

IN THE SUPREME COURT OF INDIA
CIVIL APPELLATE JURISDICTION
CIVIL APPEAL NO. 8741 OF 2015

**THE MANAGING DIRECTOR,
TAMIL NADU INDUSTRIAL INVESTMENT
CORPORATION LTD. AND ANR. APPELLANT(s)**

VERSUS

A. MOHAN (DEAD) THR. LRS. RESPONDENT(s)

WITH

CIVIL APPEAL NO. 8742 OF 2015

**TAMIL NADU INDUSTRIAL INVESTMENT
CORPORATION LTD. AND ANR. APPELLANT(s)**

VERSUS

G. K. ANBU RESPONDENT(s)

O R D E R

1) These civil appeals assail the judgment dated 23.03.2011 (hereinafter, "**impugned judgement**") of the Division Bench of the Madras High Court (hereinafter, "**High Court**") whereby, in Writ Appeal No. 722 of 2009, the High Court set aside the order of enhancement of penalty passed by appellant no.2 - Board of Directors (hereinafter "**Appellate Authority**") as confirmed by the learned Single

Judge in the case of respondent no.1 - A. Mohan, since deceased.

2) It shall be noted that the respondent no.1 - A. Mohan passed away during the pendency of the appeal, and his legal representatives (hereinafter "**LRs**") were substituted and brought on record by this Court *vide* order dated 12.08.2024. Consequently, any reference to the respondent shall be construed as a reference to his LRs, who shall be entitled to the benefits of the instant order.

3) The High Court, *vide* the impugned judgement also dismissed the Writ Appeal No. 738 of 2009, preferred by the appellant no.1 - employer. In the case of respondent no.2 - G.K. Anbu, who was initially demoted by the Disciplinary Authority, the Appellate Authority enhanced the penalty to dismissal. This was set aside by the learned Single Judge, maintaining the demotion and the same was confirmed in writ appeal in the impugned judgment.

4) It is not out of place to mention that the impugned judgment passed in the respective writ appeals is merely an order of remand for consideration by the Appellate Authority in the case of both respondents-employees.

5) The limited question raised before us was that both the respondents-employees have been dealt with inappropriately and discriminated against the other employee, namely A. Muruganantham. It was said that against all three employees, a common chargesheet was issued on a similar thread of allegations. In response, the Disciplinary Authority demoted A. Muruganantham who was also a part of the common enquiry. He did not prefer any appeal before the Appellate Authority, and as such, the order of demotion was maintained against him.

6) For clarity, the punishment imposed on the respondents-employees, as well as A. Muruganantham, by the different authorities is tabulated below:

Employee	Punishment awarded by Inquiry Officer	Punishment awarded by Appellate Authority	Single Judge of the High Court	Division Bench of the High Court
A. Mohan (deceased)	Removed from service	Dismissed	Dismissed	Remittance to Appellate Authority
G.K. Anbu	Demoted	Dismissed	Demoted	-
A. Muruganantham	Demoted	-	-	-

7) At this stage, it is necessary to advert to the reasons which weighed with the Division Bench of the High Court in remitting the matter only in the case of

respondent no.1 - A. Mohan (deceased). Such reasoning can be found in paragraphs 19 and 21 of the impugned judgment, which are reproduced below:

"19. The substance of charges framed against the appellant in W.A. No. 722 of 2009 remains the same as in the case of Tvl. Muruganatham and Anbu. In fact, summary of charges shows that the allegations were more against Thiru A. Muruganatham than against other officers. However, for the reasons best known to the management they have given only lesser punishment to Thiru A. Muruganathan. It was not the case of the Corporation that Thiru Avl.A. Mohan was the main culprit and others were only assisting him. Similarly, it was not their case that the nature of duties and responsibilities of the delinquent were different and punishments were awarded depending upon the culpability. The charge sheet proceeds as if all the three officers conspired together to help the borrower, and it caused financial loss to the Corporation. Therefore, no extraordinary circumstances exists to give higher and shockingly disproportionate punishment to the appellant in W.A. No. 722/2009 while giving lesser punishment to the co-delinquent. This is nothing but treating the equals unequally. This aspect were not considered by the learned Single Judge. Therefore, we are constrained to set aside the order passed in W.P. No. 32090/2004.

XXX XXX XXX

21. Even though such wide powers are conferred on this Court to interfere with the punishment and impose a lesser penalty and further the punishment imposed on A. Mohan / the appellant in W.A. No. 722/2009 is also shockingly disproportionate to the proved delinquency, we do not want to enter into the shoes of the punishment imposing authority and we feel it suffice to remit the matter to the second respondent with a direction to him to impose just and appropriate punishment, proportionate

to the proved delinquency, on A. Mohan/the appellant in W.A. No. 722/2009, keeping in view our observations in this judgment and also the punishment imposed on the co-delinquent. The second respondent is directed to complete the entire exercise within a period of four weeks from the date of receipt of a copy of this judgment."

