

IN THE SUPREME COURT OF INDIA
CIVIL APPELLATE JURISDICTION
CIVIL APPEAL NO.18838 OF 2017
(Arising out of SLP(C) No.1670 of 2016)

PUNJAB NATIONAL BANK AND ORS.

APPELLANT(S)

VERSUS

K. C. SAREEN & ANR.

RESPONDENT(S)

WITH

C.A. No.18839 of 2017 (@SLP(C) No.1766 of 2016)

O R D E R

The petitioners have preferred these special leave petitions against the common impugned order dated 20.11.2015 passed by the High Court of Punjab and Haryana in CWP No.5076 of 2012 and 5605 of 2013, holding that the respondents-employees are entitled to wages from the date of dismissal till the date of their reinstatement and directing the petitioners-Bank to pay the arrears of back wages to them.

Leave granted.

The respondents viz., K.C. Sareen and V.K. Bhatia were appointed as clerks with the appellant-bank in the year 1982. Pursuant to an FIR lodged under sections 420/120B of the Indian Penal Code (for short, the 'IPC')

read with sections 13(1) (d) and 13(2) of the Prevention of Corruption Act, 1988, the said respondents were convicted by the Court of Special Judge. On the basis of such conviction, the appellant-bank dismissed their services. Thereafter, the respondents preferred appeal against their conviction. The said appeal was dismissed by the High Court. Being aggrieved, the respondents preferred separate appeals before this Court which were allowed and they were acquitted of the charges levelled against them.

On the other hand, in connected appeal, the respondent viz., Kuldip Singh Thukral, was acquitted by the Court of Special Judge, but convicted by the High Court. In appeal, he was acquitted of all the charges by this Court.

Thereafter the respondents filed representations for reinstatement in service in the appellant-Bank. The respondents were reinstated, but they were not found eligible to any back-wages and other consequential benefits. The appellant-Bank rejected their representations for payment of back-wages and other consequential benefits. Being aggrieved, they filed writ petitions before the High Court which were disposed of in the above terms.

Having heard learned counsel appearing for the parties and upon perusal of the record, we find that the circumstances of the acquittal of co-accused Madan Lal, Peon/Daftri, are different from the circumstances of

acquittal of the present respondents who were acquitted by this Court giving them benefit of doubt, as is apparent from the observation of the High Court vide order dated 22.12.2005 in Criminal Appeal No.533 of 1999.

By the aforesaid common impugned order dated 20.11.2015, the High Court held the respondents-employees entitled to wages from the date of dismissal till the date of their reinstatement. It is pointed out by Mr. Rajesh Kumar, learned counsel appearing for the appellants-Bank that the said impugned order is contrary to the earlier judgment of this Court in the case of *State Bank of India & Anr. Vs. Mohammed Abdul Rahim* - 2013 (11) SCC 67, whereby this Court in similar circumstances observed that though the subsequent acquittal may obliterate the conviction, it does not operate retrospectively to wipe out the legal consequences of the conviction under the Act. In this view of the matter, this Court granted wages to the respondent for the period i.e. from the date he had lodged the demand for reinstatement following his acquittal until the date of his reinstatement.

In the circumstances and having regard to the fact that the present respondents-accused were acquitted on the basis of another common order dated 24.11.2010 passed by this Court in Criminal Appeal Nos.410/2006, 2219/2010 and 2218/2010, and since the prosecution failed to prove the case beyond reasonable doubt, we deem it appropriate in the interests of justice to direct the appellants-Bank to

pay 50% of back wages to the respondents as follows:

Sr. No.	Name & Designation	Amount of back-wages as per Bank calculation (Amount in lacs)
1.	K.C. Sareen, Special Assistant	Rs.33.92 lacs
2.	V.K. Bhatia, Single Window Operator	Rs.29.57 lacs
3.	K.S. Thukral, Clerk/Typist	Rs.18.58 lacs

We order accordingly.

Hence, we partly allow these appeals and modify the common impugned order passed by the High Court to the extent that appellants-Bank shall pay 50% of back wages to the respondents within a period of four weeks from today.

.....J
[S. A. BOBDE]

.....J
[MOHAN M. SHANTANAGOUDAR]

NEW DELHI;
NOVEMBER 10, 2017.

ITEM NO.6

COURT NO.7

SECTION IV-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

Petition(s) for Special Leave to Appeal (C) No.1670/2016

(Arising out of impugned final judgment and order dated 20-11-2015 in CWP No.5076/2012 passed by the High Court Of Punjab & Haryana At Chandigarh)

PUNJAB NATIONAL BANK AND ORS.

Petitioner(s)

VERSUS

K. C. SAREEN & ANR.

Respondent(s)

WITH SLP(C) No.1766/2016 (IV-B)

Date : 10-11-2017 These petitions were called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE S.A. BOBDE

HON'BLE MR. JUSTICE MOHAN M. SHANTANAGOUDAR

For Petitioner(s) Mr. Rajesh Kumar, Adv.
Mr. Rakesh Chaurasiya, Adv.
Mr. Gaurav Kumar Singh, Adv.
Ms. Khushboo Aggarwal, Adv.
Mr. Aakash Sehrawat, Adv.
Mr. Anant Gautam, Adv.
For M/S. Mitter & Mitter Co., AOR

For Respondent(s) Ms. Mahalakshmi Pavani, Sr. Adv.
Mr. G. Balaji, AOR
Ms. Vaishali Jain, Adv.
Mr. Divakar Anand, Adv.

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

Leave granted.

These appeals are partly allowed in terms of the signed order.

(SANJAY KUMAR-II)
COURT MASTER (SH)

(INDU KUMARI POKHRIYAL)
BRANCH OFFICER

(Signed Order is placed on the file)