



**CENTRAL ADMINISTRATIVE TRIBUNAL
PRINCIPAL BENCH, NEW DELHI**

OA No. 624/2015

This the 06th day of July, 2021

(Through Video Conferencing)

**Hon'ble Mr. Justice L. Narasimha Reddy, Chairman
Hon'ble Ms. Aradhana Johri, Member (A)**

Sh. S. Ramu,
Aged about 59 years,
S/o Late S. Somaraju,
R/o 12-1-331/149A,
Duttatreya Colony,
Asif Nagar,
Hyderabad- 500027.
(Working as Addl. Commissioner of Income Tax).

... Applicant

(By Advocate : Mr. Abhishek Singh)

Versus

1. Secretary,
Ministry of Finance,
Department of Revenue,
North Block, New Delhi.
2. Chairman,
Central Board of Direct Taxes,
Ministry of Finance,
Department of Revenue,
North Block, New Delhi.

... Respondents

(By Advocate : Mr. Gyanendra Singh and Mr. Rajesh Katyal)



ORDER (ORAL)

Justice L. Narasimha Reddy, Chairman :

This OA reflects the inherent weakness in the judicial as well as in the administrative system to contain the rampant corruption in the departments like Income Tax.

2. The applicant was functioning as Income Tax Officer (ITO) and Assistant Director of Income Tax (Investigation) between 1989 and 2003. He was issued a charge memo on 01.12.2006 alleging that he accumulated the wealth, disproportionate to his known source of income; to the extent of 285%. Other charges were also framed. That was challenged in OA No. 3732/2010 by raising a plea that the initiation of proceedings as well as the charge memo were not approved as required under law. The OA was allowed on 26.08.2011 following the judgment of Hon'ble High Court in Union of India Vs. B.V. Gopinath (W.P. (C) No. 10452/2009. It was left open to the respondents to issue fresh charge memo, in accordance with law.

3. A memo of charge dated 28.08.2014 was issued duly referring to the earlier developments and stating that the competent authority has accorded approval at various stages. This OA is filed challenging the same. The applicant contends that though the earlier charge memo was set aside, there still remains several lapses. He contends that if the record is called for, it can be verified whether the approval was accorded by the concerned authority at appropriate stage. Another contention is that while according the approval, the



Disciplinary Authority ((DA) did not apply mind. Reliance is placed upon the judgment of Hon'ble Supreme Court in B. V. Gopinath's case (supra).

4. Respondents filed a detailed counter affidavit. It is stated that the charges against the applicant are very serious and though the proceedings were initiated way back in the year 2006, there is no progress whatever. It is also stated that the competent authority has accorded the approval as required under the law and the contentions advanced by the applicant are not correct. The respondents further state that the DA applied its mind to every aspect and approved the charge memo.

5. Today, we heard Mr. Abhishek Singh, learned counsel for the applicant and Mr. Gyanendra Singh and Mr. Rajesh Katyal, learned counsel for the respondents.

6. The disciplinary proceedings were initiated against the applicant way back in the year 2006. The allegations are very serious in nature. The charge memo was set aside in view of the judgment of the Hon'ble Supreme Court in B.V. Gopinath's case (supra) and liberty was granted to the respondents. Though the judgment of this Tribunal was rendered in the year 2011, the respondents took full three years to issue the fresh charge memo. It is a sad reflection on very functioning of the department. For a simple matter of according approval, that too, in a serious matter, where the allegations are of accumulation of disproportionate assets, it ought not to have taken



three years. Be that as it may, in the impugned charge memo, the earlier background was referred to in detail. As many as 16 articles of charge are framed. They read as under:-

“ ARTICLE OF CHARGE-I

That the said Sri S. Ramu, while functioning as a Public Servant during the period i.e. from 01.04.1989 to 21.03.2003 committed misconduct by possessing assets in his own name and in the names of his brothers, sisters and mother which are disproportionate to his known sources of income by Rs.2,01,10,286-(i.e. 285% of known income) and which he could not satisfactorily account for.

