

W.A(MD) No.1077 of 2023

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BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

RESERVED ON : 02.03.2026

PRONOUNCED ON : 17.04.2026

CORAM

**THE HONOURABLE MR.JUSTICE G.R.SWAMINATHAN
AND
THE HONOURABLE MS.JUSTICE R.POORNIMA**

W.A.(MD)No.1077 of 2023

and

C.M.P(MD)No.8182 of 2023

1.Board of Director/ Appellate Authority,
Represented by its Chairman,
Tamil Nadu Grama Bank, (Formerly Pandyan Grama Bank),
Head Office, No. 6, Yercaud Road,
Hasthampatti,
Salem.

2.The Chairman,
Tamil Nadu Grama Bank, (Formerly Pandyan Grama Bank),
Head Office, No.6, Yercaud Road,
Hasthampatti,
Salem - 638 007.

(Cause Title is accepted vide Court order dated
08.06.2023 made in CMP(MD)No.6590 of 2023 in
WA(MD)SR.No.25088 of 2023)

.... Appellants/respondents

Vs.

S. Selva Muthu Pandiyan

....Respondent/Writ Petitioner



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PRAYER : Writ Appeal is filed under Clause 15 of the Letters Patent against the order passed in W.P.(MD)No.8319 of 2012, dated 20.02.2023.

For Appellants : Mr.M.Srinivasa Murthy
for Mr.M.P.Senthil

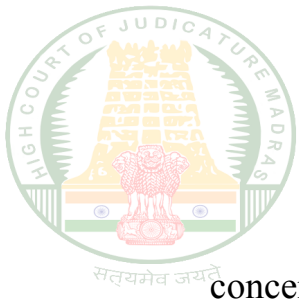
For Respondent : Mr.K.P.S.Palanivelrajan
Senior Counsel
for Mr.M.Karthikeya Venkitachalapathy

JUDGMENT

(Judgment of this Court was delivered by **R.POORNIMA, J.**)

This Writ Appeal is preferred against the order passed in W.P.(MD)No.8319 of 2012, dated 20.02.2023 and prayed to set aside the same.

2. The case of the appellants/respondents is that the appellants is a Grama Bank established for the purpose of catering to the women mostly living in Villages for the purpose of their upliftment. One such scheme was loans to Self Help Groups. The main object of the said scheme was to improve the women empowerment in the Country. The



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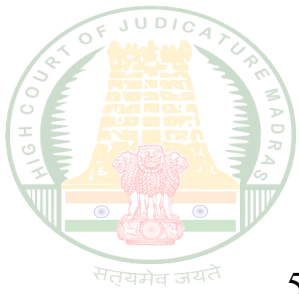
concerned Manager of the respective Banks are responsible to see that the loan be disbursed properly.

3. The respondent who was working as Branch Manager of Kallidaikurchi Branch of the appellant Bank failed to discharge his duties diligently, he had committed lot of irregularities in granting the loans. He violated the basic norms in granting the loans. Further taking advantage of the ignorance of the borrowers, he utilized the proceeds of the loans for his benefit and the benefit of few of his close relatives/associates. This affected the functioning of the bank and also resulting in huge losses to the Bank. An investigation was conducted into the irregularities committed by the respondent and a charge sheet consisting of 5 charges was issued to him on 15.12.2007 alleging misconduct in terms of Sections 16, 17, 19, 42 and 38 of Pandyan Grama Bank (Officers and Employees) Service Regulations, 2001.

4. The charges are as set out as under:

Charge No.1:

Alleged violation of instructions in the sanction and disbursement of loan to Self Help Group PGB Malarmugam



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58 – under Account No.SHG/29/07 in connivance with his own cousins namely, Sattanathan and Saravanan and mis-utilized the entire loan proceeds for personal gains.

Charge No.2:

Alleged act of accommodating one Tmt.Seethalakshmi for granting her number of loans, violating Administrative Office instruction and allowing her to unauthorisedly utilize the proceeds of Dairy loans and Joint Liability Group Loans granted in the names of various borrowers.

Charge No.3:

Alleged collection of money for processing fee and stamp and under the guise of purchasing gifts for depositors, demanded and accepted illegal gratification from Self Help Groups, while extending financial assistance to them.

