



*Malavika Ramanand*  
Associate

## PATNA HIGH COURT ON REINSTATEMENT WITH BACK WAGES

### A. Introduction

In the 2022 case of *The Chairman, Uttar Bihar Gramin Bank and Ors. v. Ramendra Prasad Gauro*,<sup>1</sup> the High Court of Patna (HC) upheld a Single Judge's order which required the employer, Uttar Bihar Gramin Bank (UBGB), to reinstate its employee with back wages. UBGB had failed to consider the employee's responses to its enquiry order, which constituted a gross violation of statutory provisions and principles of natural justice.

### B. Brief Facts

1. Employee Ramendra Prasad Gauro (**Gauro**) was employed as a clerk-cum-cashier and was subsequently promoted to 'Officer Scale-1' and served in various capacities. Following his transfer to a different branch, Gauro was suspended for some irregularities in making reckless advances.
2. A 'memorandum of charge' was then issued by the disciplinary authority (DA), and a departmental inquiry was initiated against Gauro. It was concluded after two years.
3. The findings of the inquiry officer were communicated to Gauro, and he submitted his reply soon after.
4. Following which, the DA imposed a punishment of dismissal from service. Although Gauro appealed this decision, it was ultimately dismissed.
5. Gauro then challenged the order of dismissal and the appellate order by filing a writ petition. The Single Judge allowed the writ and directed UBGB to reinstate Gauro with all consequential benefits, and 50% back wages, following his dismissal.
6. UBGB filed an appeal against the Single Judge's decision in the HC, challenging the direction of payment of 50% back wages.

### C. Contentions

#### UBGB:

1. Cited the 1993 Supreme Court (SC) case of *ECIL v. Karunakar*,<sup>2</sup> which evaluated the principles of natural justice to be applied in the event an enquiry report is not furnished to an employee. The SC had held that in all cases where an enquiry report is not furnished to an employee, courts must direct employers to furnish a copy of the report, and give the employee a chance to prove that the absence of the report had affected their case unfairly. It also held that if an employee is reinstated after a fresh inquiry, the concerned authority can decide how to handle the period between the

<sup>1</sup> *The Chairman, Uttar Bihar Gramin Bank and Ors. v. Ramendra Prasad Gauro* (PATHC – 20.05.2022): MANU/BH/0591/2022.

<sup>2</sup> MANU/SC/0237/1994.

dismissal and reinstatement and what benefits the employee will be entitled to. Reinstatement must be considered for the purpose of holding the fresh inquiry from the point of report furnishing, and nothing further.

Gauro:

1. Cited the SC case of *Gowramma v. Hindustan Aeronautical Ltd.*, where the court evaluated whether the employee is at fault and where they are not, it held that denying them the benefits of being vindicated would be unfair.
2. Argued that in cases of wrongful termination of service, reinstatement with continuity of service and back wages is the typical practice.
3. Cited the 2013 SC case of *Deepali Gundu v. Kranti Junior Adhyapak Mahavidyalaya*,<sup>3</sup> where it was held that: “*The cases in which the competent court or tribunal finds that the employer has acted in gross violation of the statutory provisions and/or the principles of natural justice or is guilty of victimising the employee or workman, then the court or tribunal concerned will be fully justified in directing payment of full back wages.*”

**D. HC’s Order & Grounds**

The HC:

1. Found that the DA failed to consider Gauro’s response to the inquiry officer’s findings, and the same was true for the appellate authority’s order, as well.
2. Held that the Single Judge had set aside the order of punishment and the appellate order, finding them to have been passed in violation of statutory provisions and principles of natural justice. UBGB did not contest this, and hence, the termination of Gauro’s services was deemed illegal due to the gross violation of these principles.
3. Held that the DA’s and the appellate orders are not sustainable in the eyes of the law, and that Gauro had been forced to go through a lengthy and arduous litigation process, during which time he had been unfairly denied wages.
4. Held that it was gross injustice on part of the DA and UBGB and distinguished the *Karunakar* case cited by UBGB’s counsel, stating: “*It would be unfair to the appellants if we do not deal with the judgment referred to by them, rendered in the case of B. Karunakar and others (supra). In this regard, it would suffice to state that the said Judgment deals with a situation where the report of the Inquiry Officer was not furnished to the delinquent and is thus not only distinguishable in the facts and circumstances of the present case but also does not deal with a situation as the present one.*”
5. Upheld the Single Judge’s order of awarding Gauro 50% back wages and continuity of service.

-----

This Counsellence Connect contains information in a nutshell on a recent change in law. This is not legal advice and must not be treated so. For legal advice, please contact us at: [info@counsellence.com](mailto:info@counsellence.com). Past issues of Counsellence Connect are available on the ‘Newsletters’ page of our website. ([www.counsellence.com](http://www.counsellence.com)).

---

<sup>3</sup> MANU/SC/0942/2013.