IN THE HIGH COURT OF JUDICATURE AT BOMBAY
BENCH AT AURANGABAD

WRIT PETITION NO.561 OF 2025

Mr. Suhas Bandopant Damdhere,
Age 35 years, Occu. Nil,
R/o. Shantiniketan Colony, Gangakhed Road,
Opposite S. T. Workshop, Parbhani
PIN 431 401 H.O. Mobile No.97659363
suhas.damdhere@gmail.com
Presently Residing at
Flat No.28, M3 Building, 1st Floor,
Aurangabad-Pune Highway,
Opp. CIDCO Mahanagar-2,
Behind Police Colony, Mahada Colony,
Tisgaon, Chh. Sambhajinagar,
Aurangabad – 413 136 .. Petitioner

Versus

1. The Union of India
Through its Secretary,
Ministry of Finance Department,
New Delhi

2. The Chairman of Board of Directors
and Disciplinary Authority
Maharashtra Gramin Bank,
Having its Head office at
Plot No. 42, Gut No.33 (Part),
Village Golwadi, Growth Centre
Waluj Mahanagar-IV, CIDCO,
Aurangabad

3. Maharashtra Gramin Bank,
through its Chairman
Having its Head Office at
Plot No.42, Gut No.33 (Part),
Village Golwadi, Growth Centre
Waluj Mahanagar-IV, CIDCO,
Aurangabad .. Respondents

Petitioner, Mr. Suhas Bandopant Damdhere, party-in-person;
Mr. Krushna S. Solanke, Advocate for Respondent No.1;
Mr. Pradeep Shahane, Advocate for Respondent No.2 and 3;

CORAM : SMT. VIBHA KANKANWADI
AND
SACHIN S. DESHMUKH, JJ.

RESERVED ON : 16.06.2026
PRONOUNCED ON : 22.06.2026

JUDGMENT:-

1. **Rule**. Rule made returnable forthwith. By consent, the petition is taken for final hearing at the stage of admission.

2. The petitioner has approached this Court by way of the present writ petition seeking the following reliefs.

> "(A) By issuing appropriate writ, order or direction in the like nature, it may kindly be hold and declare that the final punishment order dated 24-11-2023 confirming the punishment awarded by Disciplinary Authority dated 28-07-2023 as illegal, null and void.
>
> (B) By issuing appropriate writ, order or direction in the like nature, final punishment order dated 24-11-2023 passed by the Board of Director, Maharashtra Gramin Bank confirming the final punishment imposed/awarded by Disciplinary Authority and Chairman dated 28-07-2023 thereby "Compulsory retirement from service which shall not be a disqualification for further employment", may kindly be quashed and set aside and reinstate the petitioner in service

which shall not be a disqualification for further employment", may kindly be quashed and set aside and reinstate the petitioner in service with full back wages.

(C) By issuing appropriate writ, order or direction in the like nature, the suspension order dated 10-11-2021 may kindly be quashed and set aside.

(D) By issuing appropriate writ, order or direction in the like nature, respondents are directed to reimburse / pay the PLI amount, difference amount of subsistence allowance from 10-11-2021 to 28-07-2023 and back wages from 28-07-2023 till the final disposal of this WP with 12% interest. As a part of interim relief respondents are directed to reimburse all the terminal benefits, NPS balance, and continue subsistence allowance from 28-07-2023 and all other applicable financial benefits.

(E) By issuing appropriate order or direction, respondents are directed to reinstate Petitioner in service with due promotion (in Scale II officer cadre) in PwBD category and period of suspension and period after 28-07-2023 be treated as on duty and related all salary increments be released from F.Y. 2020-21. All the financial contributions including NPS and all Leaves should be credited to Petitioner's A/cs applicable from 10-11-2021.

(F) This Hon’ble Court may be pleased to direct the respondents to pay suitable compensation for mental pain, agony and defamation and for that purpose issue necessary order or allow petitioner to file related civil suits and criminal cases with appropriate Courts and agencies for caused damages.”

3. (I) The petitioner joined the services of respondent No.3-Bank as an Assistant Manager (Probationary Officer). Upon successful completion of the probation period, his services came to be confirmed with effect from the year 2017. In the *interregnum,* the petitioner served at several places with the respondent-bank.

