

GOVT. OF NATIONAL CAPITAL TERRITORY DELHI
IN THE COURT OF THE REGISTRAR COOPERATIVE SOCIETIES
OLD COURT BUILDING, PARLIAMENT STREET, NEW DELHI-110001

F.No. AR/BKG/CD No.107525772/RCS/2022/6100-6103

Dated: 20/09/2023

ORDER

In the matter of:-

DELHI NAGRIK SEHKARI BANK LTD.

.....APPLICANT

VERSUS

SH. JITENDER GUPTA

.....RESPONDENT

This order shall dispose of the proceedings initiated vide Show Cause Notice dated 30.10.2019 issued under section 121(2) of DCS Act, 2003 read with Rule 159 of DCS Rules, 2007 against Sh. Jitender Gupta, the then CEO of Delhi Nagrik Sehkari Bank.

Whereas, a complaint dated 18.01.2016 was received from the CEO of the Delhi Nagrik Sehkari Bank Ltd. under the title "irregularities in enrolment of members of Karawal Nagar Branch of the bank" and in its furtherance, an inspection order dated 14.06.2017 was issued appointing Sh. Vinay Kaushik, SREO as Inspection Officer to conduct the inspection u/s 61 of the DCS, Act, 2003. Sh. Vinay Kaushik filed his inspection report on 31.10.2017 stating that the allegations made in the complaint were found to be correct/proved.


Whereas, to examine the matter further an inquiry was ordered vide letter dated 15.01.2018. Sh. PC Jain, Spl. Director, WCD, Inquiry officer gave his inquiry report on 21.05.2018 u/s 62 of the DCS Act, 2003 who agreed with the contents of the complaint, inspection report and has stated in his inquiry report that the allegations made were correct and are established.

Whereas on consideration of the above referred inquiry report dated 21.05.2018, the competent authority further approved for conduct of an inquiry u/s 66 (1) of DCS Act, 2003 and appointed Sh. Sanjay Sharma, Under Secretary, Ministry of Skill Development, Government of India as Inquiry Officer in the matter who further submitted his report on 10.10.2019 vide his letter No. RCS Inquiry/DNSBL/11 dated 09.10.2019 and observed that the allegations against all the 04 persons stood approved.

Whereas, the Inquiry Officer Sh. Sanjay Sharma in his Inquiry Report has further made certain observations as to making of a wrong statement about the internal verification of 255 members and misleading the inquiry by Sh. Jitender Gupta present CEO of Delhi Nagrik Sehkari Bank Ltd. which read as follows-

"Surprisingly both bank officials including current CEO and Sh. Rajesh Sharma, Ex. Director have deliberately demanded records of internal verification of 255 members

154/AR/IT
03/10/23





which the bank might have destroyed or tempered with these records to protect Sh. Rajesh Sharma, being a close relative of one of the Director in the Board which amount to breach of trust and raise a serious question on their integrity too. They forget that the same record has already been submitted to the Inspection Officer and now it is part of this Inquiry. I thank to Sh. Upendra Garg, ex CEO, DNSBL who informed that the same record has already been submitted to the Inspection Officer, who has also referred the same in his report. Records have been obtained from the RCS which dismantled the theory of current CEO of the DNSBL and Sh. Rajesh Sharma, Ex. Director that there was no such verification ever occurred.

In view of above, based on the statements, and records submitted before the undersigned during the Inquiry, I can safely say that all the charges made against Sh. Rajesh Sharma, EX. Director have been proved despite their efforts to mislead the inquiry by avoiding and not submitting records of verification of 240 members by the then CEO, for which I would recommend that suitable action should be taken against Sh. Jitender Gupta, present CEO of DNSBL, who submitted a wrong statement about the internal Verification of 255 members and misled the Inquiry."

Thus, the conduct of Sh. Jitender Gupta present CEO of DNSBL as noted by Sh. Sanjay Sharma in his Inquiry referred to herein above, is prima facie covered under the section 118 (1)(3)&(5) of the DCS Act, 2003 and hence the above named Sh. Jitender Gupta is provided an opportunity to show cause as to why the prosecution sanction should not be granted for initiating criminal proceedings against him.

