2025 INSC 1313

NON-REPORTABLE

IN THE SUPREME COURT OF INDIA
CIVIL APPELLATE JURISDICTION

CIVIL APPEAL NO.13183 OF 2025
(Arising out of S.L.P.(C) No.31515 of 2025)
(Arising out of Diary No.28631 of 2025)

UNION OF INDIA AND ORS. **… Appellant (s)**

VERSUS

INDRAJ **… Respondent(s)**

J U D G M E N T

Rajesh Bindal, J.

1. The present appeal has been filed against the judgment of the High Court[1] dated 02.09.2024 passed in a Writ Petition[2] filed by the respondent. The High Court while setting aside the order dated

[1] High Court of Judicature for Rajasthan at Jodhpur
[2] D.B. Civil Writ Petition No.10369 of 2024

23.02.2023 passed by the Tribunal[3] in Original Application No.397 of 2015, had set aside the penalty of removal imposed upon the respondent.

2. From the facts available on record, it is evident that the respondent was employed on 12.01.1998 as Gramin Dak Sevak/ Branch Post Master. Certain irregularities were found during the course of annual inspection on 16.06.2011 regarding misappropriation of public funds where the respondent despite receiving amount from the account holders, had not entered the same in the books of accounts though the passbook of the account holders had been stamped. Chargesheet was served upon the respondent on 17.12.2013. Inquiry Officer was appointed, who submitted his report dated 11.11.2014 finding that the charges against the respondent stood proved. After giving due opportunity of hearing to the respondent and considering his reply, vide order dated 08.12.2014 passed by the Disciplinary Authority, the respondent was removed from service. Aggrieved against the aforesaid order, the respondent preferred statutory appeal, which was dismissed on 31.07.2015. Still aggrieved, the respondent filed application before the Tribunal, which was dismissed vide order dated 23.02.2023. Still not satisfied, the respondent preferred Writ Petition before the High Court, which was allowed vide the impugned order.

[3] Central Administrative Tribunal, Jodhpur Bench, Jodhpur

3. Learned counsel for the appellants submitted that the High Court has travelled beyond the jurisdiction vested in it while examining the punishment imposed upon respondent after due inquiry. There was no defect pointed out by the respondent in the process of inquiry. He was afforded due opportunity of hearing during the course of inquiry. Defence assistance was also provided. In exercise of power of judicial review, only the process of inquiry could be gone into and not the case on merits. It was the admitted case of the respondent that he had misappropriated the funds collected from the depositors for his personal use. When this came to the notice of the authorities and pointed out to him, he deposited the same. The plea of undue influence by the Inspector was taken much later and not during the course of inquiry. The High Court had ventured into examining the admissions made by the respondent on a new plea raised by him. The order of the High Court being perverse, deserves to be set aside.

4. On the other hand, learned counsel for the respondent submitted that the well-reasoned judgment of the High Court does not call for interference by this Court. He further submitted that all the arguments raised by both the parties before the courts below, have been considered thread bare. It was only a mistake on his part. The admission of guilt was given under the influence of the Inspector. Even the depositors did not

raise any grievance or pointed out any finger of misappropriation against the respondent in that regard. The appeal deserves dismissal.

5. Heard learned counsel for the parties and perused the paper book. The respondent was appointed as Gramin Dak Sevak/ Branch Post Master on 12.01.1998. His services are governed by Gramin Dak Sevak (Conduct and Engagement) Rules, 2011 (hereinafter referred to as "**the 2011 Rules**"). During annual inspection, on 16.06.2011, certain irregularities were found and he was issued a chargesheet for misappropriation of public funds on 17.12.2013. There were two charges against him. The same are extracted below:

> "Article-I
>
> That while working as Gramin Dak Sevak/Branch Postmaster, 1 K.K., Accounts Office, Chunavgarh during the period 31.07.2010 to 26.05.2011, Shri Indraj received the amount of monthly installments of recurring deposit accounts from the depositors as per the following details.

Sl. No.	RD Account no.	Denomination	Name of Depositor	Date of deposit	Details of Installments due	Amount not taken into account (Rs.)
1	734092	100/-	Smt. Kamla	26.05.11	January-11 to February-11	200/-
2	734112	200/-	Sh. Chhaminder Singh	31.07.11	February-10 to August-10	1200/- 200/-
3	734318	100/-	Kumari Krishna Devi	31.07.11	May-10 to July-10	300/-
		Total amount = One Thousand Nine Hundred only				1900/-

As per the above details, Shri Indraj received the amount from the depositors and made deposit entries accordingly in the passbooks of the respective accounts and after entering the details of the balance, signed it and put the date stamp of the post office and returned the passbooks to the depositors, but instead of depositing the amount of the above installments in the government account, he kept it with himself for his own use. Thus, while working as a branch postmaster, Shri Indraj misappropriated the amount of monthly installments of recurring deposit accounts.

