellant, it cannot be said that the very right of appeal is defeated. One situation is, however, different. Where the appellate authority proposes to enhance the penalty, obviously, the appellate authority must issue notice to the delinquent asking him to show cause why penalty that has been awarded to him must not be enhanced and give him personal hearing. It is so because the appellate authority seeks to inflict such punishment for the first time which was not given by the disciplinary/punishing authority. Although there are no positive words in regulation 17, requiring that the appellant shall be heard before enhancement of the penalty, the fairness and natural justice require him to be heard.

20. It is true that in *Ganesh Santa Ram Sirur*⁵, this Court did not accept the contention of the delinquent relating to non-grant of personal hearing to him by the appellate authority before the enhancement of the punishment. But it was so in the peculiar fact- situation of the case. First, this Court observed that Charge 5 of granting loan to the spouse under SEEU Scheme in violation of Rule 34(3) of the State Bank of India (Supervising Staff) Service Rules was found by the appellate authority more serious and grave in nature. Secondly and more importantly, the Court noticed that delinquent in his appeal before the appellate authority admitted that he had committed misconduct of disbursing the loan to his wife in a Scheme which was meant for educated unemployed youth. To our mind, thus, there is no inconsistency in the judgment of this Court in *Ganesh Santa Ram Sirur*⁵ and our statement above that where the appellate authority proposes to enhance the penalty, the appellate authority must issue notice to the delinquent and give him personal hearing.

21. However, personal hearing may not be required where the appellate authority, on consideration of the entire material placed before it, confirms, reduces or sets aside the order appealed against. Regulation 17 of the 1982 Regulations does not require that in all situations personal hearing must be afforded to the delinquent by the appellate authority. The view taken by the Full Bench of Punjab and Haryana High Court in the case of *Ram Niwas Bansal*² is too expansive and wide and cannot be held to be laying down correct law particularly in light of the judgment of this Court in *Mahendra Kumar Singhal*³. We answer this question accordingly. Re : Question (two)

22. The High Court has faulted the order of the appellate authority also on the ground of it being a non-speaking order. Is it so? We have carefully perused the order of the appellate authority and we find that the order dated June 4, 2004 cannot be labelled as a non-speaking order. The order does not suffer from the vice of non- application of mind. The appellate authority has addressed the points raised in the appeal and critical to the decision, albeit briefly. It is true that the appellate authority must record reasons in support of its order to indicate that it has applied its mind to the grounds raised but it is not the requirement of law that an order of affirmance by the appellate

authority must be elaborate and extensive. Brief reasons which indicate due application of mind in decision making process may suffice. Each ground raised in the appeal has been dealt with briefly as would be apparent from the following consideration of the matter by the appellate authority:

"The contention of the appellant that no departmental action can be taken against him during pendency of criminal proceedings before the Court is not tenable; as departmental enquiry is independent of criminal proceedings and as such there is no bar to pass the order of punishment by the Disciplinary Authority during the pendency of criminal proceedings.

The appellant has alleged that Inquiring Authority has erred in holding the imputation 2 & 3 under Article of Charge No. 1 as proved. On carefully perusing the evidence brought on record of the enquiry and other related record, I find that Disciplinary Authority has fully considered evidence/submissions made by the appellant and based on that the article of charge no. 1 is held partly proved against the appellant. This does not, however, mean that the Disciplinary Authority has in anyway exonerated the appellant of this charge. Hence, I do not find any force/substance in the allegation of the appellant. I find that on the basis of evidence adduced in the inquiry, article of charge no. 1 has been rightly held as partly proved against the appellant.

The appellant has further contended that PO had not furnished any proof of his having recommended the proposal to the Regional Office. I have perused the relevant record and evidence adduced in respect of the charge. It is evident from Ex. MEX 10/6 (which is admitted document in the enquiry) that the appellant had sent letter dated 24-10-2000 based on which Regional Office permitted the party to avail facility for unit at Sikandrabad which was 300 kms away from Chandigarh and in this way, it was not possible for the branch to monitor the unit at such a distant place. Although the appellant has not disputed reference of letter dated 24-10-2000 in Ex. MEX 10/6, yet due to its non-production by the PO, the IA has held this charge as partly proved. On the basis of evidence brought on record of enquiry and after considering submission of appellant, I find that Disciplinary Authority has rightly held article of charge no. 2 as partly proved and contention of the appellant that this charge should be set aside is devoid of any merit.