Whereas, Sh. Jitender Gupta filed reply to the Show Cause Notice wherein he had submitted that:

1. In the said complaint serious allegations of irregularities in enrolment of members at Karawal Nagar Branch of the Bank etc. were levelled against Sh. Rajesh Sharma (Ex. Director), Sh. Neeraj Tyagi (Manager-dismissed on 30.12.2015), Sh. Shiv Kumar (Junior Clerk - dismissed on 23.12.2015) and Sh. Santosh Kumar Sharma (Daftari dismissed on 23.12.2015) and also mentioned that although Bank has taken punitive action against the said erring employees by dismissing them from the services of the Bank, taking action against the Directors of the Bank is beyond the preview of the bank as such the matter was forwarded for taking appropriate action against Sh. Rajesh Sharma, ex-director as per DCS Act, 2003 and Rule 2007.
2. At relevant time, he was working as Asst. CEO of the Bank. It is apposite to mention that during the period when the aforesaid irregularities were committed by the said Director and officials, he had no role to play in the said work against which said complaint was filed by the Ex. CEO of the Bank. Moreover, the complainant himself did not level any charge against him.
3. On receipt of the said complaint, office of RCS initiated an Inspection U/s 61 of the DCS Act and Sh. Vinay Kaushik was appointed as I.O. who filed an Inspection Report dated 31.10.2017 and forwarded on 02.11.2017 to Office of RCS, Delhi. It is pertinent to mention here that his name did not appear,



anywhere in the said Inspection proceedings. However, charges against the said Director and officials were found proved.

4. Thereafter the office of RCS, Delhi initiated proceedings U/s 62 of The DCS Act, 2003 and Sh. P. C. Jain was appointed as Inquiry officer in the matter who concluded the said Inquiry and filed a report dated 21.05.2018. In the said report, the said Director and officials were found indulged in said unfair activities being run in connivance with one another. However, again his name did not appear in any said unfair activities which were the subject matter of the complaint.
5. Later on another inquiry was ordered by office of RCS, Delhi U/s 66(1) of DCS Act, 2003 upon the same subject matter/ same set of allegations and findings and Sh. Sanjay Kumar Sharma was appointed as Inquiry officer in the said elaborate inquiry U/s 66(1) of DCS Act, 2003.
6. On 12.01.2018, after elections, the present board took charge of the management of the bank and he was also promoted as officiating CEO of the Bank after taking charge of new board.
7. In his complaint dated 18.01.2016, Sh. Upender Garg has categorically mentioned that till the date, 255 numbers of members have come to the notice of the bank who are not residing at the addresses available on Bank's record out of 438 re-verification done by us.
8. During the pendency of inquiry U/s 66(1) of DCS Act, 2003, before Sh. Sanjay Sharma I.O., the said Ex-Director and officials of the bank applied for the list of the said 255 members of the bank which was conducted by Sh. Upender Garg. Thereafter Sh. Sanjay Sharma I.O. directed the Bank to provide the list related to 255 members. However, when he went through the relevant Bank record, there was no such list containing names of 255 members was found. Therefore vide letter dated 24.07.2019, Sh. Sanjay Sharma, I.O. was clarified by him that there was no such list of 255 members available in the Bank.
9. Later on the bank also requested the I.O. to call the said Ex. CEO of the bank regarding the matter of 255 members in said proceedings of Inspection U/s 61 DCS Act, 2003. The Ex. CEO appeared before said I.O. Sh. Sanjay Sharma, and the matter of 255 persons verification was discussed with Sh. Upender Garg, Ex CEO, DNSBL who informed that he had submitted all documents so sought for by Sh. Rajesh Sharma, Ex. Director repeatedly in support of his defence and also other persons since dismissed on same charges of irregularities to the Inspection officer and most probably be available in the RCS records, if bank is not ready to supply the same deliberately. A request dated 13.08.2019 was therefore made to the O/o RCS for supplying the records of the Inspecting officer.
10. Thereafter the said I.O. Sh. Sanjay Sharma concluded the Inquiry on 09.10.2019, but shockingly held that "...all the charges made against Sh. Rajesh Sharma, Ex. Director have been proved despite of their efforts to mislead the inquiry by avoiding and not submitting the record of verification of 240 members by the then CEO for which I would recommend the suitable action against Sh. Jitendar Gupta, the present CEO of DNSBL who submitted a wrong

statement about the internal verification of 255 members and misled the inquiry...."