Charge No.4:

Alleged engagement of M/s.Sattanathan and Saravanan, as Middlemen and fabrication of records for sanction of loans, to Self Help Groups Viz., PGB Malamugam 123, 22, 42 and 65 and further allowing them to embezzle loan proceeds disbursed to the above groups as well as loan instalments collected from the groups.

Charge No.5:

Alleged sanction of Dairy and JLG loans to persons and allowing Mr.Manickam, Appraiser in the Bank Branch to utilize the proceeds of the loan.



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Thereafter, the respondent/writ petitioner filed his reply on 05.02.2008. Since the explanation offered was not satisfactorily explained, enquiry was conducted and the Enquiry Officer submitted his enquiry findings on 30.01.2010. The same was communicated to the delinquent (writ petitioner) and he submitted his further explanation to the enquiry officer findings. On 12.09.2011 final order was passed by the Chairman, thereby imposed punishment of dismissal awarded to the respondent/writ petitioner in terms of Regulation 38(1)(b)(v) of Pandyan Grama Bank (Officers and Employees) Service Regulations 2001. Against which the respondent/writ petitioner filed an appeal on 27.10.2011 before the Appellate Authority. The Appellate Authority confirmed the order of disciplinary authority and rejected the appeal vide order dated 06.03.2012. Against which the respondent/writ petitioner filed W.P.(MD)No.8319 of 2012 before the Court. The learned Single Judge vide order dated 20.02.2023 allowed the writ petition, thereby setting aside the impugned order and directed the appellants/respondents to pay 30% of backwages and directed to confer continuity of service until superannuation and disburse pension and other terminal benefits to the



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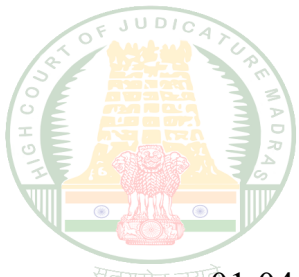
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petitioner and the order should be implemented within a period of eight (8) weeks from the date of receipt of a copy of the order.

5. Against which the present writ appeal is filed by the appellants/respondents with the following among other grounds :

(i) The learned Single Judge failed to note that when one of the proven charges against the respondent was that even though the earlier instalment of loan granted to the customer was irregular and overdue on account of default committed by the customer, suppressing the default/outstanding, the respondent sanction and disbursed the 3rd linkage loan and the said loan again defaulted and could not be recovered.

(ii) The learned Judge erred in holding that the charges levelled against the respondent was not proved, when the documents Ex.ME4 Investigation Officer report, Ex.ME9 documents of Malarmugam PGB Kalladai 58 dated 17.05.2007, Ex.ME 10 loan extract of PGB Malarmugam 58, ledger print out of PGB MM-58, Kalladakurichi Branch A/c.No.5481/2005 for the period from 01.04.2006 to 28.09.2007 and for A/c.No.54-129/2007 for the period from



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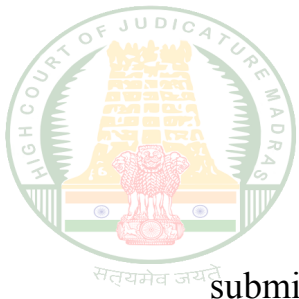
01.04.2006 to 31.08.2007 and for A/c.5481/2005 for the period from 01.04.2006 to 26.10.2007 and recommendations sent by the Branch Manager for consolidating, confirmation FSHG prepared by the respondent.

(iii) The learned Single Judge erred in holding that the Domestic enquiry was held in violation of the principles of natural justice merely because all the witnesses cited were not examined but only a few of them were alone examined. But failed to see that it is not the number of witnesses examined, but it has to see that evidence of those witnesses who were examined are sufficient to prove the charges

(iv) Further the learned Judge in paragraph No.9 of the order held that Sattanathan and Saravanan are relatives of the Respondent is absolutely false and contrary to the respondents statement in the appeal, who himself has admitted that they are relatives.

(v) The Learned Judge failed to see that in this case, the charges were established based on the records 69 documents and 5 witnesses were examined and charges were held to be proved based on the documents and the evidence of the said witnesses.

