

### KERALASTATE ELECTRICITY BOARD LIMITED

(Incorporated under the Companies Act. 1956)
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### **Abstract**

Disciplinary action against Sri.Reghu Nath.P.B, Deputy Chief Engineer(Rtd), Electrical Circle, Irinjalakuda (Former Executive Engineer, Generation Division, Kakkayam) – Appeal Petition- Disposed off- Orders issued.

# CORPORATE OFFICE (VIGILANCE WING)

BO (DB) No:532/2021 (VIG/B6/100-1087/2015)TVM 2254 Dated:12.07.2021
Read:

- Letter No.CEG/AEE-IV/GNL/15-16/2235 dated 07.10.2015 of the Chief Engineer (Generation), Moolamattom addressed to the Chief Vigilance Officer, KSEBL.
- 2. Vigilance Enquiry Report dated 07.08.2018.
- 3. Memo of Charges No:VIG/B6/100-1087/2015 dated 30.10.2018 of the Chairman & Managing Director issued to Sri.Reghu Nath.P.B.
- 4. Reply dated 12.12.2018 submitted by Sri. Reghu Nath.P.B before the Chairman & Managing Director.
- 5. Proceedings No.VIG/B6/100-1087/2015 /202 dated 09.04.2019 of the Chairman & Managing Director.
- 6. Enquiry Report No.GB/CE/TG/2020-21/DA/432 dated 21.07.2020.
- Show Cause Notice No: VIG/ B6/100-1087/2015/3172 dated 25.09.2020 of the Chairman & Managing Director, KSEBL issued to Sri.Reghu Nath.P.B.
- 8. Reply dated 22.10.2020 submitted by Sri.Reghu Nath.P.B before the Chairman & Managing Director.
- Proceedings No: VIG/ B6/100-1087/2015/3898 dated 15.12.2020 of the Chairman & Managing Director, KSEBL.
- 10. Appeal Petition dated 12.02.21 submitted by Sri.ReghuNath.P.B, Executive Engineer before the Director Board of KSEBL.
- 11. Note No: VIG/ B6/100-1087/2015 dated 26.03.2021 of the Chairman & Managing Director, KSEBL.
- 12. Proceedings of the 59<sup>th</sup> Director Board Meeting held on 21.06.2021 vide Agenda Item No.16-06/2021.

### ORDER

The Chief Engineer (Generation) Moolamattom as per letter read as 1<sup>st</sup> above had reported to the Chief Vigilance Officer, KSEBL that 99 numbers of spare copper

stator bars were stolen from the store attached to the Generation Division, Kakkay and the above incident was come to the notice on 12.09.2015 and a Crime Case vide No.233/15 u/s 454, 380 IPC was registered at Koorachundu Police Station in this regard and also requested to conduct a fact finding enquiry in order to find out the culprits in the subject theft case. Accordingly, the Chief Vigilance Officer conducted a detailed enquiry into the subject case and submitted Enquiry Report read as 2<sup>nd</sup> above. During the Enquiry, it was revealed that lapses were occured on the part of Sri.Reghu Nath.P.B, Executive Engineer and five others who held the office of Generation Division, Kakkayam during the relevant period of occurrence of the theft. Consequently, the Chairman & Managing Director initiated disciplinary action against Sri.Reghu Nath.P.B, Executive Engineer by issuing Memo of Charges read as 3<sup>rd</sup> above for the lapses, dereliction of duty and irresponsibility occurred on his part in connection with the case in the light of the Preliminary Enquiry of the Vigilance Wing of KSEBL and as per the report of Chief Engineer (Generation), Moolamattom. The charges framed against him are being the Estate Authority and Controlling Officer of Generation Division, Kakkayam, he failed to arrange proper security, to tighten the security arrangements and to carry out maintenance of Kakkayam store properly and also failed to ensure maintenance of registers for monitoring material movement from the store and recording material accounts. The aforesaid lapses occurred on his part in turn resulted in an approximate loss of Rs.10 Lakh owing to the theft of 99 numbers of spare copper stator bars in between the period from 31.03.2011 to 12.09.2015 which could not be recovered so far and the culprits could not be booked even though a Crime Case was registered at Koorachundu Police Station in this regard. Sri.Reghu Nath.P.B, Executive Engineer submitted his reply read as 4th above on the Memo of Charges by denying all the charges levelled against him. Since the explanation submitted by him was found unsatisfactory, the Chairman & Managing Director as per proceedings read as 5th above ordered to conduct a Formal Departmental Enquiry in the subject case for assessing the quantum of loss sustained by KSEBL due to the loss of the materials and to fix responsibility against the six delinquent officers including the appellant and to ascertain the actual facts of the case by entrusting Sri.Radhakrishnan.V, the then Deputy Chief Engineer, Transmission Circle, Kozhikode as Enquiry Officer. The Enquiry Officer

