

**IN THE HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD**

THURSDAY, THE SECOND DAY OF APRIL
TWO THOUSAND AND TWENTY SIX

PRESENT

**THE HONOURABLE THE CHIEF JUSTICE SRI APARESH KUMAR SINGH
AND
THE HONOURABLE SRI JUSTICE G.M. MOHIUDDIN**

WRIT APPEAL NO: 1497 OF 2025

Writ Appeal under clause 15 of the Letters Patent preferred against the order dated 20/06/2025 in W.P.No.5447 OF 2018 on the file of the High Court.

Between:

1. The Telangana State Road Transport Corporation, Rep. by its Managing Director, Musheerabad, Hyderabad.
2. The Regional Manager, TSRTC, Karimnagar Region, Karimnagar District.
3. The Depot Manager, TSRTC, Godavarikhani Depot, Godavarikhani, Peddapalli District.

...APPELLANTS/RESPONDENTS

AND

1. Md. Jani Pasha, S/o. Shaik Imam, Aged 39 years, Occ Ex-Driver - E.214915, R/o. NTPC Colony, Mathangi Nagar, Godavarikhani, Peddapalli District (Karimnagar).

...RESPONDENT/RESPONDENT

2. The Chairman, Industrial Tribunal-cum Labour Court-cum-VIth Additional District and Sessions Judge, Godavarikhani, Peddapalli District.

...RESPONDENT/RESPONDENT

IA NO: 3 OF 2025

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to grant stay of all further proceedings in pursuance of the Order passed in W.P.No.5447 of 2018, dated 20/06/2025 pending disposal of the W.A 2025.

**Counsel for the Appellants: SRI CHANDRA SEKHAR.N,
SC FOR TSRTC ZONE 2**

**Counsel for the Respondent No.1: SRI V.SIDDHARTHA GOUD
Counsel for the Respondent No.2: --**

The Court made the following: JUDGMENT

**IN THE HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD**

**THE HON'BLE THE CHIEF JUSTICE SRI APARESH KUMAR SINGH
AND**

THE HON'BLE SRI JUSTICE G.M.MOHIUDDIN

WRIT APPEAL No.1497 of 2025

DATE: 02 .04.2026

Between:

The Telangana State Road Transport Corporation,
Rep. by its Managing Director,
Musheerabad, Hyderabad and 2 others

....Appellants

And

Md. Jani Pasha and another

....Respondents

JUDGMENT

Heard Sri N.Chandra Sekhar, learned Standing Counsel for the Telangana State Road Transport Corporation for the appellants; Sri V.Siddhartha Goud, learned counsel for respondent No.1 and perused the record.

2. This writ appeal, preferred under Clause 15 of the Letters Patent, assails the order dated 20.06.2025 passed by the learned Single Judge in W.P.No.5447 of 2018. By the said order, the learned Single Judge set aside the award of the Industrial Tribunal-cum-Labour Court, Godavarikhani, (for short 'the Tribunal') dated 16.10.2017 in I.D.No.42 of 2014. The Tribunal by the said award had upheld the removal of the respondent-workman from service and directed the Telangana State Road Transport Corporation (hereinafter referred to as 'the Corporation') to reinstate the respondent with

continuity of service and all consequential notional benefits, but without backwages.

Factual matrix (in brief)

3. The respondent No.1 was initially engaged as a Contract Driver with the appellant-Corporation on 03.03.2008 at Barkatpura Depot and was subsequently appointed on regular time scale w.e.f., 01.09.2010. During the course of his employment, respondent No.1 was entrusted with duties not only as a driver but also as a conductor under the One-Man Service (OMS) system on Hi-Tech buses equipped with a Ticket Issuing Machine (TIM). The respondent No.1 did not have an unblemished service record, having earlier been censured in a Cash & Ticket (C&T) irregularity case dated 03.01.2012.
4. On 17.09.2013, respondent No.1 was operating a Hi-Tech bus on the route from Godavarikhani to Hyderabad under the One Man Service system. At the time when the vehicle reached Godavarikhani Bus Station (Stage No.1), the bus was subjected to a surprise check by the officials of the Regional Enforcement Squad, Nizamabad. During the course of such inspection, it was detected that two passengers, who had boarded the bus at Stage No.4 (Karimnagar) and travelling to Stage No.1 (Godavarikhani), were travelling without valid tickets.
5. Upon enquiry by the checking officials, the said passengers categorically stated that they had paid the requisite fare of Rs.128/- (Rs.64/- each) to respondent No.1, but respondent No.1 had failed to