(vi) The learned Judge failed to see that the customers



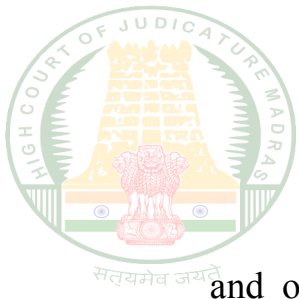
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submitted their complaints to the Investigation officer and he got into the witness box and explained how the Respondent has committed illegality. But the respondent did not even get into the witness box. But the Learned Judge is not justified in re-appreciating the evidence and comes to a conclusion that most of the customers have gone back on the statements made to the investigation officer, which is certainly not within the jurisdiction of the Court.

(vii) The learned Judge erred in accepting the ration card produced by the Respondent which was not even produced in the Department Enquiry.

(viii) The learned Judge erred in holding that out of Rs.12 crore advanced during the respondent's tenure, a substantial portion of money was recovered and even the balance had been recovered/ written off and therefore, the Respondent cannot be blamed, overlooked the charges against the Respondent was not that the loans were given and some portion of the loan could not be recovered, but the charge was that contrary to the norms, he had granted loans to the same family. Despite there is a default in their repayment, suppressing the material fact of default, the respondent got the approval for the next instalment of loan



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and only after the next instalment loan amount was credited to their account, cash was deposited towards previous default and after the amount with regard to subsequent instalment was released again they defaulted.

Hence, prayed to allow the writ appeal and set aside the order dated 20.02.2023 passed in W.P.(MD)No.8319 of 2012.

6. The learned counsel for the respondent denied all the allegations and contended that the delinquent entered banking service as a Supervisor in the year 1987, was promoted to the post of Officer in 1991, and further promoted as Senior Manager in 2000. It is submitted that throughout his service, he rendered his duties sincerely and was awarded certificates for meritorious service.

7. It is further stated that he was placed under suspension in the year 2000, and a charge sheet dated 15.12.2007 was issued. Subsequently, he was dismissed from service. Aggrieved by the same, he preferred an appeal and a supplementary appeal, both of which were rejected. Challenging the same, he filed a writ petition, which was



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allowed on the ground that the appellant failed to produce any concrete evidence to substantiate the charges levelled against him.

8. The respondent further denied the allegations relating to demand and acceptance of illegal gratification from members of Self Help Groups (SHGs). It is specifically contended that he had not received any amount from anyone, and the SHG members themselves denied such allegations. The allegation regarding engagement of his relatives as middlemen was also denied. It is further submitted that the loans disbursed were duly utilised by the SHG members.

9. It is therefore contended that the findings of the Enquiry Officer are perverse, unsupported by evidence, and unsustainable in law. Hence, the appeal is devoid of merits and is liable to be dismissed

10. Heard the learned counsel on either side and perused the material available on records.

11. It is noted that, in the disciplinary proceedings, there



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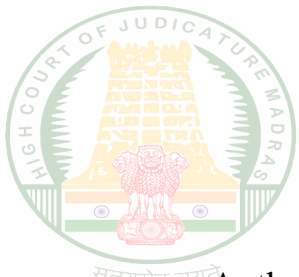
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were no procedural lapses and the process was conducted properly. The delinquent employee was issued with a charge sheet dated 05.12.2007, to which he submitted his explanation on 05.02.2008. Thereafter, a domestic enquiry was conducted in accordance with the prescribed procedure. Upon completion of the enquiry, the Enquiry Officer concluded that the charges framed against the delinquent stood proved.

12. On the side of the Management, documents marked as Exs. ME1 to ME69 were produced, and Witnesses 1 to 50 were examined. On the side of the delinquent, documents marked as Exs. DE1 to DE23 were filed.

13. After receipt of the enquiry report, the delinquent submitted his further representation; however, the same was rejected. Subsequently, by order dated 12.09.2011, the Disciplinary Authority imposed the punishment of dismissal from service.

14. Aggrieved by the said order, the delinquent preferred an appeal on 27.10.2011, which came to be rejected by the Appellate



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Authority on 06.03.2012. Challenging the same, the delinquent filed W.P.(MD) No. 8319 of 2012, seeking to call for the records pertaining to the order dated 06.03.2012 passed by the second respondent, to quash the same, and consequently direct the Bank to reinstate him in service with all consequential benefits.