Thus, by his aforesaid acts, Sri S. Ramu failed to maintain absolute integrity and exhibited conduct unbecoming of Government servant, thereby violating Rules 3(I)(i) and 3(I) (iii) of Central Civil Services (Conduct) Rules, 1964.

ARTICLE OF CHARGE-II

That the said Sri S. Ramu, while functioning as Deputy Commissioner of Income Tax, purchased a site admeasuring 978 Sq.yards at plot no.82, Road No .IS · Hyderabad, in the name of his brother, Sri S. Murali Krishna, on 04.09.1995 for Rs.8, 14,096/ (including registration charges).

Thus, by acquiring the above benami asset, Sri S. Ramu failed to maintain absolute integrity and exhibited conduct unbecoming of Government servant, thereby violating Rules 3(1)(i) and 3(1) (iii) of Central Civil Services (Conduct) Rules, 1964.

ARTICLE OF CHARGE-III

That the said Sri S. Ramu, while functioning as Joint Commissioner of Income Tax. during the period 1997-2000, constructed a house valued Rs.86,30,000/-at plot no.82. admeasuring 978 Sq. yards, Road No. IS, Film Nagar, Hyderabad, on the site purchased earlier in the name of his brother, Sri S. Murali Krishna. in the year 1995.

Thus, by acquiring the above benami asset, Sri S. Ramu failed to maintain absolute ~ integrity and exhibited conduct unbecoming of Government servant, thereby violating Rules I ~) 3(l)(i) and 3(l)(iii) of Central Civil Services (Conduct) Rules, 1964.

ARTICLE OF CHARGE-IV .

That the said Sri S. Ramu, while functioning as Deputy Commissioner of Income Tax, purchased 7.5 acres of dry agriculture land in Sy.No.ISS of Surangal Village, Moinabad Mandai, R.R. District on 30.4.1996, in the name of his sister, Miss S. Suvema Rekha, for Rs.3,06,956 (including registration charges). Thereafter, during 1996 he developed the said dry agricultural land into a farmhouse with all facilities by spending an amount of Rs.16.85 lakhs.



Thus, by acquiring the above benami asset, Sri S. Ramu failed to maintain absolute integrity and exhibited conduct unbecoming of Government servant, thereby violating Rules 3(1)(i) and 3(1)(iii) of Central Civil Services (Conduct) Rules, 1964.

ARTICLE OF CHARGE -V

That the said Sri S. Ramu; while functioning as Deputy Commissioner of Income Tax, purchased 11.25 acres of dry agriculture land in Sy .No.1 55 of Surangal Village, Moinabad Mandal, R.R. District on 30.4.1996, in the name of his mother, Smt. S. Suryavathi for Rs.4,65,256/- (including registration charges). Thereafter, during 1996-97 he developed the said dry agricultural land into a farmhouse with all facilities by spending an amount of Rs.26.61 lakhs.

Thus, by acquiring the above benami asset, Sri S. Ramu failed to maintain absolute integrity and exhibited conduct unbecoming of Government servant, thereby violating Rules 3(1)(i) and 3(1)(iii) of Central Civil Services (Conduct) Rules, 1964.

ARTICLE OF CHARGE-VI

That the said Sri S. Ramu, while functioning as Deputy Commissioner of Income Tax, purchased a plot bearing no.369-B, admeasuring 1011 Sq. Yards in Road No.24, Jubilee Hills Co-operative House building Society Ltd., Jubilee Hills, Hyderabad in December, 1997, in the name of his sister, Miss. S. Suvema Rekha for Rs.1 ,87,352/-.

Thus, by acquiring the above benami asset, Sri S. Ramu failed to maintain absolute integrity and exhibited conduct unbecoming of Government servant, thereby violating 3(1)(i) and 3(1)(iii) of Central Civil Services (Conduct) Rules, 1964.

ARTICLE OF CHARGE-VII

That the said Sri S. Ramu, while functioning as Deputy Commissioner of Income t-.iX, purchased a house admeasuring 600 sq.ft. at flat noJ II in Diamo\\ Towers Complex, Sarojini Devi Road, Secunderabad, on 7.2.1996 in the name of his sister, Miss. S. Suvarna Rekha. for a (::; sale consideration ofRs.2,89,140/- (including registration charges). -~ r .. ~,

Thus, by acquiring the above benami asset, Sri S. Ramu failed to maintain absolute integrity and exhibited conduct unbecoming of Government servant, thereby violating Rules 3(1)(i) and 3(1)(iii) of Central Civil Services (Conduct) Rules, 1964.

