IN THE SUPREME COURT OF INDIA
CIVIL APPELLATE JURISDICTION

CIVIL APPEAL NO.12386/2024

JHARKHAND GRAMIN BANK **APPELLANT**

VERSUS

NARESH PRASAD & ORS. **RESPONDENTS**

O R D E R

1. Naresh Prasad, the first respondent, was a cashier of the appellant-Jharkhand Gramin Bank. He was proceeded against departmentally on allegations of financial irregularities committed by him in the discharge of his duty as cashier. Charges were drawn up on 31st December, 2009. The proceedings concluded with an order of penalty of removal from service dated 18th July, 2012 being imposed on the first respondent. An appeal carried from the order of penalty did not bear fruit. The order of removal was affirmed by the appellate order dated 05th December, 2012.

2. Aggrieved thereby, the first respondent invoked the writ jurisdiction of the High Court of Jharkhand at Ranchi[1], albeit unsuccessfully. The writ petition[2] was dismissed by a Single Judge on 14th August, 2019.

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Reason:

However, the order of dismissal of the writ petition having been

1 High Court
2 W.P.(S) No. 6628 of 2013

challenged in an intra-court appeal[3], the first respondent emerged successful. A Division Bench of the High Court by its judgment and order dated 01st September, 2022 held the disciplinary proceedings to have been vitiated by reason of appointment of the same official as the Inquiry Officer against whom the first respondent had earlier raised an objection alleging bias and such objection had even been accepted by the Chairman of the appellant-Bank. The order of removal, since affirmed by the appellate authority, was accordingly quashed.

4. The appellant-Bank has taken exception to the said judgment of the Division Bench in this appeal by special leave, granted on 11th November, 2024.

5. During the pendency of the writ petition before the High Court, upon attaining the age of superannuation, the first respondent retired on 10th January, 2018. However, due to pendency of judicial proceedings, his retiral dues have not been released.

6. Learned counsel appearing for the appellant-Bank, referring to the decision of this Court in ***Chairman, Life Insurance Corporation of India and Ors. Vs. A. Masilamani***[4], is justified in his submission that the High Court having quashed the order of removal due to a procedural flaw, the appellant-Bank should have been granted liberty to resume the disciplinary proceedings from the stage the infirmity was identified.

7. Ordinarily, we would have followed the decision in ***A. Masilamani***

[3] LPA No. 727 of 2019

[4] (2013) 6 SCC 530

(supra) and directed the appellant-Bank to continue the disciplinary proceedings against the first respondent from the stage of appointment of an independent Inquiry Officer.

8. However, the facts of the case as presented before us now, do not persuade us to follow the same course of action. The enormous lapse of time since the first respondent was charged with misconduct and the attending circumstances, mainly loss of evidence, fading memory and a possible prejudice, cannot simply be brushed aside.

9. As noted, the charge-sheet is dated 31st December, 2009. Almost 17 years have elapsed since then. It would be difficult, both for the appellant-Bank and the first respondent, to produce adequate and reliable evidence in support of/to contest the charges. We are apprehensive, the inquiry could be rendered an exercise in futility. A balance, therefore, has to be struck.

10. In our view, interest of justice would be sufficiently served if having regard to the alleged amount of financial loss caused to the appellant-bank by the first respondent, the same can be made good and the first respondent receives his retiral dues.

11. Thus, we proceed to direct as follows: -

(i) The appellant-bank is directed to release the retiral dues of the first respondent, keeping apart a sum of Rs.33,000/- (being the alleged financial loss suffered), within a period of two months from date.

(ii) Since we have not examined the issues on merit, this order shall not be read as an expression of opinion either upholding the allegations of the appellant-Bank that the first respondent was guilty of misconduct and/or that the first respondent had committed no misconduct.

(iii) We also make it clear that since the first respondent was proceeded against along with a Manager of the appellant-Bank, this order shall not be cited as a precedent, if at all, the said Manager has initiated proceedings against any final order of penalty and such proceedings are pending before the competent court.

12. The appeal stands disposed of accordingly.

13. Pending application(s), if any, shall also stand disposed of.

14. Parties shall, however, bear their own costs.

.....J.
(DIPANKAR DATTA)

.....J.
(SHEEL NAGU)

NEW DELHI;
NOVEMBER 18, 2026.

ITEM NO.102 COURT NO.6 SECTION XVII-B

S U P R E M E C O U R T O F I N D I A
RECORD OF PROCEEDINGS

Civil Appeal No.12386/2024

JHARKHAND GRAMIN BANK **Appellant**

VERSUS

NARESH PRASAD & ORS. **Respondents**

I.A. No. 238735/2023-EXEMPTION FROM FILING O.T.
I.A. No. 81860/2023-EXEMPTION FROM FILING O.T.
I.A. No. 238734/2023-PERMISSION TO FILE ADDITIONAL DOCUMENTS/FACTS/ ANNEXURES

Date : 18-11-2026 This matter was called on for hearing today.

CORAM : HON'BLE MR. JUSTICE DIPANKAR DATTA
HON'BLE MR. JUSTICE SHEEL NAGU

For Appellant(s) : Mr. K. Paari Vendhan- 2494, AOR
Mr. Rishabh Sancheti, Adv.
Ms. Padma Priya, Adv.
Mr. Nishant Kumar, Adv.
Mr. Aquib Ali Khan, Adv.
Ms. Devanshi Sancheti, Adv.
Mr. Dhaval Gaur, Adv.

For Respondent(s) :Mr. Vikram Hegde- 3048, AOR
Mr. Akshit Singla, Adv.
Ms. Karina Chawla, Adv.
Ms. Shreya Saurabh, Adv.

UPON hearing the counsel the Court made the following
O R D E R

1. The appeal stands disposed of in terms of the signed order.

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

(RASHMI DHYANI PANT) **(SUDHIR KUMAR SHARMA)**
ASST. REGISTRAR-CUM-PS **COURT MASTER (NSH)**
(signed order is placed on the file)