15. The learned Single Judge, by order dated 20.02.2023, allowed the writ petition and held as follows :

“17. For all these reasons, this Court is inclined to interfere with the impugned order. The punishment order is set aside. The petitioner has attained superannuation as on date and therefore, there is no question of reinstatement. The petitioner is entitled to continuity of service. As far as backwages is concerned, the petitioner may not be entitled to backwages based on 'No work No pay' principle, since this Court is of the considered opinion that the very basis of the charge itself is on wrong understanding of the transaction, therefore, the petitioner is entitled to 30% of backwages.

Aggrieved by the same, the present appeal has been filed.

16. Charge No.1 :

Charge No.1 consists of two parts:

(a)The respondent sanctioned and disbursed a loan of Rs.1,50,000/- on 17.05.2007 to PGP Malar Mugam 58



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under SHG No.129. In the process, he engaged one Mr. Sattanathan, his cousin brother, as a middleman for collection of savings from the group and for disbursement of the loan amount.

(b) The respondent is alleged to have received and utilized the loan proceeds for his personal gain, failed to ensure proper group dynamics and failed to verify relevant records of the SHG, sanctioned the loan despite the group's earlier loan account being overdue, and suppressed the fact of such overdues while recommending the proposal to the Area Office.

As per the Self Help Group (SHG) Handbook produced by the appellant Bank, which governs microfinance operations, the following key conditions are stipulated:

Structure.

- a. all are poor;*
- b. One member from one family*
- c. one member in one group*

Functions.

- i. regular meeting in specific places at specific time*
- ii. book keeping maintenance*

Simple rules on SHG functioning:

- a. Member should have repayment ethics*
- b. the sum of the group corpus and the bank loan should be*



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on lent to members based on their need and repaying capacity.

c.All the members are jointly and severally responsible for the loan.

d.End use and proper utilisation of the loan amount and prompt repayment should be monitored by the group collection of savings, disbursement of loan and repayment of loan and other financial activities should take place.

e.Only in group meetings. Member should pay the bank loan instalments with interest promptly, and also it was stipulated thatthe group should maintain clear books for all transaction.

Internal lending

Loan should not be given to members for extravagance or for lending to outsiders, etc

Member should pay the bank loan instalments with interest promptly

Bookkeeping by SHG

Simple and clear books for all transaction to be maintained

Eligibility criteria for credit linkage of SHGS

Group should have

a.been in active existence, at least for a period of six months,

b.successfully undertaken savings, and credit operation from its own resources



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c not been formed for availing credit alone.

d.arisen out of genuine needs and desire of members to help each other,

e.been maintaining proper records and accounts,

f. been functioning democratically complying with all the norms and concepts of SHG.

The bank manager is responsible to monitor the activities of the SHG and verify functioning of the groups before sanctioning loan.

17. On perusal of the bank statements produced by the appellant (at page No. 46), it is evident that a sum of Rs.60,000/- was outstanding in respect of the previous loan granted to PGPM 58, Kallidaikurichi, for the period between 01.04.2006 and 23.05.2007. During the said period, only two repayments were made, namely Rs.10,280/- on 31.05.2006 and Rs.7,600/- on 09.08.2006. Thereafter, no further repayments were made by the said Self Help Group till 23.05.2007.

18. It is further revealed that the loan sanctioned to PGPM 58 became overdue as on 23.05.2007 to the extent of Rs.66,665/-. The



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records also show that the said group had obtained a second linkage loan of Rs.1,00,000/- on 18.03.2005 and failed to repay the same within the stipulated time. Despite the subsisting overdue, the respondent sanctioned a fresh loan of Rs.1,50,000/- to the said group (PGPMM 58) on 17.05.2007, even prior to recovery of the earlier dues. While sanctioning the said loan, the respondent certified that he had verified the books of accounts, ledgers, and the previous performance of the group, and that the group satisfied all the norms and conditions.