(II) The petitioner was subsequently served with charge-sheets alleging irregularities in discharge of his duties. The principal charge levelled against the petitioner pertains to the implementation of the Mahatma Jyotirao Phule Shetkari Karjmukti Yojana, 2019 (MJPSKY), under which certain loan accounts were allegedly recommended and processed as eligible for debt waiver while the petitioner was working at Hatta Branch. It was alleged that such recommendations were made contrary to the applicable guidelines. At the relevant time, the petitioner was serving as Assistant Manager, whereas one Shri R.M. Pathan was the Branch Manager of the said branch.

(III) Coupled with the aforesaid charge, the petitioner was also charged with sanctioning certain loan accounts while functioning as Branch Manager at Wagholi Branch, which subsequently became irregular and unrecoverable, allegedly resulting in a financial exposure of Rs.49.78 lakh to the respondent-Bank. Upon receipt of the charge-sheets and statement of imputations, the petitioner submitted his detailed explanation denying the allegations levelled against him.

(IV) Pending the disciplinary proceedings, the petitioner was placed under suspension and an Inquiry Officer came to be appointed to conduct the departmental inquiry. The petitioner requested the respondent-Bank to furnish the material documents forming the basis of the charges, including the inspection and investigation reports, relevant records relied upon by the Inquiry Officer and other documents for effectively defending the proceedings. According to the petitioner, though repeated requests were made, those documents were not made available.

(V) The departmental inquiry nevertheless proceeded further. The petitioner also raised objections regarding the conduct of the inquiry and alleged non-compliance with the applicable vigilance guidelines and principles of natural justice. Upon conclusion of the inquiry, the Inquiry Officer submitted report. Acting upon the findings recorded in the inquiry report, the

disciplinary authority imposed the major penalty of compulsory retirement from service by order dated 28.07.2023. The appeal preferred by the petitioner came to be dismissed by the appellate authority by order dated 24.11.2023.

(VI) It is in the aforesaid backdrop that the petitioner has invoked the writ jurisdiction of this Court challenging the orders passed by the disciplinary authority and the appellate authority.

4. The petitioner appearing in person submits that the disciplinary proceedings culminating in the impugned orders are vitiated by gross procedural irregularities and violations of the principles of natural justice. According to him, the charges levelled against him are unfounded and the action initiated by the respondent-Bank is a colourable exercise of power undertaken with a predetermined intent to impose a major penalty. It is contended that the findings recorded by the Inquiry Officer are unsupported by the material available on record.

5. The petitioner further submits that repeated requests were made seeking the material forming the basis of the charges levelled. In this regard, reliance is placed upon the communication dated 01.12.2021 addressed to the respondent-Bank wherein the petitioner sought particulars regarding the alleged irregularities referred to in Charge and the basis on which the respondents attributed a loss of Rs.49.78 Lakh to the Bank. According to the

petitioner, no response was furnished to the said communication. The petitioner would submit that during the course of the inquiry proceedings although consistently requested inspection and supply of the documents relied upon by the disciplinary authority, including the reports and records constituting the foundation of the charges.

6. The petitioner further submits that the petitioner addressed a detailed complaint to Respondent No.2 on 18.11.2022 alleging procedural irregularities in the conduct of the inquiry and thereafter submitted a complaint to the Central Vigilance Commission raising similar grievances. The petitioner also sought substitution of the Inquiry Officer on the ground that the proceedings were not conducted fairly.

7. It is further submitted that the petitioner was placed under suspension for an unduly prolonged period and the mandatory requirements regulating the review of suspension were not adhered to. According to the petitioner, the procedure prescribed under the service regulations while conducting the inquiry and before imposing a major penalty was not followed. The petitioner would contend that the disciplinary authority proceeded on the basis of inquiry report without ensuring compliance with the safeguards contemplated under the regulations and without granting a fair and effective opportunity of hearing. It is further

contended that the appellate authority failed to independently examine the grievances raised by the petitioner and mechanically affirmed the order of punishment. Accordingly, prayed to allow the petition.