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conducted a detailed Departmental Enquiry into the veracity of the charges levelled against Sri.Reghu Nath.P.B, Executive Engineer and other officers and submitted the Enquiry Report read as 6<sup>th</sup> above. The enquiry disclosed with the findings that all the charges levelled against him except the second one were partially proved. The Chairman & Managing Director while examining the Departmental Enquiry Report along with the connected files observed that Sri.Reghu Nath.P.B being the head of the Division Office had not taken any fruitful steps to safeguard the Board's valuable properties under his control and lapses were occurred on his part in ensuring proper security arrangements and to tighten the security at KES store for round the clock so as to ensure the safety of valuable materials kept in the store. As such, he cannot evade from the loss sustained by the Board. Hence, the findings in the Enquiry Report were accepted in toto and a Show Cause Notice read as  $7^{th}$  above was issued to him by proposing punishment to fix 10% of the total loss incurred to the Board, i.e, Rs.45,402/- + applicable interest as his personal liability and to impose a punishment of 'Censure' upon him for the supervisory lapse and failures occurred on his part in maintaining high security in the store for ensuring safety of valuable materials. Sri.Reghu Nath.P.B submitted his reply read as 8th above to the Show Cause Notice wherein he averred that the security arrangements existed at various offices under the Division during his tenure was the same one continued from 2011 onwards by his predecessors and further averred that the officers and supervisors who were directly in charge of the missing materials and the officers who carried out the roof maintenance work to the store and security personnel were seen excluded from shouldering the liability towards the loss sustained to the Board. He further argued that it was not fair to fix the responsibility upon him without establishing the fact that the theft was occurred during his tenure at the Division and further argued that the actual number of lost copper stator bars was not ascertained during the enquiry in the context of contradictions in different handing over reports relied by the Enquiry Officer and the enquiry was not conducted in accordance with law in a fair and impartial manner and therefore he requested to exonerate him from all the charges levelled against him and from the liability and punishment proposed in the Show Cause Notice.

The Chairman & Managing Director while perusing the arguments made by Sri.Reghu Nath.P.B, Executive Engineer in the reply, observed that

Sri.Reghu Nath.P.B was the Controlling Officer of KG Division at the time of the stee repair work and during the probable period of occurrence of theft which was disclosed by the Enquiry Officer. It was evident from the statements of the witnesses that there were no 24 hrs security available at KES store but instead security for 12 hrs was arranged at night. In this connection, being the head of the Division office Sri.Reghu Nath, Executive Engineer miserably failed to take coercive steps to secure the valuable materials kept in the store by invoking the powers entrusted by the KSEBL since Civil Maintenance Sub Division is functioning under his direct control. During the enquiry it was lime lighted through oral and documentary evidence that 119 numbers of spare copper stator bars were handed over and kept in the store. Being the head of the Division, he is responsible for the proper upkeep, management and control of Board properties under his division and hence he has vicarious liability to the loss of the property of the KSEBL due to the lapses occurred on the part of him and his subordinate officers who held the offices during the relevent period. Based on the above views and observations, the Chairman & Managing Director finalized the disciplinary action as per proceedings read as 9th above by confirming the punishment as proposed in the Show Cause Notice.