ARTICLE OF CHARGE-VIII

That the said Sri S. Ramu, while functioning as Deputy Commissioner of Income Tax. purchased a house admeasuring 180 Sq.ft. at flat no.303-A in Diamond Towers Complex, Sarojini Devi Road, Secunderabad, on 7.2.1996 in the name of his sister Miss. S. SuYama Rekha, for a consideration ofRs.77,746/- (including registration charges).



Thus, by acquiring the above benami asset, Sri S. Ramu failed to maintain absolute integrity and exhibited conduct unbecoming of Government servant, thereby violating Rules 3(1)(i) and 3(1)(iii) of Central Civil Services (Conduct) Rules, 1964.

ARTICLE OF CHARGE-IX

That the said Sri S. Ramu, while functioning as Joint Commissioner of Income Tax, constructed a two storied godown valued at Rs.12.50 lakhs on a plot admeasuring 430 sq.yards situated at Bahadurguda, L.B. Nagar, Hyderabad, which was purchased in the name of his brother, Sri S. Surest).

Thus, by acquiring the above benami asset, Sri S. Ramu failed to maintain absolute integrity and exhibited conduct unbecoming of Government servant, thereby violating Rules 3(1)(i) and 3(1)(iii) of Central Civil Services (Conduct) Rules, 1964.

ARTICLE OF CHARGE-X

That the said Sri S. Ramu, while functioning as Joint Commissioner of Income Tax, floated a benami company in the name and style of "M/s. Sushumna Enterprises Private Limited, Mumbai", vide Certification of Incorporation No. 11-120517 dated 24.06.1999 issued by Registrar of Companies, Mumbai, with initial share capital of Rs.25.00 lakhs. The said share capital was invested in the purchase of immovable properties in the name of said company. Subsequently, Sri S. Ramu further invested an amount of Rs.20.00 lakhs in the said company for purchase of immovable properties in the name of this company.

Thus, by acquiring the above benami assets, Sri S. Ramu failed to maintain absolute integrity and exhibited conduct unbecoming of Government servant, thereby violating Rules 3(1)(i) and 3(1)(iii) of Central Civil Services (Conduct) Rules, 1964.

ARTICLE OF CHARGE-XI

; That the said Sri S. Ramu, while functioning as Deputy Commissioner of Income Tax. purchased a ten seater Mahindra Commandar Jeep bearing Reg. No. AP 9 AA 8789, in August, 1998 in the name of his friend, Sri Feroz Hussain Kanchawala, partner, M/s. Sate Fgglass Stores, D.No.S-3-945, Nizam Shashi Road, Near M.J. Market, Hyderabad for Rs.1.00 lakh.

Thus, by acquiring the above benami asset, Sri S. Ramu failed to maintain absolute integrity and exhibited conduct unbecoming of Government servant, thereby violating Rules 3(1)(i) and 3(1)(iii) of Central Civil Services (Conduct) Rules, 1964.

ARTICLE OF CHARGE-XII .

That the said Sri S. Ramu, while functioning as Deputy Commissioner of Income Tax, purchased a Hyundai Accent car bearing Regn. No. DL 6 CJ 0079 in October, 2001 in the name Sri Harvinder Singh, S/o Jagath Singh, C-761 Vikaspuri, New Delhi for Rs.4,79,200/-.



Thus, by acquiring the above benami asset, Sri S. Ramu failed to maintain absolute integrity and exhibited conduct unbecoming of Government servant, thereby violating Rules 3(1)(i) and 3(1)(iii) of Central Civil Services (Conduct) Rules, 1964.

ARTICLE OF CHARGE-XIII

That the said Sri S. Ramu, while functioning as Addl. Commissioner of Income Tax, concealed the cash of Rs.65,000/-belonging to him with one Sri P. Srikanth, who was employed for supervising his assets at Hyderabad.