issue tickets to them. The appellant Corporation contended that the said act constituted a serious instance of cash and ticket irregularity, involving collection of fare without issuance of tickets, thereby indicating an intention to misappropriate the Corporation's revenue.

6. During the course of the said inspection, the checking officials recorded contemporaneous statements of the passengers (Ex.M-2), wherein the passengers reiterated that they had paid the fare but were not issued tickets. The respondent No.1 also furnished a spot explanation (Ex.M-3), which was recorded at the time of the check, wherein respondent No.1 admitted that he had collected the fare from the said passengers but failed to issue tickets stating that the omission occurred as he forgot. The fare chart report (Ex.M-4) prepared by the checking officials reflected that the fare was collected (FC), and the TIM data revealed discrepancy between the number of passengers and tickets issued.

7. In view of the aforesaid irregularities, respondent No.1 was placed under suspension on 30.09.2013 and a chargesheet was issued framing the following charges:

- i) Violation of the prescribed operational rule "issue, close and start" of the bus, constituting misconduct under Regulation No.28 (xxxii) of the APSRTC Employees (Conduct) Regulations, 1963; and
- ii) Collection of fare amounting to Rs.128/- from two passengers without issuing tickets, constituting misconduct under

Regulation No.28 (vi)(a), (xv) and (xxxii) of the said Regulations.

8. The respondent No.1 submitted his explanation dated 30.10.2013 denying the charges. Not being satisfied with the explanation, the disciplinary authority ordered a domestic enquiry. The Enquiry Officer conducted a detailed enquiry. During the course of enquiry, although the passengers resiled from their earlier statements and deposed that they had not paid any fare to respondent No.1, the Enquiry Officer, upon appreciation of the entire evidence on record, including the statements recorded at the time of check, respondent No.1's own spot explanation and the documentary evidence, found the charges proved. The Enquiry Officer concluded that respondent No.1 had collected the fare but failed to issue tickets, thereby attempting to misappropriate the appellant-Corporation's revenue.

9. Upon receipt of the enquiry report, the disciplinary authority issued a show cause notice dated 22.03.2014 proposing the penalty of removal from service. After considering the explanation submitted by respondent No.1 and upon independent assessment of the material on record, the Depot Manager, Godavarikhani Depot, passed proceedings dated 01.04.2014 imposing the punishment of removal from service.

10. Aggrieved thereby, respondent No.1 preferred an appeal before the Deputy Chief Traffic Manager (DCTM), Karimnagar, which came to be rejected on 24.05.2014; his review petition before the Regional

Manager, Karimnagar, was rejected on 03.07.2014; and also his review appeal before the Executive Director, Karimnagar Zone, was rejected on 04.09.2014, thereby confirming the order of removal.

11. Challenging the order of removal, respondent No.1 raised an industrial dispute under Section 2-A(2) of the Industrial Disputes Act, 1947, (for short 'ID Act'). During the proceedings, respondent No.1 filed a memo under Section 11-A of the ID Act stating that he was not disputing the validity of the domestic enquiry as a preliminary issue and requested the Tribunal to adjudicate the matter based on the material available on record.

