

Supreme Court of India

K.K. Sharma vs Kulwant Singh & Ors on 25 April, 1997

Bench: K. Ramaswamy, D.P. Wadhwa

PETITIONER:

K.K. SHARMA

Vs.

RESPONDENT:

KULWANT SINGH & ORS.

DATE OF JUDGMENT: 25/04/1997

BENCH:

K. RAMASWAMY, D.P. WADHWA

ACT:

HEADNOTE:

JUDGMENT:

O R D E R Delay condoned.

Leave granted.

We have heard learned counsel on both sides. This appeal by special leave arises from the judgment of the Division Bench of the Punjab and Haryana High Court, made on April 18, 1995 in Civil Writ Petition No.9648/1994.

The first respondent had purchased furniture and said to be used the bank car for unofficial purposes. On that ground, he was surcharged. The inspection report dated May 4, 1993 would indicate that the first respondent as president of the Bank had not used the car while performing duties and responsibilities according to the statutory provisions and the expenditure incurred in that behalf and the value of the furniture purchase were liable to be recovered from then personally. The enquiry conducted in the behalf revealed that the first respondent had made unauthorised use of the bank car and had made purchase of the furniture etc. It was opined that he had needlessly incurred the expenditure and, therefore, the same was liable to be recovered from him as surcharge. When he challenged this order in the High Court, the High Court allowed the writ petition and quashed the surcharge order and the Annexure P.5 imposing surcharge with cost of Rs.5,000/- to be borne by the State with the liberty to proceed against the appellant for recovery thereof. When the

matter had come up before us, we directed the Joint Registrar, Cooperative Societies to give an opportunity of hearing to the Ist respondent and then to pass a reasoned order whether he had caused any loss to Bank of which he is the Chairman. In the order dated April 9, 1997, the Registrar, after elaborate consideration held that the respondent had incurred expenditure in the sum of Rs.1,15,888/- towards the use of the vehicle to attend various official functions. He also incurred expenditure in the sum of Rs.1,01,650.48 towards the expenditure for the purchase of the furniture. He actually performed the journey and used the car in the discharge of his duties as a Chairman of the Board of the Directors of the Bank. He also purchased the furniture and the furniture is being used by the Bank and thereby he has not caused any pecuniary loss to the Bank.

In view of the above finding, the direction issued for recovery of the costs personally from the first respondent is not warranted and the High Court has rightly quashed the surcharge order.

The appeal is accordingly allowed. No costs.