Thus, by acquiring the above benami asset, Sri S. Ramu failed to maintain absolute integrity and exhibited conduct unbecoming of Government servant, thereby violating Rules 3(1)(i) and 3(1)(iii) of Central Civil Services (Conduct) Rules, 1964.

ARTICLE OF CHARGE-XIV

That the said Sri S. Ramu while functioning as Addl. Commissioner of Income Tax concealed an amount of Rs.1,00,000/-belonging to him, with his friend, Sri Mohd. B. Lehery, file H.NoJ-43-143, Moharnrnedi Enclave, West Marredpally, Secunderabad.

Thus, by acquiring the above benami asset, Sri S. Ramu failed to maintain absolute integrity and exhibited conduct unbecoming of Government servant, thereby violating Rules 3(1)(i) and 3(1)(iii) of Central Civil Services (Conduct) Rules, 1964.

ARTICLE OF CHARGE-XV

That the said Sri S. Ramu, while functioning as Joint Commissioner and Addl. Commissioner of Income Tax, invested an amount of Rs.9,00,000/- in the form of Fixed Deposit Receipts with Margadarshi Financiers, Hyderabad in fictitious names through his brother, Sri S. Murali Krishna and his sister-in-law Smt. S. Yamuna during 2001.

Thus, by acquiring the above benami asset, Sri S. Ramu failed to maintain absolute integrity and exhibited conduct unbecoming of Government servant, thereby violating Rules 3(1)(i) and 3(1)(iii) of Central Civil Services (Conduct) Rules, 1964.

ARTICLE OF CHARGE-XVI

That the said Sri S. Ramu, while functioning as Joint Commissioner of Income Tax, invested an amount of Rs.2,62,000/-in Non-Convertible Debentures of Shri Ram Investments Limited in the name of his brother, Sri S. Murali Krishna and his sister-in-law Smt. S. Yamuna during 2000.

Thus, by acquiring the above benami assets, Sri S. Ramu failed to maintain absolute integrity and exhibited conduct unbecoming of Government servant, thereby violating Rules 3(1)(i) and 3(1)(iii) of Central Civil Services (Conduct) Rules, 1964.”



7. The statement of imputation runs into 53 pages. Lists of 575 relied upon documents and 181 witness are appended. It only shows the volume of the material, which the respondents have gathered against the applicant.
8. It is indeed unfortunate, if not startling that though the Tribunal did not grant any stay of proceedings, there is no progress in the matter at all. The applicant merrily retired in 2016. Unless he had got big clout in the department, such state of affairs would not have been possible. It must not be forgotten that if a conductor in the State Road Transport Corporation is found to have failed to issue tickets worth Rs. 2 or 5 after collecting fare, he would be dismissed from service and the question of his being reinstated does not arise. Here is a case, where the applicant is said to have accumulated the wealth worth several crores. The department was very cooperative to him and enabled him to retire, notwithstanding the fact that it is a serious case wherein hundreds of documents and hundreds of witnesses are cited. Though a set of officers, at one point of time took the matter seriously and did the needful, the subsequent incumbents seems to have become friendly to the applicant and permitted him to go scot free.
9. The plea of the applicant that there was non application of mind by the disciplinary authority is totally untenable. The respondents have categorically stated that every aspect of the matter was dealt with by the DA, before he accorded approval.



10. The charges are very serious in nature and they need to be probed. Now the matter needs to be dealt with under Rule -9 of the CCS (Pension) Rules, 1972. If we take into account the volume of documents and witnesses that are cited, it may take considerable time.

11. We, therefore, dismiss the OA by imposing a cost of Rs. 50,000/- on the applicant. The amount shall be deposited with the Registry of the Tribunal within four weeks, which in turn shall be forwarded to the Prime Minister's Relief Fund. The Respondents shall also examine the feasibility of identifying the officers and authorities, who were responsible for not taking up the proceedings against the applicant though there was no stay in the OA.

(Aradhana Johri)
Member (A)

(Justice L. Narasimha Reddy)
Chairman

lg/pj/ankit