8. In support of his submission, the petitioner has placed reliance on the following judgments;

(1) State of U.P. verses Salig Ram Sharma, AIR 1960 All 543;
(2) State of U.P. versus Mohd. Sharif, AIR 1982 SC 937;
(3) Managing Director, E.C.I.L., Hyderabad versus B. Karunakar (II), MANU/SC/1038/1996;
(4) Moni Shankar v. Union of India (2008) 3 SCC 484;
(5) Anil Gilurker versus Bilaspur Raipur Kshetriya Gramin Bank, (2011) 14 SCC 379.

9. In the wake of the aforesaid precedents, the petitioner contends that the charges levelled against lack precision, specificity, and clarity. It is a settled principle of law that vague, ambiguous and unfounded charges severely deprive an employee of a reasonable and effective opportunity to defend themselves, thereby violating the principles of natural justice. In light of the aforementioned precedents, the petitioner contends that the present enquiry proceedings are entirely vitiated.

10. Per contra, the learned counsel appearing for respondent No.2 supported the action of the disciplinary authority in imposing the penalty. He submitted that the disciplinary proceedings were

conducted in accordance with the applicable rules and that the findings recorded by the competent authority do not warrant interference.

11. It is further submitted that the Petitioner having accepted the consequential monetary benefits, it is not open for the Petitioner to question the orders and consequential punishments. In support of the submissions, reliance has been placed upon the following judgments;

(1) State of Punjab versus Krishna Nivas, 1997 AIR SC 2349;

(2) Chairman and Managing Director United Commercial Bank and others versus PC Kakkar, AIR 2003 SC 1571;

(3) State Bank of Bikaner and Jaipur versus Nemichand Nalvaiyya, AIR 2011 SC 1931;

(4) Deputy Commissioner KVS and others versus JV Hussain, AIR 2014 SC 766;

(5) State of Punjab and others versus Dhanjeetsingh Sandhu, AIR 2014 SC 3004;

(6) Union of India v. Gunashekharan, AIR 2015 SC 545;

(7) State Bank of Patial versus General Secretary Staff Union and others, 2016 III CLR 1005 (SC);

(8) Sadiq Shafiq Quershi versus MD and CEO Union Bank of India and others, 2022 SCC OnLine Bom 651;

(9) United Bank of India versus Bachchan Prasad Lall, AIR 2022 SC 943;

(10) State Bank of India and another versus K. S. Vishwanath, AIR 2022 SC 2531;

(11) Indian Overseas Bank versus Omprakash Lal Shrivastav, AIR OnLine 2022 SC 47;

12. Upon hearing the petitioner appearing in person and the learned counsel appearing for the respondent, the following facts emerge from the record. The petitioner was placed under suspension vide order dated 10.11.2021 and thereafter a chargesheet was served upon him. The petitioner sought supply of the documents relied upon by the department to enable him to defend the disciplinary proceedings; however, according to him, despite repeated requests, the same were not furnished. Subsequently, an Inquiry Officer came to be appointed.

13. During the pendency of the inquiry, the petitioner raised objections regarding the manner in which the proceedings were conducted and approached the Central Vigilance Commission. The petitioner also sought substitution of the Inquiry Officer vide application dated 14.12.2022, which request came to be rejected. The petitioner thereafter, in wake of the regulations, sought revocation of suspension and release of subsistence allowance, however, the said requests were not accepted.

14. The inquiry, thereafter, proceeded further and culminated in the inquiry report. Upon receipt of the inquiry report, the

disciplinary authority, proposed imposition of penalty. The petitioner submitted his response objecting to the findings rendered by the Inquiry Officer and denial of effective opportunity during the inquiry proceedings and also requested to grant reasonable time to put forth defense. However, the disciplinary authority proceeded to impose the major penalty of compulsory retirement. The statutory appeal preferred by the petitioner was also dismissed by the appellate authority/Board of Directors, affirming the order of punishment.

15. At this stage, reference to Regulation 39 of the Maharashtra Gramin Bank (Officers and Employees) Service Regulations, 2010 (hereinafter referred to as the “Service Regulations”) would be apposite. The said regulation requires the disciplinary authority to afford a reasonable opportunity to the delinquent employee to submit his explanation and defend himself before taking a final decision on the charges. The grievance of the petitioner is that such opportunity, as contemplated under the Service Regulations, was not effectively extended to him.

