IN THE ARMED FORCES TRIBUNAL, PRINCIPAL BENCH AT NEW DELHI

T.A. No. 429 of 2010

Writ Petition (Civil) No. 6099 of 2008

Ex. Lt. Col. Deepak Chaturvedi

.....Petitioner

Versus

Union of India & Ors.

.....Respondents

For petitioner:

Mr. G.S. Chaturvedi, Advocate.

For respondents: Mr. Ankur Chhibber, Advocate.

CORAM:

HON'BLE MR. JUSTICE A.K. MATHUR, CHAIRPERSON. HON'BLE LT. GEN. S.S.DHILLON, MEMBER.

JUDGMENT 27.04.2012

S.S.Dhillon, Member:

1. The Petitioner had filed a Civil Writ Petition in the Hon'ble Delhi High

Court under Articles 226 and 227 of the Constitution of India. The same was

transferred to this Tribunal after its formation. The Petitioner seeks quashing

of the Government of India order dated 14th May 2008 whereby his services

were terminated under Section 19 of the Army Act read with Army Rule 14.

He also seeks reinstatement in service with all consequential benefits.

2. The Petitioner was commissioned in the Indian Army on 19th December

1987 and over a period of time was promoted to the rank of Lt. Col. At the

time of the incident in July 2005 the Petitioner was posted as Commanding

Officer of 406 Company ASC, also referred to as Field Petroleum Depot (FPD), Leh. He was the Commanding Officer from 31st December 2003 to 23rd July 2005 when his services were suspended. His Unit was responsible for provisioning of fuel, oil and lubricants (FOL) for all the Units of Ladakh. The petitioner has to enumerate the gone on various achievements/improvements undertaken by him to upgrade the functioning of the FPD. He had carried out various administrative and functional improvements to ensure the smooth functioning of the FPD and also to prevent pilferage. He has also asserted that the surplus fuel of the depot which amounted to more than 677 Kilo Litres had been taken on charge by him and he had functioned in a very upright manner.

3. The petitioner argued that very comprehensive procedures had been put in place for receipt of FOL by his Unit. He himself was not entitled to receive any FOL and this task of checking the fuel before it is received was undertaken by a Station Board of Officers detailed by GOC 14 Corps at Leh. He explained the various procedures and checks that were initiated before such consignment entered his depot for issue to the Units. On 16th July 2005 at approximately 0600 hours, 39 vehicles carrying diesel came to his depot and were checked by the Station Board of Officers and the consignment was in order. Thereafter 7 more vehicles were brought by the Army Intelligence Staff in front of the depot gate at approximately 0900 hours. These vehicles never entered his Unit area and the goods so consigned in them were not taken on charge by his Unit. This was because when the Station Board of Officers checked these vehicles, they detected that instead of the FOL, these vehicles contained water. Immediately thereafter he summoned the Indian Oil

Manager at Leh and the matter was reported to him in writing. He also took action to blacklist 45 BPL Lorries of various civil transport agencies. The Petitioner along with the Presiding Officer of the Station Board of Officers immediately recorded the statement of the 7 drivers wherein they stated that the Petitioner or any person of the FPD did not have any role in the supply of water instead of FOL. Immediately after the initial inquiry by the Petitioner, he lodged an FIR with the civil police on 18th July 2005 against the carrying agencies and the 7 drivers of these 7 vehicles. The civil drivers were handed over to the police. A Court of Inquiry was ordered on 18th July 2005 by GOC 14 Corps at Leh to investigate the circumstances under which Bulk Petroleum Lorries (BPL) meant for his Unit were found carrying water instead of FOL on 16th July 2005. The Court of Inquiry was required to pinpoint responsibility for lapses at various levels.