Aggreived by the above orders of the Chairman & Managing Director, Sri.Reghu Nath.P.B., Executive Engineer filed an Appeal Petition read as 10<sup>th</sup> above before the Board of Directors by contending that it was not found out during the Departmental Enquiry that the allged theft/missing of the spare copper stator bars was occurred during his tenure at KG Division. He further argued that the actual quantity of spare copper stator bars received from BHEL was not verified with the specific records concerned to ascertain the actual number of lost copper stator bars in the context of contradictions in different handing over reports relied by the Enquiry Officer. He also contended that the enquiry was conducted not in a fair and impartial manner since he was not provided with all the relied documents despite his repeated requests and the list of witnesses presented by him to defend his side was not examined by the Enquiry Officer. He further argued that the security arrangements at KES Store during his tenure in the Division was continued from June 2011 onwards by his predecessors and the accusation for the alleged lanses in the security arrangements is uspected to be the

part of victimization. He also pointed out that the other officers and supervisors who were directly in charge of the materials, security personnels and the staff who carried out the maintenance work of KES Store were excluded from shouldering the liability towards the loss sustained to KSEBL and last but not the least, he further averred that he was intimated from the office of the Deputy Chief Engineer, Transmission Circle, Thrissur that 18% rate of interest would be levied on the personal liability amount fixed against him which is putting unnecessary pressure on him. Therefore, he has requested to exonerate him from all the charges levelled against him.

The Chairman & Managing Director while examining the above arguments in the Appeal Petition made by Sri. Reghu Nath.P.B, Executive Engineer along with the Departmental Enquiry Report and connected files observed that the contentions raised in the Appeal Petition of Sri. Reghu Nath.P.B are the same version of the statement of defence submitted by him on the Show Cause Notice. No new arguments or averments already examined by the Chairman & Managing Director while disposing the disciplinary proceedings were adduced by him for a worthwhile consideration. However, one of his key arguments is that the alleged theft/missing of the spare copper stator bars was occurred not during his tenure at KG Division (from 01.08.2014 to 29.06.2015). In this connection, it is worthwhile to note that the Departmental Enquiry disclosed with corroborative evidence that the theft had taken place during the period from September 2014 to September 2015 and the Enquiry Officer specifically concluded that there is a probability that the theft might have occurred during the time of roof changing work carried out at KES store i.e, from 06.06.2015 to 27.06.2015 and the materials might have been taken out through the loose sidewall during night hours. The appellant was the Controlling Officer of KG Division at the time of the roof changing work and during the probable period of occurrence of theft. So his argument that the theft was occurred not during his tenure cannot be acceptable. His subsequent argument that the actual number of bars stolen from the store as quantified by the Enquiry Officer is not true to facts due to the reason that the custodian of the lost materials, i.e, Sri.Ratheesh Narayanan, Assistant Engineer deposed before the Enquiry Officer that he had taken over 119 numbers of spare copper stator bars from his predecessor on 20.10 2014 after conducting physical verification and only 20 bars were

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found remaining on 12.09.2015 when the theft was noticed and hence there exist no ambiguity in the number of copper bars stolen from the store. His next contention is that the enquiry was not conducted in fair and impartial manner since he was not provided with all the relied documents despite his repeated requests and the presence of the official witnesses listed from his side was not insisted. While examing the Enquiry Report, it is seen that the Enquiry Officer provided him ample opportunities to prove his defence during the lengthy enquiry period. The Enquiry Officer being a quasi-judiciary officer has discretionary power while granting examination of witness or perusal of any documentary evidence according to the relevance of the same in the context of the case. Therefore, the partiality alleged against the conductance of the formal enquiry will not stand in the eye of law. In the appeal petition he also averred that the accusation for alleged lapses in the security arrangements is suspected to be the part of victimization. During the enquiry it was proved that certain lapses were occurred on his part in ensuring proper full time security at KES store for 24 Hrs as per the work order and agreement made with the security firm and he passed the bills without ascertaining the fact that there was no 24 Hours security available at KES store during the probable period of occurrence of theft. Moreover, the Enquiry Officer specifically remarked in the Enquiry Report that construction of fencing at least in the back side could have checked the free access to the store. It was disclosed through the depositions of the witnesses that there was no security fencing at the store and there was no proper lighting behind the store building. Therefore, being the head of the Division office, the appellant miserably failed to take coercive steps to secure the valuable materials kept in the store by invoking the powers entrusted by the Board since Civil Maintenance Sub Division is functioning under his direct control. Hence his allegaion of victimization in the matter of security arrangement cannot be acceptable. While examining his subsequent contention regarding the exclusion of supervisors who were directly in charge of the materials, security personnels and the staff who carried out the maintenance work of KES store from shouldering the liability towards the loss sustained to the KSEBL, it is seen that six officers including the appellant who were worked under Generation Division, Kakkayam during the relevant period of occurrence of the theft were departmentally proceeded in the subject case as they were found responsible to the