16. Similarly, Regulation 46 of the Service Regulations provides for payment of subsistence allowance to an employee during the period of suspension. The petitioner contends that despite repeated requests, the subsistence allowance payable under the said provision was not paid, which seriously prejudiced his ability

to effectively participate in the disciplinary proceedings and defend himself. Thus, regardless of request, the respondents were under an obligation to provide the relevant material on which the charges were framed in the wake of the regime of service regulations.

17. Further, it would be appropriate to make a reference to the judgment of the Hon'ble Supreme Court in the case of ***Managing Director, E.C.I.L., Hyderabad versus B. Karunakar*** **(supra)** wherein the Constitution Bench, while considering the scope of reasonable opportunity available to a delinquent employee in disciplinary proceedings, examined the fundamental question as to whether the report submitted by the Inquiry Officer is required to be furnished to the delinquent employee to enable him to make an effective representation before the disciplinary authority arrives at its conclusion regarding the charges and the punishment, if any, to be imposed. In that context, the Bench framed certain incidental questions for consideration in paragraph No.2 of the judgment, which are reproduced hereinbelow:

> *"2. The basic question of law which arises in these matters is 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 the guilt or otherwise of the employee and the punishment, if any, to be awarded to him. This question in turn gives rise to the following incidental questions:

(i) Whether the report should be furnished to the employee even when the statutory rules laying down the procedure for holding the disciplinary inquiry are silent on the subject or are against it?

(ii) Whether the report of the Inquiry Officer is required to be furnished to the delinquent employee even when the punishment imposed is other than the major punishment of dismissal, removal or reduction in rank?

(iii) Whether the obligation to furnish the report is only when the employee asks for the same or whether it exists even otherwise?

(iv) Whether the law laid down in Mohd. Ramzan Khan's case (AIR 1991 SC 471) (supra) will apply to all establishments-Government and non-Government, public and private sector undertakings?

18. Upon consideration of the aforesaid questions, the Hon’ble Supreme Court answered the same in paragraph No.30 of the judgment and laid down the principles governing the requirement of furnishing the inquiry report to the delinquent employee and the consequences arising from denial of such opportunity. The relevant portion of the judgment is reproduced hereinbelow:

"30. Hence the incidental questions raised above may be answered as follows:

(i) Since the denial of the report of the Inquiry Officer is a denial of reasonable opportunity and a breach of the principles of natural justice, it follows that the statutory rules, if any, which deny the report to the employee are against the principles of natural justice and, therefore, invalid. The delinquent employee will, therefore, be entitled to a copy of the report even if the statutory rules do not permit the furnishing of the report or are silent on the subject.

(ii) The relevant portion of Article 311(2) of the Constitution is as follows:

(2) No such person as aforesaid shall be dismissed or removed or reduced in rank except after an enquiry in which he has been informed of the charges against him and given a reasonable opportunity of being heard in respect of those charges.: Thus the Article makes it obligatory to hold an inquiry before the employee is dismissed or removed or reduced in rank. The Article, however, cannot be construed to mean that it prevents or prohibits the inquiry when punishment other than that of dismissal, removal or reduction in rank is awarded. The procedure to be followed in awarding other punishments is laid down in the service rules governing the employee. What is further, Article 311(2) applies only to members of the civil services of the Union or an all India service or a civil service of a State or to the holders of the civil posts under the Union or a State. In the matter of all punishments both Government servants and others are governed by their service rules.

Whenever, therefore, the service rules contemplate an inquiry before a punishment is awarded, and when the Inquiry Officer is not the disciplinary authority the delinquent employee will have the right to receive the Inquiry Officer's report notwithstanding the nature of the punishment.

(iii) Since it is the right of the employee to, have the report to defend himself effectively, and he would not know in advance whether the report is in his favour or against him, it will not be proper to construe his failure to ask for the report, as the waiver of his right. Whether, therefore, the employee asks for the, report or not, the report has to be furnished to him.

