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Mulkanoor Coop. Rural Bank Ltd. ....Appellant

Versus

I.T.-cum-Labour Court, Godavarikhani & Anr. ....Respondents

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On certain charges of misappropriation and manipulation of accounts and other incidental charges, respondent no.2 was subjected to a disciplinary enquiry by the appellant. Thereafter his services were terminated w.e.f. 31st July 1992.

A petition under Section 2-A(2) of the Industrial Disputes Act, as in force in the State of Andhra Pradesh, was invoked for setting aside the order of dismissal and for re-instatement with continuity of service and attendant benefits and back-wages.

The Labour Court upheld the findings recorded in the inquiry on most of the serious charges. However, it took the view that the appropriate punishment to be imposed on the said respondent would be to deny back-wages and withhold four increments while re-instating him.

The matter was carried to the High Court by way of a writ petition, both by the said respondent and the appellant. The learned Single Judge upheld the order made by the Labour Court but modified the same by deleting the imposition of penalty of withholding of four increments. On further appeal

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to the Division Bench by the appellant the matter was dismissed. Hence, this appeal before us.

The charges against the respondent are grave, such as misappropriation and manipulation of accounts, and in such cases, in our view, appropriate punishment to be imposed is one of dismissal from service and no other. Particularly when integrity of a person is involved, the punishment to be imposed is one of the extreme nature and these matters should not be lightly treated. But in this case the Labour Court and the learned Single Judge have found certain mitigating circumstances such as repayment of the money by the said respondent or other circumstances such as delay in framing of charges and enquiring into the same or involvement of other persons in the charges framed against the said respondent. Therefore, we do not think that this is a fit case where our interference is called for. However, it is made clear that when respondent no.2 is re-instated in service, he shall not be paid backwages between the period from the order of Labour Court and his reinstatement in service or until disposal of this matter, whichever is earlier. The appeal is, therefore, dismissed subject to denial of backwages throughout.

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Sd/-

.....J.  
[S. RAJENDRA BABU]

Sd/-

.....J.  
[K.G. BALAKRISHNAN]

New Delhi.  
February 07, 2001.@@  
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