4. In the Court of Inquiry, all 7 drivers were examined and in their initial statements recorded on 18th July 2005 they did not state anything about the involvement of the petitioner or any other staff of the FPD. However once they got to know that an FIR had been lodged against them on the same day i.e. 18th July 2005, they all gave additional statements the next day i.e. 19th July 2005, in which out of vindictiveness and with a view to implicate the Petitioner and other staff of the FPD, they gave a statement implicating the Petitioner and other personnel of the FPD. This vindictiveness and mischievousness could also be attributed to the friction that existed between the transporters of Jammu and Ambala. The conflict between the transporters of Jammu and Ambala had been persisting for a few years and there were even media reports to this extent. Therefore it was at the behest of the

Jammu transporters that they attempted to implicate the transporters of Ambala, and in this tussle the Petitioner suffered. The Petitioner argued that all the 7 drivers have stated that their vehicles had not been checked by the Petitioner and that they had no contact with him prior to the incident. Furthermore in the Court of Inquiry the two main civilian persons who had supposedly masterminded the entire scheme i.e. Shri Baljeet Singh alias Bittu and Shri Dara Singh were not examined during the entire inquiry. As a consequence of the FIR filed by the Petitioner, the civil police at Leh swung into action and arrested not only the 7 drivers but also the Indian Oil Corporation Manager Ambala, Shri Baljeet Singh @ Bittu and the petrol pump owner where supposedly the actual consignment of FOL was sold. The Petitioner is aggrieved that based on the extracted confessional statements of the drivers, he was suspended on 6th August 2005 and that he had been falsely implicated in the entire case. After the completion of the first Court of Inquiry, a tentative charge sheet dated 13th August 2005 was given to the Petitioner wherein four charges were framed against him. This was followed by the customary hearing of charge under Army Rule 22 after which the Summary of Evidence under Army Rule 23 was recorded in September 2005. Subsequently the Respondents convened an additional Court of Inquiry in November/December 2005 bringing in additional witnesses, however, Shri Bittu the main accused was again not examined. On conclusion of the second Court of Inquiry two more charges i.e. "intent to defraud" and "conduct unbecoming of an officer" were added to the already four charges framed against him. The Petitioner went on to state that an 'administrative censure' was given in June 2006 to the Members of the Weekly Station Board of Officers who had actually checked the consignment and signed the proceedings.

5. Learned counsel for the Petitioner argued that the disciplinary process had already been initiated against the Petitioner and if any action had to be taken against him, it could only be by way of trial by a Court Martial. This forum would have permitted having adequate opportunity to prove falsity of the allegations against him and would have afforded him adequate opportunity to put across his legal submissions. However, notwithstanding the fact that the Summary of Evidence had already been recorded, the Respondents took the retrograde and unprecedented move of issuing a show cause notice to him on 19th July 2007 which contemplated termination of his services under Section 19 of the Army Act read with Army Rule 14. The aforesaid show cause notice placed reliance on the findings of the Court of Inquiry based on which the Chief of Army Staff had formed the opinion that his further retention in service was not desirable. Learned counsel argued that Army Rule 14(2) clearly specifies that recourse to such administrative dismissal should be taken only when a Court Martial is inexpedient or impracticable, which was not so in the case of the Petitioner. There was no impediment to his trial by a Court Martial and in any case, investigations by the civil police were in full swing. Therefore to terminate his services under Section 19 of the Army Act read with Army Rule 14 were illegal and arbitrary and reliance was placed on the judgment of the Hon'ble Supreme Court in the case of Union of India & Ors. v. Harjeet Singh Sandhu (2001) 5 SCC 593 wherein it was held that such administrative dismissal from service was subject to judicial review.

6. Learned counsel also stated that on receipt of the show cause notice, the petitioner had sought certain vital documents on the basis of which he was to respond to the show cause notice. This included a copy of the proceedings under Army Rule 22, Court of Inquiry proceedings, Summary of Evidence and investigation report of the civil police in this case. Despite the specific request of the Petitioner for these vital documents based on which a case of misconduct was lodged against him, the Respondents supplied only a copy of the proceedings of the Court of Inquiry and that too without the findings and opinion. The Petitioner again wrote to the Respondents asking for these documents but since no reply was given to him, he formulated his reply on the basis of the limited documents made available to him on 29th September 2007. The Respondents had not applied their mind to his response and arbitrarily terminated his services vide their order dated 14th May 2008 rejecting his pleas in a most cryptic manner. In the interim, the civil police at Leh had also filed a final report before the Chief Judicial Magistrate (CJM), Leh wherein 5 persons including the Petitioner were named as accused. The CJM gave date of 15th May 2008 for the hearing in which it would be decided whether the accused persons from the Army were to be tried by a criminal court or by a Court Martial in accordance with Section 125 of the Army Act. There was no great urgency to terminate his services one day prior to this hearing i.e. on 14th May 2005 and this indicated the vindictiveness of the Respondents. Furthermore, it was argued that the Respondents had declined to take over the case of the petitioner and Captain Pravin Rawat, however, despite such reluctance on the part of the Respondents to take over the case of the Petitioner, the CJM vide his order of 15th May 2008 handed over the

case of all the 5 Army personnel, including the Petitioner, to the Army Authorities.