19. However, the records clearly indicate that the earlier loan was cleared only on 23.05.2007, i.e., after the sanction of the fresh loan. The respondent, in his reply, stated that the overdue amount at the time of recommendation was only Rs.11,665/-, which is contrary to the documentary evidence. The bank statements clearly establish that a substantial portion of the earlier loan remained unpaid, and therefore, the certification made by the respondent that the group satisfied the norms is factually incorrect and misleading.

20. With regard to Charge No.2, it is alleged that the



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respondent sanctioned loans to ten different Self Help Groups with an intention to accommodate one Mrs.Seetha Lakshmi. Though the respondent denied the allegation, he admitted that the loans were sanctioned at his discretion. He further contended that Mrs.Seetha Lakshmi possessed sufficient land holdings, both as a tenant and in her own name, and therefore, the scale of finance was not violated.

21. In order to substantiate Charge No. 2, the appellant produced loan extract statements relating to various Self Help Groups. On examination of the same, it is seen that loans were sanctioned to one Gomathi Amman Magalir CAS, in which Smt.Shenbaga Devi, the daughter of the said Mrs. Seetha Lakshmi, is functioning as an animator. The ration card produced at page No.73 establishes that the said Shenbaga Devi is the daughter of Mrs.Seetha Lakshmi. Further, it is evident from the inter se agreement executed among the members of the said group (annexed at page No. 92 of Volume II and pages 19 and 20 of Volume III of the appellant's typed set) that both Shenbaga Devi and Seetha Lakshmi are members of the same Self Help Group.



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22. It is further revealed that the branch sanctioned various loans to the above Self Help Groups (SHGs), but their repayment performance was irregular and unsatisfactory. A linkage loan of Rs.60,000 was sanctioned to Gomathiamman SHG on 02.11.2006, despite the earlier loan remaining outstanding. Subsequently, on 26.03.2007, a further sum of Rs.50,000/- was sanctioned to the same group (Loan No. SHG 7548/09, page 99). Again, on 27.03.2007, an additional linkage loan of Rs.3,00,000/- was sanctioned (Loan No. SHG 82/2007), even when the earlier loan account had already become a Non-Performing Asset (NPA), as evidenced by the statement of accounts annexed at page 82. Such repeated sanction of fresh loans, despite existing overdue and NPA status, is in clear violation of the norms prescribed in the Self Help Group Handbook, which stipulates, inter alia, that only one member per family is eligible for loan assistance.

23. Further, it is seen that Smt.Seethalakshmi was sanctioned a dairy loan of Rs.18,000/- on 27.01.2007 in her individual capacity, and her daughter, Shenbaga Devi, was also sanctioned a loan of Rs.18,000/- on 10.02.2007. This is contrary to the policy governing SHG-linked



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lending. It is also evident from the records that certain dairy loans were sanctioned in the individual names of Thayammal, Smt. Alankari, and Smt.Muppudathy; however, the repayments were made only by Smt. Seethalakshmi, as seen from the cash receipts annexed at pages 107 and 108. The delinquent has not offered any explanation for this irregularity.

24. Further, it is noted that the daughter-in-law of Smt. Seethalakshmi was functioning as the animator of Narambunathar SHG. On 21.03.2007, a crop loan was also sanctioned in the name of Smt. Seethalakshmi. Except for a few payments, most of the loans sanctioned to the above groups remained unpaid.

25. Despite being aware of the outstanding dues, the delinquent sanctioned several fresh loans to the same groups without insisting on repayment of earlier loans. Similarly, multiple loans were sanctioned to Narambunathar SHG without due diligence.

26. It is further observed that the delinquent failed to verify



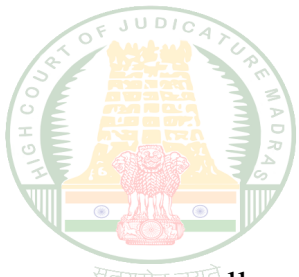
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the registers and account books of the SHGs to ensure that regular group activities were being conducted and that proper records were maintained. He also failed to initiate any recovery steps, including issuance of notices to defaulting borrowers.

27. The annexures produced by the appellant indicate that, as of September 2007, as many as 51 SHG loan accounts had become NPAs. Despite this alarming position, the delinquent failed to take any effective steps for recovery.

