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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**% **Date of Decision: September 17th, 2026**# **CNR No. DLHC010337422012**+ **W.P.(C) 1394/2012**

ACHLA KAPOOR

.....Petitioner

Through: Mr. G.S. Chaturvedi and Ms.
Shivangi Dubey, Advs.

versus

THE DISCIPLINARY AUTHORITY ZONAL MANAGER
PUNJAB AND SIND BANK AND ANRRespondents

Through: Mr. Kittu Bajaj, Adv.

CORAM:**HON'BLE MR. JUSTICE AMIT MAHAJAN****AMIT MAHAJAN, J. (Oral)**

1. The present petition has been filed under Articles 226 and 227 of the Constitution of India, assailing the award dated 22.02.2011 (hereafter '**impugned award**') passed by the learned Tribunal in I.D. No. 17/2008, whereby the learned Tribunal upheld the penalty of *compulsory retirement* imposed upon the petitioner vide order dated 02.06.2005.

2. Briefly stated, the petitioner/workman had joined the services of the respondent bank in December 1976. During the course of her service, the petitioner availed loans from various Credit and Thrift Societies. Subsequently, on account of defaults in repayment of the said loans, the petitioner was issued a show-cause notice dated 25.06.2001. The petitioner admitted the outstanding loans and, *vide*



order dated 26.09.2001, was punished with a ‘warning’ and was further cautioned not to incur debts from the market without prior permission of the competent authority.

3. Thereafter, the petitioner availed further loans. It was alleged that the petitioner had obtained a loan of Rs.95,000/- from Standard Chartered Bank by representing herself as a Grade-I Officer of the respondent Bank and had also obtained a loan of Rs.1,00,000/- from the Bank of Maharashtra based on a No Objection Certificate purportedly issued by the respondent Bank.

4. A charge-sheet dated 12.05.2004 was consequently issued to the petitioner alleging, *inter alia*, that she had availed loans without obtaining the requisite permission, represented herself as a Grade-I Officer of the Bank and used false/fabricated documents in connection with the loans. A departmental enquiry was conducted pursuant thereto.

5. During the enquiry, the petitioner submitted her reply dated 24.12.2004 admitting the charges. The Enquiry Officer, *vide* findings dated 10.01.2005, held the charges to be proved. Thereafter, the Disciplinary Authority imposed the penalty of ‘*compulsory retirement*’ upon the petitioner *vide* order dated 02.06.2005.

6. The petitioner raised an industrial dispute, which was referred for adjudication *vide* order dated 07.05.2008 on the following terms:

“Whether the action of the management of Punjab and Sind Bank in imposing the penalty of ‘compulsory retirement’ with superannuation benefits and her period of suspension would not be treated as a period spent on duty and she would be entitled to only the subsistence allowance already drawn by her vide order dated



*02.06.2005 on Smt. Achala Kapoor is legal and justified.
If not to what relief the concerned workman is entitled?”*

7. By the impugned award dated 22.02.2011, the learned Tribunal held that the punishment of compulsory retirement awarded to the petitioner was appropriate and warranted no interference. In doing so, the learned Tribunal noted that the misconduct of the petitioner warranted a more severe punishment, however, the respondent, considering the petitioner's record, had already awarded an apt punishment being *compulsory retirement* with retirement benefits. Accordingly, the learned Tribunal upheld the order dated 02.06.2005.

8. Aggrieved thereby, the present petition.

9. Learned counsel for the petitioner submits that the impugned order is perverse and is liable to be set aside. He submits that as per the Staff circular of the Management itself, the designated/notified Disciplinary Authority was supposed to be *Chief Manager* and the Appellate Authority was supposed to be the *Zonal Manager*. However, in the instant case, the Order of Punishment reflects that the same has been passed by *Zonal Manager* as the Disciplinary Authority, in blatant non-compliance of their circular.

10. He further submits that even otherwise, the appeal against the order of the Disciplinary Authority was required to be decided by an authority not junior in rank to the Disciplinary Authority; however, the appeal preferred has been decided by the *Deputy General Manager*, an officer junior in rank to the *Zonal Manager* (*as the same held the equivalent rank of General Manager in the instant case*). Thus, in view of the same, the proceedings before the appellate



authority were vitiated, as the appeal was decided by an authority junior in rank to the Disciplinary Authority.

11. He further submits that the charges contained in the charge-sheet dated 12.05.2004 were vague and the conduct alleged did not fall within the categories of 'gross misconduct' set out in the bipartite settlement, and the said provisions were, therefore, not attracted to the case.