12. The Labour Court, upon consideration of the entire evidence, including Exs.W-1 to W-5 and Exs.M-1 to M-27, and relying on the documentary evidence and TIM data, dismissed the industrial dispute by award dated 16.10.2017, holding that:

- i) respondent No.1 had collected fare without issuing tickets;
- ii) the charge of misappropriation stood proved; and
- iii) the punishment of removal from service was proportionate to the gravity of misconduct, even though the amount involved was small, as the misconduct involved breach of trust and integrity.

13. Subsequently, respondent No.1 filed the underlying writ petition challenging the said award. The learned Single Judge, by order dated 20.06.2025, allowed the writ petition, set aside the award passed by the Tribunal, and directed reinstatement of respondent No.1 into

service with continuity of service and notional benefits, but without back wages, holding *inter alia* that the Tribunal had erred in appreciating the evidence, particularly in relation to the testimony of the passengers and alleged procedural lapses in the enquiry.

14. Aggrieved by the said order, the appellant-Corporation has preferred the present writ appeal.

Submissions on behalf of the appellants

15. Learned Standing Counsel for the appellants, assailed the impugned order and has advanced submissions as under:

- i) That the learned Single Judge has exceeded the permissible limits of judicial review under Article 226 of the Constitution of India by virtually acting as an appellate authority and re-appreciating the evidence on record. The Tribunal, upon a detailed and reasoned consideration of the entire material evidence, including the contemporaneous documents marked as Ex.M-2 (passengers' statements), Ex.M-3 (spot explanation of the respondent) and Ex.M-4 (fare chart report), had categorically held that the initial version of the passengers was truthful and that their subsequent retraction during the enquiry was an afterthought intended to favour the delinquent workman.
- ii) That the Tribunal, in exercise of its powers under Section 11-A of the ID Act, had consciously examined the proportionality of the punishment imposed on the respondent. The Tribunal,

having regard to the nature of misconduct, namely collection of fare without issuance of tickets and consequent attempt to misappropriate Corporation revenue, expressly held that the misconduct was grave and warranted no leniency.

- iii) That respondent No.1 was not a first-time offender. The record clearly discloses that he had earlier been censured *vide* order dated 07.05.2013 for a Cash & Ticket irregularity committed on 03.01.2012. The said aspect assumes significance in assessing the overall conduct and integrity of the respondent and in determining whether any leniency could be extended.
- iv) That the respondent No.1's own spot explanation (Ex.M-3), recorded contemporaneously at the time of check, contains a clear and unequivocal admission that he had collected the requisite fare from the two passengers but failed to issue tickets. The said admission, being voluntary and contemporaneous, carries substantial evidentiary value. The subsequent retraction or change of version by respondent No.1 during the course of enquiry was rightly disbelieved by the Enquiry Officer and the Tribunal as an afterthought.
- v) That the appellant-Corporation is a public utility undertaking entrusted with the responsibility of providing transport services. Misappropriation of Corporation revenue, even if involving a small amount, constitutes a grave misconduct as it strikes at the root of the trust reposed in the employee. In such

circumstances, reinstatement of respondent No.1 found guilty of such misconduct would send a wrong signal, erode discipline within the organization and be contrary to public interest.

Submissions on behalf of respondent No.1-Workman

16. Learned counsel for respondent No.1 has supported the impugned order and has advanced his submissions as under:

- i) That the two passengers who were allegedly found without tickets, during the course of domestic enquiry has deposed that they had not paid any fare to respondent No.1 and that their earlier statements were obtained under threat and coercion by the checking officials. The Tribunal failed to give due weight to this material evidence and wrongly preferred the earlier statements over sworn testimony. Thus, the learned Single Judge rightly held that the findings of the Tribunal were perverse.
- ii) That the checking officials did not verify the cash balance available with respondent No.1 at the time of check. In cases involving allegations of collection of fare without issuance of tickets, verification of cash is a crucial and necessary step to establish excess collection or misappropriation.
- iii) That the alleged misconduct pertains to a trivial sum of Rs.128/- and that respondent No.1 had put in approximately 14 years of service. The punishment of removal from service is grossly disproportionate to the nature of the allegation. The

Tribunal, though vested with wide powers under Section 11-A of the ID Act, failed to exercise its jurisdiction to mould the relief appropriately.