28. With regard to the allegation that the delinquent engaged Thiru.Sattanathan and one Saravanan as middlemen for collection of savings and facilitation of loan disbursement, the delinquent denied engaging Thiru.Sattanathan but remained silent regarding Saravanan. However, contrary to such denial, in the appeal preferred against the dismissal order dated 15.12.2007, the delinquent admitted that both Sattanathan and Saravanan were socially known to him and were assisting in the activities of Malarmugam SHG, purportedly on the ground that it was practically difficult for the bank to directly supervise



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all group activities.

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29. The Inspector of the Bank examined the members of the Self Help Group (SHG), who stated that the loan amounts borrowed were handed over to Thiru.Sattanathan and Thiru.Saravanan. However, neither Sattanathan nor Saravanan came forward to depose or provide any evidence in support of this claim. Further, the Bank failed to examine any independent witnesses to substantiate that the loan amounts were in fact handed over to the said persons or that the delinquent officer received any portion of the amount and utilised it for personal gain. In the absence of such evidence, the allegation against the delinquent that he misappropriated the loan amount remains unproved.

30. On the other hand, the respondent relied upon certain written depositions purportedly executed by the members of the SHG, wherein they denied the involvement of Sattanathan and Saravanan and also denied any receipt of money by the delinquent. However, these documents were produced during the enquiry without examining the authors of those statements. Notably, these witnesses had earlier given



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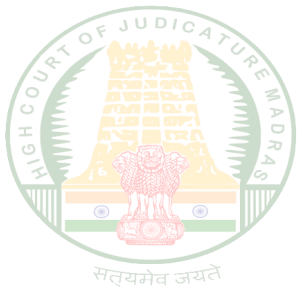
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contrary statements implicating the delinquent. The delinquent, though relying upon such depositions, failed to examine the witnesses to establish their authenticity and veracity. Mere production of such unproved statements, without subjecting the makers to examination, renders them inadmissible in evidence. The learned Single Judge erred in placing reliance on such untested depositions, overlooking the settled principle that statements not proved through witness examination carry no evidentiary value.

31. That apart, the charges proved against the delinquent are grave in nature. The materials on record clearly establish that the delinquent sanctioned and disbursed loans in violation of prescribed procedures and norms applicable to Self Help Group financing. He failed to ensure adherence to eligibility conditions and due diligence requirements.

32. As per Regulations 17 and 19 of the Pandiyan Grama Bank Staff (Officers and Employees) Service Regulations, 2001:

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- *Regulation 17 mandates that every officer or employee shall confirm to and abide by the rules and comply with all lawful orders and directions issued by superiors.*
- *Regulation 19 requires every officer or employee to serve the Bank honestly and faithfully and to act in a manner that promotes the interests of the Bank.*

33. In the present case, it is clearly established that the delinquent sanctioned a second loan to the same Self Help Group without assigning any justifiable reason, while concealing the existence of the earlier outstanding loan. He falsely certified that he had verified the records and that the group satisfied all eligibility norms, despite being aware of their poor repayment track record. Such conduct demonstrates lack of integrity, violation of procedural norms, and dereliction of duty, thereby causing financial loss to the Bank. The delinquent officer, despite having full knowledge of the applicable rules and regulations, sanctioned loan amounts to the same individual and his family members, which is in clear violation of the prescribed norms. He further proceeded to sanction additional loans without taking any steps to recover the earlier sanctioned loans. Moreover, he failed to verify the relevant records to ensure that the loans were utilised for the purposes for which they were granted and

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whether the mandatory group meetings were duly conducted. By sanctioning loans beyond his delegated powers and without due diligence, he acted in a grossly negligent manner, thereby causing financial loss to the bank.

