

Supreme Court of India

D.C. Aggarwal vs State Bank Of India on 11 March, 1994

Equivalent citations: 1994 AIR 1805, 1994 SCC Supl. (2) 131

Author: R Sahai

Bench: Sahai, R.M. (J)

PETITIONER:

D.C. AGGARWAL

Vs.

RESPONDENT:

STATE BANK OF INDIA

DATE OF JUDGMENT 11/03/1994

BENCH:

SAHAI, R.M. (J)

BENCH:

SAHAI, R.M. (J)

PANDIAN, S.R. (J)

CITATION:

1994 AIR 1805

1994 SCC Supl. (2) 131

JT 1994 (2) 678

1994 SCALE (2) 247

ACT:

HEADNOTE:

JUDGMENT:

The Judgment of the Court was delivered by R.M. SAHAI, J.- This appeal is directed against the order passed by the High Court of Punjab and Haryana dismissing the writ petition filed by the appellant against refusal to grant him extension in service as it would not be in the interest of the Bank. The appellant who joined the service of the Bank as a Probationary Officer in the year 1961 rose to the level of top executive Grade VI. On 27-8-1980 he was given charge as Deputy General Manager of the zone comprising the Bank branches of Haryana State and Union Territory of Chandigarh. In 1981 an inquiry was ordered against him by the Bank's Vigilance Department, Central Office, Bombay, which ultimately resulted in imposing the punishment of reduction by three grades. This order was set aside by the High Court and the order was maintained by this Court. The appellant got relief as the disciplinary authority while disagreeing with the report of the Enquiry Officer committed certain procedural irregularities. Since the order was not complied with, the appellant approached the High Court by way of contempt proceedings and the respondents moved this Court for review of its order. Against issuance of notice in contempt by the High Court,

the respondents approached this Court. We disposed of both the review application and the SLP directed against issuance of contempt notice by the High Court by accepting the statement of the learned Additional Solicitor General that no fresh proceedings shall be taken against the appellant. And the contempt application filed by the appellant shall stand withdrawn. Further the respondents shall consider the appellant for promotion in accordance with rules by a properly constituted committee. This order was passed in August 1993 whereas the appellant was reaching the age of superannuation at 58 in September 1993. He could be considered for promotion only if he was in service. Therefore, the Review Committee considered the case of appellant for extension of his service up to the age of 60. It did not find him suitable. The recommendation was accepted by the appropriate authority. The order was maintained in the departmental appeal filed by the appellant. The appellate authority passed a detailed order dismissing the appeal as the appellant's case for extension was considered by the committee in conformity with the procedure. The appellate authority further found that the competent authority did not decide the appellant's claim for extension only on 'average' or 'above-average' ratings earned by the appellant but it had also considered the guidelines issued by the Bank.

2.Two submissions were advanced by the learned Senior Counsel Shri Narimanto assail the orders passed by the respondents, one, that the constitution of the committee was not proper inasmuch as the committee was constituted of persons other than those who were entitled to look into the matters of extension of service of officers of the category to which the appellant belonged. It was next urged that the appellate authority had based its finding more on assumptions than on correct appreciation and appraisal of the record. The learned counsel urged that the extension in the Bank services is granted at the age of 50, 55 and 58 years. He urged that even though the appellant was granted extension after the age of 55 years in 1993 only yet he was refused extension when there was no material available to show that the appellant had deteriorated in his functioning nor any entry or warning was given to him during this period. The learned counsel urged that the character roll entry, prior to 1981, being all excellent and good and the disciplinary proceedings having remained pending between 1981 to 1987 which ultimately resulted in their quashing and there being no entry available from 1987 to 1993 which could have resulted in concluding that the appellant could not function in the interest of the Bank the orders were liable to be quashed. On the other hand the learned counsel appearing for the Bank vehemently argued that the Bank took precaution in appointing a committee of those members against whom the appellant had not made any allegation in any court of law. The learned counsel further urged that in any case from the record it appeared that the appellant did not take leave at times nor did he abide by the instructions issued by the higher officers, therefore, the orders were well-founded.

3.That there appears to be no love lost between the department and the appellant. It further cannot be disputed that the appellant was posted to work at a place where his juniors were working at a higher post. The reaction of the appellant, who by temperament appears to be excitable as he had appeared earlier in person, to orders passed by those who were once his junior can very well be visualised. The appellant who is a senior officer and has crossed the age of 58 must realise that this is contrary to service culture. He was duty bound to follow the orders and obey them. Nor was there any justification on his part to proceed on leave without obtaining permission. We may also observe that the conduct of the appellant in attempting to seek interview with the Governor by declaring that

he was Chief General Manager of the Bank, was unbecoming of a senior officer. At the same time the extension of service of an employee had to be decided objectively on material on record to find out if the appellant was entitled to extension when it is not disputed that very few officers have been refused extension in the category of appellant from 58 to 60 years. We may not be understood as expressing an opinion on the matter. But what has persuaded us to agree with the learned counsel for appellant is that the matter of extension had to be considered by a committee consisting of Managing Director and certain Deputy Managing Directors who are mentioned by designation. Admittedly none of them were members of the committee. The respondents, despite our instructions, could not place any material to satisfy that the appellant had made any allegation against them. Be it as it may, the final authority which had to pass the order under the rules was not the committee but a different person higher in rank than the members who constituted the committee. The Review Committee appears to be a recommending body only. The final order had to be passed by the competent authority on recommendation of the committee. Such officer, it is stated, is always higher in rank than the Deputy Managing Director. Unfortunately in this case the final order has been passed by a person who was a member of the Review Committee. This, in our opinion, was in gross violation of the procedure and the guideline provided. It is also violative of fairplay. The Review Committee was only a recommendatory body. The final order was to be passed by the competent authority. And this does not appear to have been done. We are conscious that the appellate authority had examined the record. But the appellate authority did not apply its mind to this aspect which was basic and fundamental. We are, therefore, of the opinion that the decision taken by the respondents was vitiated by violating the rules and the guidelines provided for extension of service.

4. In the result, this appeal succeeds and is allowed. The orders passed by the High Court, the appellate authority and the Review Committee are quashed. The respondents are directed to constitute a fresh committee of the personnel mentioned in the rule itself. In case the appellant had made any allegation against any of those Deputy Directors then the committee shall comprise Deputy Directors, other than those who are mentioned in the rules. The earlier Deputy Managing Directors who were the members of the committee shall not be members of the new committee. The recommendation of the committee shall be placed before the competent authority who shall be different and higher in rank than the members who shall constitute the committee. Such committee shall be constituted within two weeks from today and the decision by the competent authority shall be taken within two weeks thereafter.

5. There shall be no order as to costs.