- iv) That the alleged past censure dated 07.05.2013 was only in respect of a minor infraction and does not constitute a serious or habitual misconduct warranting denial of leniency. Further, respondent No.1 was regularized only in the year 2010 and does not have any adverse record of a grave or repeated nature so as to justify the extreme penalty of removal from service.

17. We have taken note of the respective contentions urged and perused the material on record.

Consideration by this Court

18. It is pertinent to note that the writ Court, in exercise of its jurisdiction under Article 226 of the Constitution of India, does not sit as an appellate authority over the findings of fact recorded by the Tribunal. The power of judicial review is confined to examining whether the impugned award suffers from an error of law apparent on the face of the record, or is based on no evidence, or is vitiated by perversity or irrationality. The writ Court cannot reappreciate the evidence to substitute its own conclusions for that of the Tribunal, particularly where the Tribunal has exercised its jurisdiction under Section 11-A of the ID Act.

19. In the present case, respondent No.1 filed a memo under Section 11-A of the ID Act expressly stating that he was not disputing the validity of the domestic enquiry and requested that the matter be decided on the basis of material available on record. This concession circumscribed the scope of adjudication before the Tribunal. Therefore, the Tribunal was required to examine whether the findings of the Enquiry Officer were supported by evidence and whether the punishment imposed was proportionate. It was not required to undertake a *de novo* enquiry unless the findings were shown to be perverse.

20. It is to be noted that the Tribunal, in its award, analysed the documentary evidence on record, including the statements of the passengers recorded at the time of check (Ex.M-2), the respondent No.1's spot explanation (Ex.M-3), and the fare chart report (Ex.M-4). It noted that the passengers had, at the earliest point of time, stated that they had paid the requisite fare and that no tickets were issued. The subsequent retraction during the enquiry was treated as an afterthought, particularly in view of the surrounding circumstances and the contemporaneous material on record. The Tribunal also took note of the discrepancy reflected in the TIM data, namely that tickets were issued to 15 passengers, whereas 17 passengers were found travelling, thereby supporting the charge. Further, the Tribunal observed that it is not uncommon for passengers to resile from earlier statements in order to support an employee out of sympathy,

especially when the employee faces loss of employment. However, the learned Single Judge, placed reliance on the subsequent statements of the passengers recorded during the enquiry and held that the Tribunal erred in disbelieving the respondent No.1's version. Such an approach amounts to reappreciation of evidence, which is impermissible in exercise of jurisdiction under Article 226 of the Constitution. The findings recorded by the Tribunal were based on evidence and cannot be said to be perverse or unsupported by the record. In such circumstances, interference with the award was not warranted.

21. It is relevant to note that respondent No.1's own spot explanation (Ex.M-3), recorded contemporaneously at the time of check and duly signed by respondent No.1, wherein it is admitted that he had collected a sum of Rs.128/- from two passengers but failed to issue tickets, stating that the omission occurred as he "forgot." This admission, having been made immediately after the incident and prior to any opportunity for deliberation or fabrication, carries considerable evidentiary value. Therefore, the Tribunal rightly placed reliance on the said admission.

22. During the course of enquiry, respondent No.1 sought to resile from the said admission by contending that he was illiterate and that his signature on the statement was obtained under compulsion. However, no independent evidence was adduced to substantiate the said plea. The respondent No.1 neither examined any witness nor

produced any material to establish coercion. On the contrary, the checking officials, who were subjected to cross-examination, denied any such allegation. The learned Single Judge, while allowing the underlying writ petition, has not adverted to or assigned due weight to the evidentiary value of the respondent No.1's own spot explanation (Ex.M-3). Non-consideration of such a material and contemporaneous piece of evidence has vitiated the impugned order.