8) Upon consideration of the facts of the present case, we find that a common chargesheet was issued to all three delinquent employees, and the allegations levelled against them are substantially similar in nature. After inquiry, the Disciplinary Authority imposed penalty of reduction in rank against A. Muruganantham, penalty of removal from service against respondent no.1 - A. Mohan (deceased) and penalty of reduction to a lower post on respondent no.2 - G.K. Anbu. It is not in dispute that A. Muruganantham did not avail any further remedy by preferring an appeal against the order of such punishment. However, the present respondents-employees, A. Mohan (deceased) and G.K. Anbu, preferred appeals before the Appellate Authority, which was of the view that the penalty of removal and demotion, respectively, is inadequate. Accordingly, show cause notice for enhancement of the punishment was issued to the respondents-employees. Thereafter, respondent no.1 - A.

Mohan (deceased) was saddled with the punishment of dismissal, modifying the order of removal and respondent no.2 - G.K. Anbu with the punishment of dismissal, modifying the order of demotion.

9) Both the respondents-employees assailed the order of the Appellate Authority by filing Writ Petition No. 3273 of 2004 and 32090 of 2004 respectively before the High Court. The learned Single Judge in the case of respondent no.1 - A. Mohan (deceased) dismissed the writ petition, while allowing the writ petition of respondent no.2 - G.K. Anbu by setting aside the order of dismissal and maintaining the order of demotion as passed by the Disciplinary Authority.

10) In consequence, respondent no.1 - A.Mohan (deceased) and the appellant no.1 - employer preferred their respective writ appeals, which have been decided *vide* the impugned judgment by remitting the matter to the Appellate Authority on the issue of penalty, in particular, looking to the issue of discrimination and differently dealing with the employees who were part of the same enquiry based on common thread of allegations. It is, *inter alia*, contended that there is no material

distinction in the imputation of allegations as indicated in the chargesheet. It is further urged that no material distinction in the statements of the witnesses was found insofar as the roles assigned to the individual employees are concerned. In the facts of the present case, it is clear that the allegation of defalcation and breach of trust against all three employees is similar. When such is the case, they cannot be treated differently especially in light of the facts, pleadings and material brought on record. The allegations against the employees found place in the common chargesheet and the enquiry also being common, it is merely after the enquiry report that the Disciplinary Authority as well as the Appellate Authority treated them separately, taking into account the degree of responsibility associated with their respective positions.

11) In addition, the distinction in treatment of the employees appears to have arisen solely on account of the respondents nos. 1 and 2, A. Mohan (deceased) and G.K. Anbu, having exercised their right of appeal, while no such recourse was undertaken in the case of A. Muruganantham.

12) After hearing the learned counsel, in our view, when out of three employees, two have been treated differently, despite all being part of the same chargesheet in the departmental enquiry, the view taken by the Division Bench of the High Court to remit the matter back for consideration by the Appellate Authority, is equitable and does not warrant any interference in the peculiar facts of this case.

13) Accordingly, maintaining the order of the Division Bench of the High Court, we dismiss the present appeals and direct the Appellate Authority to take a final call and decide the issue in view of the observations made hereinabove within a period of three months from the date of communication of this order.

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

.....J.
[J.K. MAHESHWARI]

.....J.
[ALOK ARADHE]

NEW DELHI;
MAY 14, 2026.

ITEM NO.102

COURT NO.3

SECTION XII-B

S U P R E M E C O U R T O F I N D I A
R E C O R D O F P R O C E E D I N G S

Civil Appeal No. 8741/2015

M.D.,TAMILNADU INDS.INV.CORP.LTD. & ANR.
VERSUS

Appellant(s)

A. MOHAN (DEAD) THR. LRS.
WITH

Respondent(s)

C.A. No. 8742/2015 (XII-B)

(IA No. 106658/2021 - APPROPRIATE ORDERS/DIRECTIONS and IA No. 48500/2024 - PERMISSION TO FILE ADDITIONAL DOCUMENTS/FACTS/ANNEXURES and IA No. 142056/2025 - VACATING STAY)

Date : 14-05-2026 This appeal was called on for hearing today.

CORAM : HON'BLE MR. JUSTICE J.K. MAHESHWARI
HON'BLE MR. JUSTICE ALOK ARADHE

For Appellant(s) : Mr. K. Radhakrishnan, Sr. Adv.
Ms. G. Indira, AOR

For Respondent(s) : Mr. S. Nandakumar, Sr. Adv.
Ms. Deepika Nandakumar, Adv.
Mr. Divesh Gautam, Adv.
Mr. V. N. Raghupathy, AOR

Ms. N.S. Nappinai, Sr. Adv.
Mr. V. Balaji, Adv.
Mr. B. Dhananjay, Adv.
Mr. Nizamuddin, Adv.
Mr. C. Kannan, Adv.
Mr. Rakesh K. Sharma, AOR

Mr. S. Nandakumar, Sr. Adv.
Ms. Deepika Nandakumar, Adv.
Ms. Kanimozhi J., Adv.
Mr. Amit Yadav, Adv.
Ms. Shubhra Khanna, Adv.
Mr. Naresh Kumar, AOR

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

1)The appeals are dismissed in terms of the signed order.
Pending application(s), if any, shall stand disposed of.

(NIDHI AHUJA)
DEPUTY REGISTRAR

(NAND KISHOR)
ASSISTANT REGISTRAR

[Signed order is placed on the file.]