7. Learned counsel argued that the main culprit i.e. Shri Bittu with whom the Petitioner is alleged to have connived as per the show cause notice was not produced in either of the two Court of Inquiries or in the Summary of Evidence, despite having been arrested by the civil police. It is his statement, which was admittedly not taken in any of the Court of Inquiries, that has now become the basis for the termination of the Petitioner's services. It was argued that under Army Rules 133 to 138 there is a methodology of calling attendance of witnesses which has not been adopted in the instant case. The authorities could have resorted to issuing summons to these individuals through Court which was also not done. Learned counsel went on to argue that the Petitioner had been made a scapegoat by the culprits i.e. the transporters. After three days the drivers had changed their statements and implicated the Army personnel. This was done because of the strict and substantive action taken by the Petitioner in filing an FIR and blacklisting 45 BPL of different transport agencies who out of sheer revenge and vindictiveness have implicated the Petitioner. Furthermore resort to termination of service under Section 19 of the Army Act read with Army Rule 14 was conducted to cut short the complete procedure because the authorities knew that he would be acquitted by the civil court when the matter was heard. Learned counsel also argued that the Respondents have failed to appreciate that the theft of the petroleum products in these 7 vehicles occurred at some place between Ambala and Chandigarh and nowhere in the vicinity of his depot. No evidence has been placed on record to show the

Petitioner's involvement with anybody at Ambala or Chandigarh who were involved with the crime. Learned counsel further went on to state that there had been discrimination in the matter of sentence to identically situated employees and this was violative of Article 14 of the Constitution of India. The other officers namely R.K. Nigam and Sukhbir Singh who have been co-accused with the Petitioner in the criminal case and identically charged with the Petitioner had been let off without any penalty. Lastly, learned counsel argued that benefit of Army Rule 180 was not given to the Petitioner in that the testimony of the witnesses was taken in the absence of the Petitioner and he was denied an opportunity to effectively cross-examine the witnesses.

8. A detailed reply has been filed by the Respondents who have vehemently denied the various arguments put forward by the Petitioner. brief background to the entire incident was that on 11th July 2005 certain BPLs started from Indian Oil Corporation, Ambala for FPD, Leh. These vehicles were carrying FOL products meant for FPD, Leh. On 12th July 2005 when the vehicles were at some place near to Zirakpur i.e. between Ambala and Chandigarh, Shri Bittu and Shri Dara Singh got the FOL of some of these vehicles unloaded at a petrol pump and the FOL was replaced by water. This fact came to the notice of the Army Intelligence personnel of HQ 14 Corps. The intelligence agencies at Leh were informed about these illegal transactions and on 15th July 2005 when these BPLs reached Leh these BPLs were checked and segregated. The next day i.e. 16th July 2005 these vehicles were taken to FPD, Leh wherein the Station Board of Officers found water instead of FOL in 7 of these BPLs which had been earlier segregated. Respondents accepted that these BPLs have not entered the premises of FPD, Leh. A Court of Inquiry was initiated on 18th July 2005 and on the same day an FIR was lodged with the civil police at Leh. The Court of Inquiry was completed on 30th July 2005 based on which GOC 14 Corps directed disciplinary action against the Petitioner and a few others for various lapses on their part.

9. Learned counsel argued that the two important witnesses Shri Bittu and Shri Dara Singh, the middleman who had actually got these illegal transactions done at Zirakpur had neither been apprehended by the civil police, nor had been made available to the Army authorities, despite issue of summons through the Court. The Respondents had made full efforts to obtain the presence of these two essential witnesses but they are still absconding and have not been apprehended by the civil police. Therefore if their statements have not been recorded in the Court of Inquiry and the Summary of Evidence it is not for want of efforts on the part of the Respondents and extensive and exhaustive efforts have been made for almost two years by the authorities to procure the attendance of these two witnesses. However, since these two witnesses could not be apprehended by the police for over two years, the authorities could not wait endlessly for the production of these two witnesses and based on the existing evidence before them, they decided to proceed with the matter. The evidence which was available with the Respondents as a consequence of the Court of Inquiry, indicated involvement of the Petitioner in a criminal conspiracy, dishonest misappropriation of the government property, criminal breach of trust and offences under the Prevention of Corruption Act.