12. *Per contra*, learned counsel for Respondent No.1 submits that the scope of the reference was confined to examining whether the penalty of compulsory retirement with retirement benefits, along with the treatment of the period of suspension, was legal and justified. She submits that the learned Tribunal, upon consideration of the material on record, has found the punishment imposed upon the petitioner to be commensurate with the misconduct proved against the petitioner.

13. She further submits that the question regarding the competence of the authority which passed the order does not arise from the terms of the reference and, therefore, could not have been made the basis for interfering with the order of punishment. On being pointedly asked, learned counsel conceded that the Appellate Authority in the present case was junior in designation to the Disciplinary Authority.

14. I have heard both the parties and perused the material placed on record.

15. The principal grievance of the petitioner is with regard to the competence of the authority which heard the appeal against the order of punishment. As is borne out from the record, the issue regarding the competence of the authority passing the order of punishment was



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specifically considered by the learned Tribunal. The respondent had placed reliance upon the applicable circular and had explained the respective designations of the Disciplinary Authority and the Appellate Authority.

16. The Staff Circular No. 2569 dated 31.01.2000, reveals that it is particularly mentioned at Serial No.1, that the designated disciplinary authority was the *Chief Manager* of the concerned zone and the designated Appellate Authority was the *Zonal Manager*. However, firstly, in the present case, the *Zonal Manager* (who was actually the designated Appellate Authority) has passed the Order of Punishment while acting as the Disciplinary Authority and the *Deputy General Manager* has acted as the Appellate Authority, which is evidently not in consonance with the Circular.

17. Additionally, on being pointedly asked, it has been stated by the counsel for the petitioner, that in this case, the *Zonal Manager* held the equivalent rank of *General Manager* and the order dismissing the appeal has been passed by the *Deputy General Manager*, who is junior to the Disciplinary Authority. The same has been accepted by the learned Counsel for the Respondent and it has been informed that in this case the Appellate Authority was junior to the Disciplinary Authority in designation. Hence, even if this Court accepts that the *Zonal Manager/General Manager* being senior to the notified/designated disciplinary authority i.e. the *Chief Manager* could have passed the order of punishment, the appeal should have been decided by the authority higher to the *Zonal Manager/General Manager*.



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18. It is a settled principle of service law that an appeal against an order passed by a disciplinary authority has to be considered by an authority superior in rank to the disciplinary authority. The appellate authority, being vested with the power to examine the correctness of the order of the disciplinary authority, has to be higher in administrative hierarchy. Allowing an officer junior in rank to the disciplinary authority to decide the appeal against its order, defeats the very purpose of such an appeal.

19. However, it emerges that the petitioner has been denied a fair right to appeal which was a substantive right, as allowing a lower or equivalent officer to hear an appeal violates the fundamental principles of natural justice and administrative hierarchy and thus, the appellate proceedings in the instant case stand compromised.

20. It is relevant to note that the misconduct alleged against the petitioner stood proved in the disciplinary proceedings. The punishment imposed upon the petitioner was not one of termination, but compulsory retirement with retirement benefits.

21. Though, in the aforesaid circumstances, the matter would ordinarily warrant remand to the learned Appellate Authority for fresh consideration but at this stage the same would not serve the ends of justice.

22. At the same time, the defect in the appellate proceedings cannot be construed to mean that the petitioner had not committed the misconduct. The benefit extended to the petitioner is confined to the technical defect in the appellate proceedings and does not disturb the findings of misconduct recorded against the petitioner.



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23. It is pertinent to note that the order of compulsory retirement was passed way back in the year 2005, and the dispute has remained pending for two decades thereafter. Thus, at this stage, remanding the matter for fresh consideration would result in the parties being subjected to another round of litigation after a considerable lapse of time.

24. In view of the aforesaid circumstances, this Court is not inclined to reopen the findings recorded in the disciplinary proceedings or remit the matter for reconsideration at this stage.

25. Having regard to the totality of circumstances, this Court is of the view that the ends of justice would be met by putting the litigation to rest by awarding a lump-sum compensation of ₹3,00,000/- to the petitioner. The aforesaid amount shall be paid to the petitioner by Respondent No.1 within a period of 8 weeks.

26. The impugned award is set aside and the order of penalty is modified in the aforesaid terms.

27. Pending application(s), if any, stand disposed of.

AMIT MAHAJAN, J

SEPTEMBER 17, 2026

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