(iv) In the view that we have taken, viz., that the right to make representation to the disciplinary authority against the findings recorded in the inquiry report is an integral part of the opportunity of defence against the charges and is a breach of principles of natural justice to deny the said right, it is only appropriate that the law laid down in Mohd. Ramzan Khan's cas (AIR 1991 SC 471) (supra) should apply to employees in all establishments whether Government or non-Government, public or private. This will be the case whether there are rules governing the disciplinary proceeding or not and whether they expressly prohibit the furnishing of the copy of the report or are silent on the subject. Whatever the nature of punishment, further, whenever the rules require an inquiry to be held, for inflicting the punishment in question, the delinquent employee should have the benefit of the report of the Inquiry Officer

before the disciplinary authority records its findings on the charges levelled against him. Hence question (iv) is answered accordingly.

(v) The next question to be answered is what is the effect on the order of punishment when the report of the Inquiry Officer is not furnished to the employee and what relief should be granted to him in such cases. The answer to this question has to be relative to the punishment awarded. When the employee is dismissed or removed from service and the inquiry is set aside because the report is not furnished to him, in some cases the non- furnishing of the report may have prejudiced him gravely while in other cases it may have made no difference to the ultimate punishment awarded to him. Hence to direct reinstatement of the employee with back-wages in all cases is to reduce the rules of justice to a mechanical ritual. The theory of reasonable opportunity and the principles of natural justice have been evolved to uphold the rule of law and to assist the individual to vindicate his just rights. They are not incantations to be invoked nor rites to be performed on all and sundry occasions. Whether in fact, prejudice has been caused to the employee or not on account of the denial to him of the report, has to be considered on the facts and circumstances of each case. Where, therefore, even after the furnishing of the report, no different consequence would have followed, it would be a perversion of justice to permit the employee to resume duty and to get all the consequential benefits. It amounts to rewarding the dishonest and the guilty and thus to stretching the concept of justice to illogical and

exasperating limits. It amounts to a "unnatural expansion of natural justice" which in itself is antithetical to justice."

19. The Hon'ble Apex Court has also observed in paragraph No.26 to 29 which are reproduced as under;

"26. The reason why the right to receive the report of the Inquiry Officer is considered an essential part of the reasonable opportunity it the first stage and also a principle of natural justice is that the findings recorded by the Inquiry Officer form an important material before the disciplinary authority which along with the evidence is taken into consideration by it to come to its conclusions. It is difficult to say in advance, to what extent the said findings including the punishment, if any, recommended in the report would influence the disciplinary authority while drawing its conclusions. The findings further might have been recorded without considering the relevant evidence on record, or by misconstruing it or unsupported by it. If such a finding is to be one of the documents to be considered by the disciplinary authority, the principles of natural justice require that the employee should have a fair opportunity to meet, explain and controvert it before he is condemned. It is the negation of the tenets of justice and a denial of fair opportunity to the employee to consider the findings recorded by a third party like the Inquiry Officer without giving the employee an opportunity to reply to it. Although it is true that the disciplinary authority is supposed to arrive at its own findings on the basis of the evidence recorded in the

inquiry, it is also equally true that the disciplinary authority takes into consideration the findings recorded by the Inquiry Officer along with the evidence on record. In the circumstances, the findings of the Inquiry Officer do constitute an important material before the disciplinary authority which is likely to influence its conclusions. If the Inquiry Officer were only to record the evidence and forward the same to the disciplinary authority, that would not constitute any additional material before the disciplinary authority of which the delinquent employee has no knowledge. However, when the Inquiry Officer goes further and records his findings, as stated above, which may or may not be based on the evidence on record or are contrary to the same or in ignorance of it, such findings are an additional material unknown to the employee but are taken into consideration by the disciplinary, authority while arriving at its conclusion. Both the dictates of the reasonable opportunity as well as the principles of natural justice, therefore, require that before the disciplinary, authority comes to its own conclusions, the delinquent employee should have an opportunity to reply to the Inquiry Officer's findings. The disciplinary authority is then required to consider the evidence, the report of the Inquiry Officer and the representation of the employee against it.

27. It will thus be seen that where the Inquiry Officer is other than the disciplinary authority, the disciplinary proceedings break into two stages. The first stage ends when the disciplinary authority arrives at its conclusions on the basis of the evidence, Inquiry

Officer's report and the delinquent employee's reply to it. The second stage begins when the disciplinary authority decides to impose penalty on the basis of its conclusions. If the disciplinary authority decides to drop the disciplinary proceedings, the second stage is not even reached. The employee's right to receive the report is thus, a part of the reasonable opportunity of defending himself in the first stage of the inquiry. If this right is denied to him, he is in effect denied the right to defend himself and to prove his innocence in the disciplinary proceedings.