The Court of Inquiry examined all the 7 BPL drivers who initially on 18th 10. July 2005 had not incriminated the Petitioner, however, on 19th July 2005 they made an additional statement that they had not done so based on the assurance given by the Petitioner and Capt. Pravin Rawat that no action would be taken against them and that they would be monetarily compensated. However, when the drivers got to know that an FIR had been lodged against them and they were arrested, they realised that the assurance given by the petitioner and Capt. Pravin Rawat was an illusion and they would have to bear the entire consequences that they decided to come clean and bring out the complete facts of the case. Learned counsel stated that the modus operandi was that the BPLs carrying water were inspected by either the Petitioner, Capt. Rawat or Nb. Sub. Sunder Singh against all three of whom disciplinary action was taken. These persons stage managed the entry of BPLs into the FPD in such a manner that BPLs carrying the consigned load was checked by members of the Station Board of Officers and those carrying water were checked (and passed) by them. Furthermore, the decanting of water from the illegitimate BPLs was not done in the presence of the Board of Officers. This was so because while the BPLs carrying consigned loads as per the indent would be decanted or emptied into the storage tanks, the BPLs carrying water were emptied in the open ground when the civil labour was not present. It has also come in evidence that Shri Bittu who was the mastermind of the entire scam had tied up with the officers of the FPD, Leh and had informed the 7 BPL drivers that he had already spoken to the officers and that there would be no problem at Leh. Furthermore it has come in evidence that on 15th July 2005 at 1530 hours and thereafter a person wearing a civil track suit warned these 7 BPL drivers that the intelligence persons of the Army were searching for their vehicles. This so-called civilian was Nb. Sub. Sunder Singh who also worked in the FPD and against whom also disciplinary action was ordered. It has also come in evidence that Capt. Rawat called the BPL drivers on the date of the incident at 1230 hours and asked them not to reveal the involvement of the Petitioner and himself. These BPL drivers were again called at 1400 hours the same day when the Petitioner was also present. It was during these two meetings that the drivers were assured that nothing would happen to them and that they would be monetarily compensated for their loss and they should not reveal the involvement of the Petitioner, Capt. Rawat or other persons of the FPD. It has also come on record that there were only two sets of keys which could open the BPLs. One set of keys was with the IOC staff at Ambala and the other set of keys was with the Petitioner. He has failed to maintain any record of issue of these keys. Shri Manjeet Singh, Shri Harpal Singh and Shri Updesh Singh have specifically stated that on 5th July 2005, a mere fortnight before this incident, their vehicles which were carrying water were checked by Capt. Pravin Rawat and were accepted and docketed as having brought the indented FOL. They have also stated that the water in the BPLs was decanted inside the FPD by Nb. Sub. Sunder Singh and this was done at a time when civil labour was not there. They have also stated that at approximately 1500 hours on 5th July 2005, Shri Updesh Singh and Shri Manjeet Singh paid Capt. Pravin Rawat Rs.81,000/- and Rs.1,35,000/- respectively for improper checking of the BPLs. At the time when the money was being accepted by Capt. Pravin Rawat, the Petitioner was standing outside the office of Capt. Pravin Rawat. Learned counsel reiterated that the initial questionnaire which the Petitioner and Capt. Rawat had got completed by the BPL drivers was a vain attempt to absolve

themselves of any blame and this questionnaire had no relevance whatsoever. From the evidence on record, it has been clearly established that the Petitioner was blameworthy for various acts of omission and commission like abetment, criminal misappropriation and falsification of official documents.