11. Record of only 240 members of KYC verification is/was available with the Bank and that too in different file and this was never a subject matter of this Inquiry and there was no such list of 255 members. During the inspection proceedings before said Sh. Sanjay Kumar, the Bank sent a letter to Sh. Sanjay Kumar I.O. dated 24.07.2019 and clarified that there was no such list of 255 members in the bank. In the original complaint also, no list of 255 members was made available.
12. As per the report dated 09.10.2019 the matter was discussed with Ex. CEO of the Bank. Also on 13.08.2019 with the I.O. regarding 255 members verification, but Ex. CEO was not examined on the issue that whether the actual number of verified members and their record was of 255 members or 240 members, which has created a confusion and resulted into an adverse finding has been given by I.O. Sh. Sanjay Sharma in report dated 09.10.2019 against him.
13. The previous Ex. CEO submitted the KYC verification record of 240 members only, which is already with the Office of RCS, Delhi and who provided the copy of same to the said Directors and said Officials in due course. The copy of said record was also provided to the Bank by the office of RCS, Delhi which also relates to 240 members, so there is no proof that he has misled the Inspection or Inquiry officers in this case in any manner. There is no adverse finding against him qua proceedings and findings qua other charges in consideration in this matter.
14. He has not figured in any of the three Inquiry Reports with regard to the basic substance of the complaint or irregularities; non-submission of a non existing record cannot be made basis of accusation, or conclusion by I.O. and in the absence of any such finding, the only charge of misleading the concerned I.O. for reason stated above is not even prima facie proved against him. He as being CEO of the Bank has not done any wrong as alleged in notice under reply. The Bank is pursuing this matter as complainant and all official duties have been discharged by him as CEO of the Bank.

In view of the above and after perusal of the submissions made by the parties, it is noted that on complaint of CEO of the Delhi Nagrik Sehkari Bank Ltd. various Inquiries and inspections were made. In the said complaint serious allegations of irregularities in enrolment of members at Karawal Nagar Branch of the Bank etc. were levelled against Sh. Rajesh Sharma (Ex. Director), Sh. Neeraj Tyagi (Manager), Sh. Shiv Kumar (Junior Clerk) and Sh. Santosh Kumar Sharma (Daftri). However, Sh. Jitender Gupta who was working as Asst-CEO at that time is not named in the complaint and the complainant does not level any charge against him.


Further, during the pendency of the Inquiry Under section 66(1) of DCS Act, 2003 before Sh. Sanjay Sharma I.O., Ex-Director and officials of the bank applied for the list of the said 255 members of the bank which was conducted by Sh. Upender Garg, Ex-CEO of the Bank. Sh. Sanjay Sharma I.O. directed the Bank to provide the list

related to 255 members and to this vide letter dated 24.07.2019, Sh. Jitender Gupta, CEO of the Bank replied that there was no such list of 255 members available in the Bank and no such internal verification has occurred. It is noted that a list of 240 members is the subject matter of the inquiry and it seems that there might be some confusion regarding the said list that whether list is of 240 or 255 members. However, it is very hard to believe that Sh. Jitender Gupta then CEO of the Bank is not aware of the concerned list, as when Sh. Upender Garg, done the said verification, Sh. Jitender Gupta was working as Asst. CEO and the said denial of the Bank is perceived to be an attempt made by the then CEO Sh. Jitender Gupta to mislead the Inquiry. This conduct of Sh. Jitender Gupta, being the CEO of the Bank is very unprofessional and shows his carelessness towards his job responsibilities. But, the said conduct of the Bank had neither hampered the inquiry nor made any substantial impact on the outcome of the Inquiry.

Moreover it is pertinent to mention that the said conduct of Sh. Jitender Gupta, does not covered under the provisions of section 118 of DCS Act, 2003 and no case of prosecution sanction u/s 118 (1)(3)&(5) is made out against Sh. Jitender Gupta, Ex-CEO of Delhi Nagrik Sehkari Bank. Accordingly, the present proceedings going on against Sh. Jitender Gupta, Ex-CEO of Delhi Nagrik Sehkari Bank u/s 118 (1)(3)&(5) are dropped.

Ordered accordingly.




19/09/2023
Krishan Kumar
Registrar Cooperative Societies

Sent To:-

1. Sh. Jitender Gupta through Delhi Nagrik Sehkari Bank Ltd., 3-C/5, Opp. Liberty Cinema, New Rohtak Road, New Delhi-110007
2. The Chairman/Vice Chairman, Delhi Nagrik Sehkari Bank Ltd., 3-C/5, Opp. Liberty Cinema, New Rohtak Road, New Delhi-110007
3. ARCS (Banking) O/o RCS
4. Incharge Computer Cell with directions to upload on department website.