28. The position in law can also be looked at from a slightly different angle. Article 311(2) says that the employee shall be given a "reasonable opportunity of being heard in respect of the charges against him". The findings on the charges given by a third person like the enquiry Officer, particularly when they are not borne out by the evidence or are arrived at by overlooking the evidence or misconstruing it, could themselves constitute new unwarranted imputations. What is further, when the proviso to the said Article states that "where it is proposed after such inquiry to impose upon him any such penalty may be imposed on the basis of the evidence adduced during such inquiry and it shall not be necessary to give such person any opportunity of making representation on the penalty proposed", it in effect accepts two successive stages of differing scope. Since the penalty is to be proposed after the inquiry, which inquiry in effect is to be carried out by the disciplinary authority (the Inquiry Officer being only his delegate appointed to hold the inquiry and to assist

him), the employee's reply to the Inquiry Officer's report and consideration of such reply by the disciplinary authority also constitute an integral part of such inquiry. The second stage follows the inquiry so carried out and it consists of the issuance of the notice to show cause against the proposed penalty and of considering the reply to the notice and deciding upon the penalty. What is dispensed with is the opportunity of making representation on the penalty proposed and not of opportunity of making representation on the report of the Inquiry Officer. The latter right was always there. But before the 42nd Amendment of the Constitution, the point of time at which it was to be exercised had stood deferred till the second stage viz., the stage of considering the penalty. Till that time, the conclusions that the disciplinary authority might have arrived at both with regard to the guilt of the employee and the penalty to be imposed were only tentative. All that has happened after the 42nd Amendment of the Constitution is to advance the point of time at which the representation of the employee against the enquiry Officer's report would be considered. Now, the disciplinary authority has to consider the representation of the employee against the report before it arrives at its conclusion with regard to his guilt or innocence of the charges.

29. Hence it has to be held that when the Inquiry Officer is not the disciplinary authority, the delinquent employee has right to receive a copy of the Inquiry Officer's report before the disciplinary authority arrives at its conclusions with regard to the guilt or innocence

> *of the employee with regard to the charges levelled against him. That right is a part of the employee's right to defend himself against the charges levelled against him. A denial of the Inquiry Officer's report before the disciplinary authority takes its decision on the charges is a denial of reasonable opportunity to the employee to prove his innocence and is a breach of the principles of natural justice."*

20. Applying the aforesaid principles to the facts of the present case, it is evident that the right of the petitioner to submit an effective representation against the findings recorded by the Inquiry Officer assumes significance. The inquiry report formed the basis for the disciplinary authority to proceed further and propose imposition of penalty. Therefore, before arriving at a final conclusion, the petitioner was required to be afforded a meaningful opportunity to examine the findings recorded against him and place his objections before the disciplinary authority.

21. Overlooking the aforesaid aspects, the disciplinary authority proceeded on the basis of the inquiry report and proposed the major penalty of compulsory retirement. The denial of an effective opportunity to deal with the material relied upon against him has, therefore, caused serious prejudice to the petitioner, having deprived of an opportunity to persuade the disciplinary authority regarding the correctness of the findings and the proposed

punishment. The prejudice is further evident from the fact that the disciplinary authority proceeded to impose the penalty without the petitioner's defence being considered in its proper perspective.

22. The very object underlying Regulation No.39 of the Service Regulations, which obligates the disciplinary authority to furnish the charges framed in writing and to afford a reasonable opportunity to the delinquent employee to submit his explanation and defend himself, is to ensure that the employee is extended with a meaningful opportunity before any conclusion is arrived. Such opportunity necessarily ought to be extended to the stage where the disciplinary authority proposes to act upon the findings recorded by the Inquiry Officer and considers the question of imposition of penalty.

23. The Inquiry Officer, having been appointed by the disciplinary authority, acts as a delegate for the limited purpose of conducting the inquiry and submitting his findings. The submission of the inquiry report, therefore, cannot be treated as bringing the disciplinary proceedings to an end. The stage subsequent thereto, i.e. i) furnishing the inquiry report, ii) issuing notice regarding the proposed penalty, iii) permitting the delinquent employee to submit his representation and consideration of same by the disciplinary authority, forms an integral part of the decision-making process.