23. The respondent relied on *A.V. Swamy v. A.P.S.R.T.C*¹. to contend that non-verification of cash balance vitiates the charge. The said reliance is misplaced. In the said decision, the allegation was of excess collection, where verification of cash was material. In the present case, the charge is of collection of fare without issuance of tickets. In such circumstances, non-verification of cash is not fatal, as the amount collected would form part of the cash on hand and not necessarily reflect any excess. Further, the charge stands proved on the basis of contemporaneous material, including the passengers' statements (Ex.M-2) and the respondent's own admission (Ex.M-3).

24. It is pertinent to note that the appellant-Corporation placed on record that respondent No.1 had been censured on 07.05.2013 in a prior Cash & Ticket irregularity case. This aspect was specifically pleaded however, learned Single Judge, did not assign due weight to the said past conduct. Though censure is a minor penalty, it reflects on the conduct of the employee. The fact that respondent No.1 was

¹ (2014) 5 ALT 554

involved in a similar irregularity within a short span (earlier incident in January 2012 and the present incident in September 2013) is a relevant factor while considering grant of any leniency.

25. Section 11-A of the ID Act empowers the Tribunal to interfere with punishment where it is disproportionate. However, such power is to be exercised judiciously. In the present case, the Tribunal, upon consideration of the material on record, held that respondent No.1 had collected fare without issuing tickets and observed that he intended to misappropriate Corporation revenue and therefore, declined to take a lenient view. Thus, the Tribunal exercised its discretion under Section 11-A of the ID Act and upheld the punishment. The learned Single Judge, by directing reinstatement, substituted his own view on proportionality without recording any finding of perversity or illegality in the Tribunal's order. In the absence of such findings, interference was unwarranted by the writ Court.

26. It is apposite to note that the relief given by the learned Single by directing reinstatement with continuity of service and notional benefits, but without backwages is internally inconsistent. While reinstatement proceeds on the premise that the punishment is unsustainable or disproportionate, denial of backwages indicates that the period of non-employment is justified. More importantly, reinstatement results in re-induction of an employee found guilty of

financial irregularity, which has implications on discipline and integrity within a public utility organization.

Conclusion

27. In view of the foregoing reasons, this Court is of the considered view that the learned Single Judge was not justified in interfering with the well-reasoned award passed by the Industrial Tribunal-cum-Labour Court. The findings recorded by the Tribunal are based on cogent evidence, including the contemporaneous statements of the passengers and the respondent No.1's own admission and does not warrant interference.

28. Accordingly, the Writ Appeal is allowed. The order dated 20.06.2025 passed by the learned Single Judge in W.P.No.5447 of 2018 is set aside, and the award dated 16.10.2017 passed by the Industrial Tribunal-cum-Labour Court, Godavarikhani, in I.D.No.42 of 2014 is restored.

As a sequel, miscellaneous petitions, pending if any, stand closed. No costs.

**SD/- K.SAILESHI
JOINT REGISTRAR**

//TRUE COPY//

SECTION OFFICER

To

1. The Managing Director, Telangana State Road Transport Corporation, Musheerabad, Hyderabad.
2. The Regional Manager, TSRTC, Karimnagar Region, Karimnagar District.
3. The Depot Manager, TSRTC, Godavarikhani Depot, Godavarikhani, Peddapalli District.
4. The Chairman, Industrial Tribunal-cum Labour Court-cum-VIth Additional District and Sessions Judge, Godavarikhani, Peddapalli District.
5. One CC to SRI CHANDRA SEKHAR.N, SC FOR TSRTC ZONE 2 [OPUC]
6. One CC to SRI V.SIDDHARTHA GOUD, Advocate [OPUC]
7. Two CD Copies

PSK.
TKS

HIGH COURT

DATED:02/04/2026

JUDGMENT

WA.No.1497 of 2025

**ALLOWING THE WRIT APPEAL
WITHOUT COSTS**

⑨ NT
18/4/26.