



IN THE HIGH COURT OF KARNATAKA, AT DHARWAD

DATED THIS THE 24TH DAY OF MARCH, 2026

PRESENT

THE HON'BLE MR. JUSTICE B.M. SHYAM PRASAD

AND

THE HON'BLE MR. JUSTICE SHIVASHANKAR AMARANNAVAR

WRIT APPEAL NO. 100676 OF 2023 (S-DIS)

BETWEEN:

SMT. SANDHYA GURAV,
PLOT NO. 6, "YASHSHREE",
AGE: 57 YEARS, OCC: NIL,
R/O: NO. 112/2,
DWARAKA NAGAR,
CHOUGALEWADI,
TILAKAWADI,
BELAGAVI – 590 001.

... APPELLANT

(BY SRI SANJAY CHANAL, ADVOCATE)

AND:

1. THE CHAIRMAN,
STATE BANK BHAVAN,
MADAME CAMA ROAD,
MUMBAI – 400 021.
2. THE DISCIPLINARY AUTHORITY,
& REGIONAL MANAGER (R-II),
S.B.I, REGIONAL
BUSINESS OFFICE,
BELAGAVI – 590 001.
3. THE APPELLATE AUTHORITY AND
DEPUTY GENERAL
MANAGER (B & O)
ADMINISTRATIVE OFFICE,
STATE BANK OF INDIA,
HUBBALLI – 580 009.

Digitally signed
by VISHAL
NINCAPPA
PATIL

Location: High
Court of
Karnataka,
Dharwad
Bench



4. THE REGIONAL MANAGER (R-II),
STATE BANK OF INDIA,
REGION -II,
REGIONAL BUSINESS OFFICE,
SBI BELAGAVI BRANCH CAMPUS,
KHANAPUR ROAD,
BELAGAVI – 590 001.

...RESPONDENTS

(BY SRI SURESH S. GUNDI, ADV. FOR R4;
R1, R2 & R3 SERVED)

THIS WRIT APPEAL IS FILED UNDER SECTION 4 OF KARNATAKA HIGH COURT ACT, 1961, PRAYING TO SET ASIDE THE ORDER PASSED BY THE LEARNED SINGLE JUDGE IN WRIT PETITION NO.107777/2014 PASSED ON 11/09/2023, AND FURTHER DIRECT THE RESPONDENTS TO PAY THE ALL THE SERVICE BENEFITS AND FIX THE PENSION OF THE APPELLANT IN THE INTEREST OF JUSTICE AND EQUITY. PASS SUCH OTHER ORDER OR ORDERS AS THIS HON'BLE COURT DEEMS FIT UNDER THE FACTS AND CIRCUMSTANCES OF THE CASE IN THE INTEREST OF JUSTICE AND EQUITY.

THIS WRIT APPEAL, COMING ON FOR PRELIMINARY HEARING THIS DAY, JUDGMENT WAS DELIVERED THEREIN AS UNDER:

CORAM: THE HON'BLE MR. JUSTICE B.M. SHYAM PRASAD
AND
THE HON'BLE MR. JUSTICE SHIVASHANKAR AMARANNAVAR



ORAL JUDGMENT

(PER: THE HON'BLE MR. JUSTICE B.M. SHYAM PRASAD)

The appellant has unsuccessfully challenged the decision to dismiss her from service in her writ petition in W.P.No.107777/2014. The facts germane for a decision on the appellant's grievance with the writ Court's order are as follows. The appellant was working as a Special Assistant with State Bank of India, ADB Branch, Belagavi between the years 2006 and 2011, and she, as the Special Assistant, was also in-charge of processing papers for loans. The appellant has processed loan papers during the five years she was working as a Special Assistant.

2. The appellant is served with articles of charge on 14.08.2013 and the primary allegation is that she had processed [*in all 35 gold loan applications based on jewellery that were not gold but only gold-plated*]. The other allegations are about the appellant's failure to comply with the SOP to process the loan transactions. The inquiry officer has filed his



report on 23.02.2014, which is served on the appellant on 25.02.2014. The appellant has filed her response to the Show Cause Notice as also the tentative punishment as communicated to her and in fact the appellant has participated in the personal hearing on 25.03.2015 extended by the disciplinary authority after the service of the Order of the proposed punishment. The disciplinary authority, by its order dated 27.03.2014, has opined that the inquiry report must be accepted because the appellant has not brought forth any material other than the material discussed by the inquiry officer. The appellant has availed the appellate remedy in terms of the relevant regulations, but unsuccessfully.

3. The writ Court after referring to the Apex Court's decision in ***Union of India and Others v. P. Gunasekaran*** reported in ***(2015) 2 SCC 610***, has opined thus.



