

**IN THE CENTRAL ADMINISTRATIVE TRIBUNAL  
HYDERABAD BENCH  
HYDERABAD**

O.A. No.823/2013

Date of Order :12.04.2019.

Between :

M.Jayaram, s/o M.P.Raju,  
Occ:Postal Assistant, SBCO,  
O/o Head Post Office, Waltair  
R.S.HO-530 004, Dist:Visakhapatnam,  
r/o H.No.Gullalapalem, HUDA Colony,  
Srihari Puram, Malkapuram Post,  
Visakhapatnam-530 011.

...Applicant

And

1. The Union of India, rep., by the  
Secretary & Director General of Posts,  
M/o Communications, Dept. Of Posts,  
Dak Bhavan, New Delhi-1.

2. The Chief Post Master General,  
A.P.Circle, Abids, Hyderabad.

3. Post Master General, Visakhapatnam Region,  
Visakhapatnam-17.

4. The Director of Postal Services, O/o PMG,  
Visakhapatnam Region, Visakhapatnam-17.

5. The Sr. Superintendent of Post Offices,  
Visakhapatnam Division, Visakhapatnam-1.

... Respondents

Counsel for the Applicant

... Mr.K.Phani Raju

Counsel for the Respondents

... Mr.A.Surender Reddy, Addl.CGSC

**CORAM:**

**THE HON'BLE MR.JUSTICE L.NARASIMHA REDDY, CHAIRMAN  
THE HON'BLE MRS.NAINI JAYASEELAN, MEMBER (ADMN.)**

**ORAL ORDER**

(As per Hon'ble Mr. Justice L. Narasimha Reddy, Chairman)

The applicant is employed as Postal Assistant, Savings Bank Controlling Organization (SBCO), Waltair RS Head Post Office, Visakhapatnam. A charge memo was issued to him on 16.01.2007 alleging that in his capacity as Incharge SBCO, Chodavaram, between 06.07.2000 to 21.07.2006, he failed to point out and raise objection as regards withdrawals and verification of certificates of identifier (witness). It was also alleged that he allowed deposits made in a discontinued account and withdrawal from such account. Another allegation was that he did not insist on surrender of original SB-3 cards even after premature closure of the accounts and that he did not raise objection where amounts exceeding Rs.20,000/- were paid through cheques.

2. The applicant submitted his explanation and not satisfied with that the Disciplinary Authority appointed an Inquiry Officer. In his report dated 30.09.2010, the Inquiry Officer held all the 5 articles of charge framed against the applicant as proved. A copy thereof was furnished to the applicant and his defence representation was received. After taking further steps, as required under law, the Disciplinary Authority issued Proceedings dated 21.06.2011 imposing the punishment of recovery of a sum of Rs.1,56,780/- from the applicant in 36 instalments. He has also imposed the penalty of reduction of pay scale by two stages for a period of 3 months with effect from the pay of July 2011 on the applicant and that

after expiry of the punishment, the said punishment shall not have the effect of postponing his increment. The applicant preferred an appeal and the same was rejected by the Appellate Authority on 05.09.2012.

3. In this OA, the applicant has challenged the order of punishment as confirmed by the Appellate Authority.

4. The applicant contends that his role in the context of remittances and withdrawals in the Post Offices is very limited. He contends that in the Post Offices, Postmaster is the authority to issue necessary instructions in this behalf to the Sub-Post Offices, and the Sub-Postmasters are under obligation to ensure that the prescribed procedure is followed. He further contends that in a separate set of proceedings, penalty was imposed upon the Postmaster, Chodavaram and Sri G.Mohandas, SPM, A.Koduru, for various acts of fraud and that the punishment imposed against him cannot be sustainable in law. He further submits that once the amount to be recovered against him is quantified, the reduction of pay scale is unsustainable in law.

5. The respondents filed a counter affidavit denying the contentions raised by the applicant. It is stated that the applicant was Incharge of the concerned Section and that on account of negligence in discharging of his duties, irregularities in remittances and withdrawals have taken place. It is stated that the prescribed procedure was followed and that no irregularities have taken place in conduct of the disciplinary proceedings.

6. We heard Mr.K.Phani Raju, learned Counsel appearing for the Applicant and Mr.A.Surender Reddy, learned Standing Counsel appearing for the Respondents.

7. The gist of the allegations made against the applicant is furnished in the preceding paragraphs. Each article of charge was elaborated by furnishing various instances and as many as 54 documents were relied upon. Oral and documentary evidence was adduced in the departmental inquiry. The Inquiry Officer held all the 5 articles of charge framed against the applicant as proved.

8. This is a rare case in which the Disciplinary Authority had undertaken extensive discussion with reference to each article of charge. He took into account, the purport of each article, the defence offered by the applicant, the findings recorded by the Inquiry Officer and has drawn his own conclusion about the same.

9. Having undertaken such elaborate discussion, the Disciplinary Authority proceeded to apportion the financial loss incurred by the department among the various employees responsible for the same. The share of the applicant in this behalf was fixed at Rs.1,56,780/-. The plea of the applicant that the quantification is not proper and that the recovery cannot be made, cannot be accepted. Therefore, we confirm the order as to recovery.

10. In addition to directing recovery of amount, the Disciplinary Authority proceeded to impose the penalty of reduction of pay scale by two stages, to be in force for a period of 3 months from 01.07.2011. We find some abnormality in this. Firstly, once the recovery of the quantified amount is ordered, the reduction of pay scale may amounts to dual penalty. Secondly, the punishment of reduction of pay scale imposed against an employee must commence from the date of the order itself. Stipulation of 3 months for this from a chosen date does not appear to be part of an ordinary exercise of power. We find it difficult to sustain the same.

11. We, therefore, partly allow the OA upholding the order dated 21.06.2011 passed by the Disciplinary Authority in so far it directs recovery of a sum of Rs.1,56,780/-, but setting aside the one of reduction of pay scale by two stages for a period of 3 months with effect from 01.07.2011. There shall be no order as to costs.

Sd/-

**( NAINI JAYASEELAN )  
MEMBER (ADMN.)**

Sd/-

**( JUSTICE L.NARASIMHA REDDY )  
CHAIRMAN**

Dated: this the 12<sup>th</sup> day of April, 2019  
Dictated in the Open Court

Dsn.