missing of the materials during the Preliminary Enquiry conducted by the Vigilance Wing of KSEBL. Regarding his averment that KSEBL is going to levy 18% rate of interest on his liablity, as per the orders of the Chairman & Managing Director, the Chief Vigilance Officer(i/c) vide letter dated 22.02.2021 intimated the Deputy Chief Engineer, Transmission Circle, Thrissur that the rate of interest mentioned in BO (DB) No.31/2020(Vig/B2/ 5045/19)/120 dated 16.01.2021 may be taken for calculating the interest of personal liability fixed against the appellant considering the fact that the subject case is on pending settlement and the same is not closed so far. As such his arguments in this regard has already been considered and settled.

As such, the punishment against Sri.Reghu Nath.P.B, Executive Engineer and others involved in the case was awarded by KSEBL after thoroughly examining the case in detail since the subject loss was sustained due to the negligence and supervisory lapses of the appellent and others which have been clearly established in the Formal Departmental Enquiry. Hence KSEBL has no alternative but to recover the loss sustained by KSEBL by invoking the provisions contained in Kerala Financial Code and CCA Regulations as KSEBL cannot shoulder the loss sustained on account of the lapses and negligence on the part of its employees and officers. Being the head of the Division, Sri.Reghu Nath.P.B is responsible for the proper upkeep, management and control of Board properties under his division as stipulated in KSEB (Administration of Funds and Properties Regulations), 1960 and hence he has vicarious liability to the loss of the property of the Board due to the lapses occurred on his part.

However, the Chairman & Managing Director after meticulously examining the entire history of the case along with arguments raised by Sri.Reghu Nath.P.B in his appeal in detail has ordered to place the Appeal Petition filed by him before the Board of Directors of KSEB Ltd. for taking a decision in this regard. Accordingly, a detailed note read as 11<sup>th</sup> above by highlighting the entire history of the case was placed before the Board of Directors of KSEB Ltd.

Having examined the Appeal Petition filed by Sri.Reghu Nath.P.B in detail by the Board of Directors in its 59<sup>th</sup> meeting held on 21.06.2021 vide Agenda.16-06/2021 resolved not to review the order dated 15.12.2020 of the Chairman & Managing

Director read as 9<sup>th</sup> above to recover Rs.45,402/- + applicable interest being ne proportionate loss sustained to KSEBL and to impose punishment of 'Censure' upon Sri.Reghu Nath.P.B, the then Executive Engineer, Generation Division, Kakkayam.

The orders are issued accordingly

By Order of the Director Board, Sd/-COMPANY SECRETARY (I/C)

To

Sri.Reghu Nath.P.B, Deputy Chief Engineer (Rtd), Electrical Circle, Irinjalakuda.

(Through the Chief Engineer (Distribution Central) Ernakulam). [The Board Order in triplicate is forwarded herewith. Original may be served on the addressee and a duplicate may be returned to this Office with dated acknowledgement of the party].

## Copy to:

- 1. The Chief Engineer (HRM), KSEBL.
- 2. The Chief Engineer (Generation & PED), Moolamattom.
- 3. The Deputy Chief Engineer, Generation Circle, Kozhikode.
- 4. TA to the Chairman & Managing Director, KSEBL.
- 5. TA to the Director (D, IT&HRM), KSEBL.
- 6. TA to the Director (Plg & Safety), KSEBL.
- 7. TA to the Director (Trans & SO), KSEBL
- 8. Thato the Director (Generation-Civil), KCLB Ltd.
- 9. A to the Disctor (Generation-Ele. & SCM), KSEE...
- 10. TA to the Director (Finance), KSEBL.
- 11. Sr.CA to the Secretary (Administration), KSEBL.
- 12. Fair Copy Superintendent /Library/Stock File.

Forwarded/by Order

Senior Superintendent

P6/1/4.

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