- 11. On the basis of the Court of Inquiry which concluded on 30th July 2005, GOC 14 Corps directed disciplinary action against the Petitioner on the following counts:
 - "(a) For being a party to the conspiracy whereby consignment of seven BPLs meant for 406 ASC Coy (Pet) was replaced with water instead of consigned products and reached on 15th July 2005.
 - (b) For improperly calling the drivers of seven BPLs to his office on 16th July 2005 and asking them not to reveal his relationship with them as also about whatever had been happening in the past.
 - (c) For getting various BPLs fraudulently cleared on 4th, 5th and 16th July 2005 for the consigned FOL product well knowing that no FOL product had been received."
- 12. Subsequently a second Court of Inquiry was ordered to investigate into the lapses in technical supervision, monitoring and compliance of relevant orders and instructions pertaining to the functioning of FPD, Leh by Technical Supervisory authorities. This Court of Inquiry recommended disciplinary action against the Petitioner for not implementing the latest instructions issued by HQ 14 Corps on management of FOL and for conduct unbecoming of an TA No.429 of 2010 [W.P.(C) No. 6099 of 2008]

officer. These two charges were added to the existing charges as indicated by the GOC 14 Corps above. A show cause notice was given to the Petitioner on 19th July 2007 which held him blameworthy for the following lapses:

- "(a) That he connived with Shri Baljit Singh alias Bittu, son of Sh Jagadish Singh r/o House No. 1050, Khatik Mandi Bengali Mohalla, Ambala Cantt./House No. 1090, Housing Board Colony, Ambala Cantt, to accept seven water filled BPLs on 16 July 2005. On 04 and 05 July 2005 also accepted water, instead of the consigned product which was in his knowledge.
- (b) Repeatedly calling the seven BPL drivers in his office on 16 July 2005, to urge them not to reveal his involvement in the case as also what had been happening earlier.
- (c) Obtaining answers to questionnaire circulated on 16 July 2005 to rule out involvement of FPD personnel in the case was a cover up at his behest.
- (d) Was found instrumental in signing in the BPLs Receipt Register' on 04, 05 and 16July 2005 to admit the receipt of consigned product instead of water or no product at all, which led to the clearance of challans.
- (e) No cross checking of the documents and the checking the BPLs was carried out contrary to the instructions on the subject during the period under his command and control, that is, from 31 Dec 2003 when he had taken over FPD Leh to 24 Nov 2005 when the C of I against him had been convened.

- (f) Failed to ensure full implementation of HQ 14 Corps (Supply & Transport) SOF dated 27 Oct 2003.
- (g) Certified the physical verification of stocks held by FPD Leh wrongly.
- (h) Improperly countersigned the monthly stock taking board proceedings containing incorrect information."
- 13. Approximately two years after the date of incident it was felt that although the grave misconduct of the Petitioner and Capt. Pravin Rawat had been established, it was felt that trial in respect of both these officers was impracticable. These recommendations of GOC 14 Corps were concurred by the Army Commander who agreed that a Court Martial was not only impracticable but inexpedient. Accordingly the case was put up to the Chief of Army Staff who on 18th July 2007 concurred with this view and the case was sent to the Ministry of Defence for approval. The approval by the Government of India was accorded on 14th May 2008 and on the same day the impugned order was issued to the Petitioner terminating his services. The recommendations put up to the Chief of Army Staff clearly stated that a Court Martial was impracticable on the following counts:
 - "(a) The case is under investigation with the civil police. The case cannot be taken over to try these officers at present as two prime civilian witnesses who acted as middlemen to remove the FOL have not been apprehended so far and are not likely to be apprehended by the police authorities.

- (b) The bifurcation of the case to try these officers would dilute the charges as the case is closely intertwined with case of a number of civilians who are co-conspirators."
- 14. It was recommend to the Chief of Army Staff that the case was nearly two years old and the police have not been able to apprehend the civil culprits who are essential witnesses and co-accused in the case. These officers i.e. the Petitioner and Capt. Pravin Rawat have already been suspended and in the interest of discipline retaining these two officers endlessly awaiting apprehension of civil witnesses, when their gross misconduct was already established, was not desirable. It was also stated that since action had already been taken against personnel below officer rank who were involved in the case, it was not conducive to military discipline to delay action against the officers. Accordingly the Chief of Army Staff approved the recommendation for termination of services under Section 19 of the Army Act read with Army Rule 14. These recommendations of the Chief of Army Staff were sent to the Ministry of Defence who approved it on 14th May 2008 and, therefore, there had been no illegality in the termination of the Petitioner's services. In fact due and prolonged application of mind had been done by the Respondents to the reply of the Petitioner. This was apparent from the fact that although the reply to the SCN was received on 29th September 2007, the COAS only gave his approval on 18th July 2008. Referring to the decision of the Hon'ble Supreme Court in Union of India & Ors. v. Harjeet Singh Sandhu, learned counsel for the Respondents stated that it clearly lays down that while terminating the services under Section 19 of the Army Act read with Army Rule 14, once the Chief of Army Staff has arrived at and formed an opinion