The appellant has contended that he had recommended the proposal keeping in view the General Manager's instructions. The appellant had neither produced any document nor adduced any evidence in his defence to substantiate this fact. However, during general examination by the Inquiring Authority, he has admitted that he had no exposure of processing of the guarantees and proposal was analysed at Regional Office and he had just recommended it. This clearly shows that the appellant recommended enhancement of bank guarantee limit of Rs. 175 lacs in the account of M/s. Dunroll Industries Ltd. without ensuring satisfactory conduct of the account and without going into details of transaction and implications thereof. After carefully

analyzing the evidence adduced during the enquiry, I find that the article of charge no. 3 against the appellant is rightly held proved by Disciplinary Authority. I therefore, do not find any merit/force in the allegations of the appellant.

The Appellant has contended that common seal on all documents had been affixed and all the documents are valid. On careful perusal of documents ME-23/1/2 and after evaluating evidence of PW-1 during regular hearing held on 20-9-2003, I observe that article of charge no. 4 against the appellant in respect of releasing credit facilities in the account of M/s. Dunroll Industries Ltd. without complying with terms of sanction is rightly held proved by the Disciplinary Authority. Hence I do not find any force/merit in contention of the appellant that article of charge no. 4 has been wrongly upheld by the Inquiring Authority. The appellant has also referred to some pending enquiry proceedings against him in respect of charge sheet dated 12-8-2003 in the matter of Bankarpur Cold Storage and has contended that it is against principles of natural justice to take into account past service record without valid legal grounds. After perusing relevant enquiry record, I find that Disciplinary Authority in his order has referred to certain lapses/irregularities attributable to the appellant for the misconduct committed by him while posted as Sr. Manager/Incumbent In-charge, B/O 19-D, Chandigarh. Having regard to imposition/inflictment of penalty of dismissal on the appellant w.e.f. 14-2-2004 by the Disciplinary Authority under Regulation 4(j) of Oriental Bank of Commerce Officer Employees (Discipline & Appeal) Regulations, 1982 it was not open to the bank to pursue pending charge sheet dated 12-8-2003 against the appellant as referred to in the appeal. Disciplinary Authority, therefore, has rightly stated in his order dated 14-2-2004 that "no action is required to be taken at this stage" in relation to this charge sheet. Hence, I do not find any force/merit in the allegations of the appellant that Disciplinary Authority has taken into account the matter of pending inquiries in respect of charge sheet dated 12-8- 2003. As such, there is no violation of principles of natural justice as alleged."

Having discussed the matter as above, the appellate authority held that on consideration of the inquiry record and facts and circumstances of the case, the findings and the order dated February 14, 2004 passed by disciplinary authority are based on evidence brought on record of inquiry and not founded on past record or any other matter not connected with inquiry as alleged by the delinquent in the appeal. Consequently, the appellate authority concurred with the view of the disciplinary authority and found no justification to interfere with the penalty awarded by the disciplinary authority.

23. The order of the appellate authority, by no stretch of imagination can be said to suffer from vice of lack of reasons. We answer question no. (two) in the negative.

24. In our view, the High Court was clearly in error in setting aside and quashing the order dated June 4, 2004 passed by the appellate authority and in directing the appellate authority to pass a reasoned order after giving an opportunity of hearing to the petitioner (respondent herein).

25. The appeal is, accordingly, allowed and the judgment and order dated January 23, 2006 passed by the High Court of Punjab and Haryana is set aside. The parties shall bear their own costs.

.....J. (Aftab Alam) J.

(R.M. Lodha) NEW DELHI.

AUGUST 11, 2011.