

Jute Corporation of India Officers' Association

Vs

Jute Corporation of India Ltd. and Another

With

Officers and Supervisors of Indian Drugs and Pharmaceuticals Ltd.

Vs

Union of India and Another

With

The Officers of Cement Corporation of India

Vs

Union of India and Others

With

Chandron

Vs

F. C. I. and Others

With

Officers of F. C. I

Vs

F. C. I. and Others

With

The Employees of Engineers India Ltd. and Others

Vs

Engineers India Ltd. and Another

With

F. C. I.

Vs

F. C. I Employees' Congress and Others

CMP No. 28275 of 1988 & CMP Nos. 10644 and 11987 of 1989 and Contempt Petition No. 109 of 1989 and I.A. Nos. 1 of 1989 and 1 & 2 of 1990 and 2 of 1990

(Ranganath Misra, K. Ramaswamy, P. B. Sawant JJ)

03.05.1990

JUDGMENT

SAWANT, J. -

1. In all these cases the relief claimed is the implementation of the recommendations of the High Power Pay Committed in respect of the emoluments to be paid to the officers belonging to Class I and Class II service employed in different public sector enterprises.
2. Earlier, these employees had approached various High Courts and this Court against the decision of the Central Government to switch them over to the Industrial Dearness Allowance pattern and the incidental steps taken to enforce the said decision. The main reliefs claimed in those petitions were that (i) the employees should be permitted to continue to draw the salary in the scales of pay applicable to them along with the Central Dearness Allowance, (ii) they should be granted all the benefits of pay revision and revision of other allowances which may be announced from time to time by the Central Government for its employees and (iii) there should be no discrimination between them and those directly employed by the Central Government and that they should get the same scales of pay and allowances for the same types of jobs in accordance with the principle of "equal pay for equal work".
3. During the course of the hearing, on August 24, 1984, this Court ordered the payment of three additional dearness allowance instalments from August 1, 1983, October 1, 1983 and November 1, 1983 to those employees who were on Central pattern of pay scales and dearness allowance subject to an individual undertaking by each employee that in case such payment resulted in the employees receiving an excess, such excess would be recovered from him from future payments, if the petitions failed.
4. On February 19, 1986, the court further ordered that all employees of public sector enterprises following the Central dearness allowance pattern and drawing a basic pay of Rs. 1000 or less, will be entitled to interim reliefs on the same basis and scales as the Government of India employees w.e.f. January 1, 1986. This was also allowed subject to similar undertaking given by each employee.
5. When the matters were posted for hearing on March 14, 1986, the Central Government expressed its willingness to refer to High Power Pay Committed the question regarding the revision of pay scales, additional dearness allowance, compensatory and other allowances and such other incidental aspects relating to the employees governed by the Central pattern of pay scales and dearness allowance. Accordingly, the court directed the Central Government to constitute a High Power Pay Committee to go into various aspects relating to pay scales and other incidental matters including interim relief to the said employees, viz. the employees governed by the Central Government pattern of pay scales and dearness allowance. The terms of reference of the High Power Pay Committee were as follows :

"I. To examine the present structure of emoluments and conditions of service taking into account the total packet of benefits in cash and kind, available to the workers, clerical staff, supervisors and officers, below the Board level following the Central DA pattern and to suggest changes which may be desirable and feasible.

II. To examine the variety of allowances and benefits in kind that are presently available to the above noted employees in addition to pay and DA and suggest rationalisation, simplification thereof with a view to promoting efficiency.

III. To examine matters relating to grant of interim relief to the employees of all such public enterprises (belonging to the Government of India and following the Central DA pattern) who are drawing basic pay above Rs. 1000 per month and grant necessary relief to them, if called for.

IV. While making recommendations on the above points, the Committee would keep in view other related factors such as scales of pay, DA and allowances prevailing in other public sector undertakings on Industrial DA formula, economic conditions in the country, resources available at the disposal of these public enterprises".

6. The Committee submitted its recommendations by its Final Report of November 2, 1988. However, the Central Government did not act on the said report expeditiously and hence the present writ petitions were filed on various dates praying for relief in the form of a direction to the Central Government to implement the recommendations made in the Report. The government took several adjournments to disclose its stand on the Report and has now ultimately come out with proposals which are incorporated in the additional affidavit dated April 17, 1990, filed on behalf of the Union of India by Shri. Suresh Kumar, Additional Secretary in the Ministry of Industry, Bureau of Public Enterprises. The affidavit is taken on record.

7. We heard the parties on the proposals contained in the affidavit and found that there was not much controversy over the proposals except in regard to the date of the implementation of the House Rent Allowance. The employees insisted that the said allowance should be given from January 1, 1986 whereas the government contended that it can properly be implemented only w.e.f. January 1, 1989, since the Report was of November 2, 1988. We, however, direct as follows :

(i) The scales of pay and dearness allowance as recommended in the Report will be extended to those employees who have been appointed with specific terms and conditions for grant of Central dearness allowance. This will be equally applicable to the employees who by rules laid down by the public sector enterprises are being paid Central dearness allowance.

(ii) The employees appointed on or after January 1, 1989, will be governed by such pay scales and allowances as may be decided by the government in its discretion. Those appointed earlier with IDA pattern will continue to be governed in accordance with the terms and conditions of their appointment.

(iii) The pay revision for those employees in respect of whom the recommendations are hereby being directed to be implemented hereafter, will take place only as and when similar changes are effected for the Central Government employees. These employees will, however, continue to enjoy the option to switch over to the IDA

pattern of the scales of pay etc. on a voluntary basis.

(iv) The various recommendations made in the Report will be implemented with effect from the dates as follows. These dates are broadly in conformity with those specified in the Report :

Item To be implemented w.e.f.1. Revised pay scales and January 1, 1986 (Para 16.1) revised DA formula2. First instalment of June 1, 1983 (para 16.3) interim relief3. Second instalment of March 1, 1985 (Para 16.3) interim relief4. CCA as per revised slabs January 1, 1989 (From January 1, 1986 to December 31, 1988 CCA will be paid at the existing rate at notional pay in the revised pay scales (Para 11.7 of the Report)5. House Rent Allowance Ceiling on payment of HRA Percentage rates as per without production of rent BPE's OM No. 1(3)/83-BPE(WC) receipt to be revised from dated July 1, 1983, subject to December 1, 1988. The overall ceiling of Rs. 1250, 1000, existing HRA structure to 680, 340 and 310 and 310 for be reviewed by BPE and Delhi/Bombay, A, B1 and B2, C revised norms and rates and unclassified cities fixed from a prospective respectively date (Ref. Para 11.15)6. Medical facilities in terms of From a prospective date to Para 11.21 of the Report be decided by the management of the PSEs7. Leave Travel Concession -- do --8. Other allowance and perquisites The quantum of benefits to as per recommendations contained be decided by the manage- in Chapters 12 and 13 of the ment of PSEs should be Report given effect to prospectively in terms of Para III.7 Part III of the Report##

(v) The arrears arising on account of pay, DA and other allowances etc. would be adjustable against ad hoc payments made from time to time.

8. This judgment will govern all the petitions. The petitions, transferred cases and all interlocutory applications, civil miscellaneous petitions and contempt petition are disposed of accordingly with no costs.

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