that the Court Martial is inexpedient or impracticable and further retention of such officer in service is undesirable, then a show cause notice is required to be given to the delinquent. This judgment clearly states that such exercise of power would be open for judicial review if it was a colourable exercise of power or fraud of power. This was not so in the case of the Petitioner and the authorities have proceeded in accordance with the law and no illegality has been committed.

- 15. Learned counsel also stated that based on these two Court of Inquiries, the competent authority had directed disciplinary action not only against the Petitioner but against Maj. Gen. Nehra, Deputy Director Supplies and Transport at HQ Northern Command, DDST 14 Corps Brigadier Sukhbir Singh, the Petitioner and Capt. Pravin Rawat and one JCO and four other ranks. In addition, administrative action was taken against four officers and eight JCOs of the weekly stock taking board and 8 other personnel below officer rank. The sentence/punishment given to these personnel was in consonance with the gravity of their offence and considering that the main conspirators were the Petitioner and Capt. Pravin Rawat, it was logical that the sentence meted to them be of a higher proportion.
- 16. Learned counsel for the Respondents argued that it was based on the testimony of the witnesses in the Court of Inquiry that a show cause notice was issued to the Petitioner. This notice was neither based on the evidence collected in the Summary of Evidence, nor on the proceedings of Army Rule 22 and not on the police investigation report. Therefore the only document which was of relevance was the Court of Inquiry proceedings which had been

given to the Petitioner. The findings and opinion of the Court of Inquiry is not required to be given to the Petitioner under the Rules and this has been upheld by the Hon'ble Supreme Court in the case of Maj. Gen. Inderjit Kumar v. Union of India 1997 (9) SCC 1. Learned counsel for Respondents argued that Army Rule 180 had been applied against the Petitioner during the Court of Inquiry. He had been called as PW-9 and once it was established that his character and military reputation was involved, Army Rule 180 was invoked. The Petitioner wished to examine the BPL drivers and make an additional statement. He examined Shri Sarabjeet Singh (PW-1), Shri Joginder Singh (PW-2) and Shri Harpal Singh (PW-3). He responded to the allegations made by Joginder Singh, Updesh Singh, Sarabjeet Singh and all 7 drivers by making an additional statement wherein he argued that they were making baseless allegations against him. Therefore, full opportunity had been given to the Petitioner as required under AR 180 of the Army Act. Therefore the submission of the Petitioner in this regard is negated. Respondents also argued that the plea of the Petitioner that the Court Martial case was taken over by the Respondents only on 15th May 2008 and, therefore, administrative actions could not have been initiated prior to that was unsubstantiated, in that the said application to the Judicial Magistrate at Leh was never made to take over the case from the civil court as the Army authorities had already initiated action to terminate the services of the Petitioner. Therefore these grounds were not sustainable.

17. We have perused the record including the written submissions filed by both parties. The evidence collected in the Court of Inquiry shows connivance as testified by the 7 BPL drivers. Furthermore, the other evidence produced

during the Court of Inquiry is adequate to prove criminal conspiracy,

falsification of official documents, non-implementation of orders for handling

and management of FOL and alleged misappropriation/pilferage. Show cause

notice has been given to the Petitioner and his reply of September 2007 duly

considered by the authorities in the impugned order of 14th May 2008

terminating his services. We do not find any illegality in the termination of the

Petitioner's services under Section 19 of the Army Act read with Army Rule

14. Therefore there is no need to interfere with the impugned order dated 14th

May 2008. Accordingly, the petition is dismissed with no order as to costs.

A.K. MATHUR (Chairperson)

S.S. DHILLON (Member)

New Delhi April 27, 2012 dn