34. The appellant counsel referred a judgment of the Hon'ble Supreme Court in the case of ***Disciplinary Authority-cum-Regional Manager and others Vs. Nikunja Bihari Patnaik*** reported in **1996 (9) SCC 69**, in which paragraph No.7 held as follows:

"..... In the case of a bank - for that matter, in the case of any other organisation - every officer/employee is supposed to act within the limits of his authority. If each officer/employee is allowed to act beyond his authority, the discipline of the organisation/bank will disappear; the functioning of the bank would become chaotic and unmanageable. Each officer of the bank cannot be allowed to carve out his own little empire wherein he dispenses favours and largesse. No organisation, more particularly, a bank can function properly and effectively if its officers and employees do not observe the prescribed



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norms and discipline. Such indiscipline cannot be condoned on the specious ground that it was not actuated by ulterior motives or by extraneous considerations. The very act of acting beyond authority that too a course of conduct spread over a sufficiently long period and involving innumerable instances is by itself a misconduct. Such acts, if permitted, may bring in profit in some cases but they may also lead to huge losses. Such adventures are not given to the employees of banks which deal with public funds. If what we hear about the reasons for the collapse of Barings Bank is true, it is attributable to the acts of one of its employees, Nick Leeson, a minor officer stationed at Singapore, who was allowed by his superiors to act far beyond his authority. As mentioned hereinbefore, the very discipline of an organisation and more particularly, a bank is dependent upon each of its employees and officers acting and operating within their allotted sphere. Acting beyond one's authority is by itself a breach of discipline and a breach of Regulation 3. It constitutes misconduct within the meaning of Regulation 24. No further proof of loss is really necessary though a matter of fact, in this case there are findings that several advances and overdrawals allowed by the



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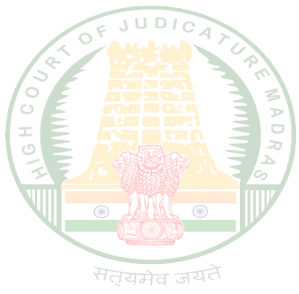


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respondent beyond his authority have been sticky and irrecoverable. Just because, similar acts have huge profit, as the High Court fetched some profit characterises it- they are no less blameworthy. It is wrong to characterise them as errors of judgment...."

35. The charges framed against the delinquent are serious in nature and stand proved. The evidence on record clearly establishes that the delinquent caused substantial financial loss to the bank, which by itself is sufficient to hold him guilty and justify his dismissal from service. The documentary evidence, particularly relating to the accounts, conclusively proves the misconduct. The official witnesses who verified the accounts were examined and have supported the appellant bank's case. There is no material to suggest any prior enmity on their part to falsely implicate the delinquent.

36. Though the members of the Self-Help Group (SHG) were not examined, mere non-examination of certain witnesses, in the presence of strong documentary evidence, cannot be a ground to exonerate the delinquent from the charges.



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37. The respondent contends that a substantial portion of the loan amount was recovered. However, this contention is not borne out by the records. As per the additional counter filed by the appellant bank, a sum of Rs.17,11,578/- remained outstanding. Out of this, Rs.8,86,445/- was adjusted in accordance with applicable guidelines, and the remaining amount continues to be unrecovered. The statement of accounts (at page 184 of the main typed set) substantiates this position. Therefore, the claim that a substantial portion of the loan has been recovered is factually incorrect.

38. The primary charge against the delinquent—sanctioning loans beyond his authorized limits—has been clearly established through documentary evidence and the examination of relevant officials.

39. In view of the above, we hold that the order passed by the learned Single Judge is liable to be set aside, and the impugned order dated 12.09.2011 deserves to be upheld. Any amount paid to the delinquent pursuant to the impugned order is liable to be recovered.



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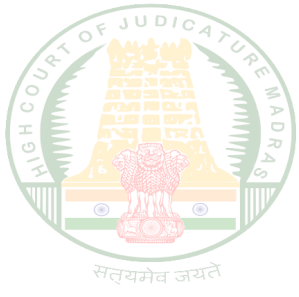
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40. Accordingly, this Writ Appeal stands allowed. The order dated 20.02.2023 passed by the learned Single Judge in W.P.(MD)No.8319 of 2012 is set aside, and the impugned order dated 12.09.2011 is upheld. Any amount paid to the delinquent pursuant to the impugned order is liable to be recovered. No costs. Consequently, connected miscellaneous petition is closed.

**(G.R.S., J.) & (R.P., J.)
17.04.2026**

Index : Yes / No
Internet : Yes / No
NCC : Yes / No

RM



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G.R.SWAMINATHAN, J.
AND
R.POORNIMA, J.

RM

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17.04.2026