Article-II

That during the aforesaid period, while functioning as Gramin Dak Sevak/Branch Postmaster, 1 K.K. Branch office, A/O Chunawadh Sub office, the said Shri Indraj received the amount of monthly installment due for the Gramin Dak Life Insurance Police from the policyholder on 23.06.2011 as per the following details.

Sl. No.	Gramin Dak Jeevan Beema Policy No.	Name of Policy Holder	Date of deposit	Details of Installments due	Amount not taken into account (Rs.)
1	R/RJ/JD/EA/101750	Sh. Jaipal Singh	23.06.2011	From January-10 to June-11	3366/-
	Total Amount	Rupees Three Thousand Three Hundred Sixty Six Only			3366/-

Shri Indraj, while working as Branch Postmaster, received a total premium amount of Rs.3366/- from the above policyholder for the months of January, 2010 to June 2011. He entered the amount received in the premium receipt book of the concerned policy,

affixed the date stamp of the branch post office and returned the premium receipt book to the policyholder, but instead of depositing the above deposited amount in the Government account, he kept it for his own use and misappropriated the amount of Rs.3366/-."

6. In the aforesaid factual matrix noticed in the articles of charge, it was alleged that the respondent had violated the provisions of Rule 131 of the Branch Post Office Manual, 6th Edition and that he had failed to maintain integrity and devotion to duty as was required under Rule 21 of the 2011 Rules. The respondent having denied the charges, an Inquiry Officer was appointed vide order dated 06.01.2014.

7. It is not in dispute that during the course of inquiry, the respondent was given due opportunity of hearing. Defence assistance was also made available to the respondent. The respondent cross-examined all the departmental witnesses and did not lead any evidence in defence. While trying to explain the discrepancies, the respondent admitted the guilt. The amount embezzled by him had already been deposited in the accounts of the account holders. He prayed for forgiveness while reassuring that no such mistake will occur in future.

8. It is even noticed by the Tribunal in its order that the respondent had admitted in his statement dated 28.04.2012 that the

money received by him from the account holders was spent by him for his household purposes.

9. The Inquiry Officer submitted his report. Copy thereof was supplied to the respondent who submitted his representation[4] against the same. It was proved that the respondent had stamped the passbooks of the account holders but did not make respective entries in the books of accounts maintained in the post office, despite the fact that he had received the amount from the account holders. When caught, he deposited the amount.

10. Finding the explanation to be not satisfactory, the Disciplinary Authority awarded punishment of removal from service. Aggrieved against the same, statutory appeal was filed. He tried to explain the voluntary deposit and the statement dated 28.04.2012 claiming that the same was made under pressure from the Inspector. Finding no merit in the appeal, the same was dismissed by the Appellate Authority. The order of removal from service passed in the appeal filed by the respondent was challenged by the respondent by filing an Original Application before the Tribunal. While appreciating the fact that there was no defect pointed out in the process of inquiry as due opportunity of hearing was granted to the respondent coupled with his admission and deposit of the amount which

[4] Dated 25.11.2014

he had misappropriated, the Tribunal did not find any merit in the Original Application and the same was dismissed.

11. Still aggrieved, the respondent challenged the order passed in the Original Application before the High Court. Vide impugned order, the High Court had misdirected itself while extending the scope of jurisdiction which could be exercised in matter of judicial review. The merits of controversy were gone into. Even the admission made by the respondent and voluntary deposit of the amount misappropriated by him were dealt with and finally the punishment imposed on the respondent was set aside. He was directed to be reinstated back in service. The High Court opined that mere suspicion is not enough to punish him, not realizing the fact that it was not a case of mere suspicion. The documents clearly established the factum of embezzlement. The passbooks of the account holders were stamped with the receipt of the amount with no corresponding entries in the books of accounts maintained in the post office. It is a matter of chance that the embezzlement made by the respondent came to the notice of the authorities that action could be taken against him while restoring the amount to the post office. However, the fact remains that mere deposit of the embezzled amount will not absolve an employee of the misconduct. Relationship of a customer with a banker is of mutual trust. Any account holder will be satisfied once an entry is made in his passbook regarding

deposit of any amount by him in the post office where he had maintained the account. An account holder may not be privy to the manner in which the accounts are maintained by the post office and also whether the corresponding entries were made or not in the books of accounts maintained there. The respondent tried to explain the embezzlement by stating that on account of ignorance of the Rules, the passbooks of the account holders were stamped. Such an explanation cannot be accepted being farfetched. He had been in service for about 12 years. Ignorance of rules of the procedure with so much experience cannot be accepted. There was no defect or error pointed out in the course of inquiry. The High Court had travelled beyond its jurisdiction in trying to explain the admission of the respondent which was nothing else but an afterthought.

12. For the reasons mentioned above, the appeal is allowed. The impugned order passed by the High Court is set aside. The punishment imposed upon the respondent is upheld.

….....J.
(RAJESH BINDAL)

.....J.
(MANMOHAN)

NEW DELHI;
November 13, 2025.