24. Thus, the inquiry proceedings comprise not only the recording of findings by the Inquiry Officer but also the consideration of the response of the delinquent employee by the disciplinary authority before arriving at a final decision regarding the penalty to be imposed. Any denial of such opportunity would defeat the very purpose for which Regulation No.39 of the Service Regulations has been incorporated.

25. Perusal of the record unequivocally indicates that after receipt of the report from the disciplinary authority, indicating the proposed punishment, the petitioner made a reasonable request for submitting the reply, however, the request is neither considered and, resultantly, no time is extended even at this juncture, the reasonable opportunity to the petitioner has been denied.

26. In ***Moni Shankar (supra),*** the Hon'ble Supreme Court has held that departmental inquiries are quasi-judicial proceedings governed by the principles of natural justice. The statutory procedural safeguards are mandatory and cannot be bypassed under the guise of mere administrative guidelines; and inherently protect innocent employees from arbitrary action and non-compliance effectively vitiates the entire disciplinary proceeding.

27. The record reveals that inspite the petitioner’s explicit request dated 18.11.2022 seeking the production of essential documents, the respondents chose to remain silent. After subsequent reminders, the respondent-bank denied disclosure, contending that the requested records constituted exempt internal bank documents and could not be shared. Consequently, the Petitioner was constrained to opt for the underlying documents through RTI.

28. Regrettably, this did not alter the approach of the respondent-employer. A bare perusal of the record, specifically the documents obtained from NABARD, clearly demonstrates a prejudice against the petitioner at every juncture. Furthermore, it appears that the Inquiry Officer acted merely as a tool of the disciplinary authority. Therefore, by routinely refused to supply relevant documents. The disclosure of which was indispensable for the petitioner to submit an effective reply and to putforth a proper defense. The Inquiry Officer failed to act independently. Such withholding of vital documents at the inquiry stage has severely impacted the petitioner's right to defend himself.

29. The learned counsel appearing for the respondent, when confronted with the grounds raised in the petition, sought to justify the action primarily on the basis that the petitioner was involved in serious charges and that a chargesheet was served upon him

followed by conduct of inquiry. However, apart from the aforesaid general assertions, no specific material was placed on record to demonstrate that the documents sought by the petitioner were furnished, or that the objections raised by him during the inquiry proceedings were duly considered.

30. Although sufficient opportunity being available to the respondent Bank to place the relevant record and explain the manner in which the inquiry proceedings were conducted, the respondent consciously chose not to place such material before this Court to demonstrate. In the absence of the relevant material on record being produced, the Court is constrained to draw an adverse inference against the respondent Bank for withholding the material which was directly relevant for adjudication of the issues raised in the petition. In such circumstances, the reliance placed by the respondent upon the judgments cited in support of the impugned action does not advance its case.

31. As far as the submissions regarding the petitioner's receipt of terminal benefits are concerned, the same would not preclude the petitioner from challenging the penalty order if it is unsustainable in law or arbitrary. There can be no waiver or acceptance of an illegal penalty, and the right to assail the order remains intact

32. Considering the peculiar facts and circumstances, we are of the considered view that the disciplinary proceedings conducted against the petitioner suffer from violation of the principles of natural justice and the mandatory requirements contemplated under the Service Regulations. The failure on the part of the respondent-Bank to furnish the relevant material and to afford an effective and meaningful opportunity to the petitioner has resulted in serious prejudice to his defence. Consequently, the inquiry proceedings and the consequential order of punishment cannot be sustained in law and are hereby quashed and set aside.

33. In view of the aforesaid discussion and findings recorded hereinabove, the petitioner is, therefore, entitled for the relief of re-instatement along with the consequential benefits thereon, in accordance with law.

34. Accordingly, the writ petition is allowed in above terms.

35. The respondent-authorities shall comply with the directions issued hereinabove within a period of three months from today. There shall be no order as to costs.

36. Rule is made absolute, accordingly.

[SACHIN S. DESHMUKH]
JUDGE

[SMT. VIBHA KANKANWADI]
JUDGE

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