“The Hon’ble Apex Court holds that the Court exercising jurisdiction under Article 226 of the Constitution of India should be loathe to interfere with the findings of the enquiry officer, which are affirmed by the disciplinary authority and the appellate authority, unless it finds the procedural aberration or violation of the principles of natural justice. None of these facts are projected in the case at hand. The loans that are granted, even if they are recovered, the acts of the petitioner in granting loans on spurious gold to her relatives left, right and centre, cannot be seen to be knocking at the door of this court seeking its indulgence or interference under Article 226 of the Constitution of India, finding no merit in the petition, the petition stands rejected.”

4. Sri Sanjay Chanal, the learned counsel for the appellant, contends that this Court must



intervene not just with the writ Court's impugned order dated 11.09.2023, but also with the disciplinary/appellate Authority's orders because the material evidence and circumstances are overlooked, and in this regard the learned counsel submits that the evaluator who is examined in the inquiry is categorical in stating that the genuineness and the weight certificates have been issued at the instance of the Branch Manager, the ultimate Authority who approves the loan, but no action has been taken against the Branch Manager. The learned counsel submits that even if some action is taken against the Branch Manager, it is not commensurate with the role played by such Officer.

5. Sri Sanjay Chanal next canvases that it cannot be disputed that according to the internal audit report not just the appellant but six others were responsible for loans being sanctioned against jewellery that were not actually gold but only gold-plated, and the learned counsel submits that the



indisputable fact that action has not been taken against all those who are mentioned in the report amplifies that the appellant has been singled out and made a scapegoat which would not be permissible as held by the Apex Court in ***Bongaigaon Refinery & Petrochemicals Ltd. And Others v. Girish Chandra Sarma***¹.

6. Sri Suresh Gundi, the learned counsel for the Bank, is heard in the light of this canvass. The learned counsel submits that, as observed by the writ Court, the Branch Manager has also been proceeded against, that upon this Branch Manager being found not diligent, penalty is imposed that the core of the allegation against the appellant, as affirmed in the inquiry report, is that the appellant as the Special Assistant could not have recommended or put up a note for approval without Valuation/Genuineness Certificates and that it is demonstrated that these

¹ (2007) 7 SCC 206



Certificates have been obtained after the Deputy Manager filed a report on 14.09.2012 stating that the loans have been extended as against gold-plated jewellery and not gold jewellery.

7. This Court in the light of the rival submissions must first verify the inquiry officer's report. The inquiry officer is categorical in opining that the appellant has processed two sets of loan applications between 20.09.2010 and 14.09.2012, that the Valuation/Genuineness Certificates for these loans are obtained on 26.09.2012, which is after the date of sanction and that the appellant, who as Special Assistant, had to ensure proper documentation and also genuineness of the jewellery, did not secure these certificates. The inquiry officer's opinion reads as under.

“The loans are sanctioned on various dates between 29-09-2010 to 14-09-2012 where as the valuation certificates are obtained on 26-09-2012 which is after the date of sanction of



the loan. The valuation certificates were not obtained by the CSE at the time of recommendations of these loans as a result, this enquiry is held to prove her negligence and irresponsibility and causing loss to the bank.”

“The loans are sanctioned on various dates between 29-09-2010 to 14-09-2012 where as the valuation certificates are obtained on 26-09-2012 which is after the date of sanction of the loan. The valuation certificates were not obtained by the CSE at the time of sanction of loan as a result this enquiry is held to prove her negligence and irresponsibility and causing loss to the bank.”

8. This Court must find that there is nothing on record to opine that this appreciation of evidence is erroneous or impermissible or there is any procedural irregularity in arriving at this conclusion on appreciation of evidence. It is salient that the writ



Courts do not re-appreciate the evidence and will only interfere when it could be opined that the conclusion based on appreciation of evidence is arbitrary and so capricious that no reasonable person could arrive at such conclusion/appreciation.

9. Sri Sanjay Chanal indeed argues that the appellant has been singled out but he cannot controvert the assertion that the Branch Manager who has accorded such ultimate sanction for disbursement of the loans has also been proceeded against by the departmental and when found not delinquent, he is served with punishment of denial of two increments with cumulative effect. This circumstance entirely undermines the appellant's case of being singled out, and as also observed by the inquiry officer, the auditors' failure by itself cannot absolve the appellant of the consequences when it cannot be disputed that the loans were extended even without mandatory certificates and that an effort is made to get the certificates after a report is filed on



the gold loan. In the circumstances, this Court is not persuaded to interfere.

The writ appeal stands ***rejected***.

**Sd/-
(B.M. SHYAM PRASAD)
JUDGE**

**Sd/-
(SHIVASHANKAR AMARANNAVAR)
JUDGE**

KGK / CT: ASC
List No.: 1 Sl No.: 2