

**(2007) 11 MAD CK 0081**

**In the Madras High Court**

**Case No : Writ Petition No. 41579 of 2002**

A.S. Pillai and Others

APPELLANT

Vs

Union of India (UOI)

RESPONDENT

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**Date of Decision : 26-11-2007**

**Acts Referred:**

Constitution of India, 1950 — Article 14, 309

**Citation : (2007) 11 MAD CK 0081**

**Hon'ble Judges : S.R. Singharavelu, J; Elipe Dharma Rao, J**

**Bench : Division Bench**

**Advocate : G. Justin, for the Appellant; S.M. Deenadayalan, for R.1 to R.3, for the Respondent**

**Final Decision : Allowed**

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## **Judgement**

Elipe Dharma Rao, J.—The petitioners are employed as Civilian Bandsmen in Station Bands Selection in the first respondent establishment.

Some of the petitioners are employed as such from 1982 onwards and some of them from 1992 onwards as casual employees on a consolidated

pay and the terms and conditions of the services of the petitioners in the first respondent establishment are governed by the existing administrative

instructions. The petitioners and others have given representations to the respondents on 22.5.2001 and 21.6.2001 praying to fix the pay scale of

Civilian Bandsmen on par with the pay scales of Bandsmen in the Indian Air Force and the respondents, though, at the first instance have replied to

the petitioners by their letter dated 20.12.2000 that their claim is under consideration, but, subsequently, by their letter dated 20.9.2001 have

rejected the request of the petitioners. Therefore, the petitioners along with others have filed Original Application No. 1162 of 2001 before the

Central Administrative Tribunal praying to direct the respondents to absorb them in any one of the Group "D" posts in the first respondent

establishment and regulate the services of the applicants with effect from the date of their initial appointment as Casual Labourers in the first

respondent establishment and sanction all service benefits including arrears of salary. The petitioners have also submitted that in the year 1992, the

applicants were called upon, following their applications, by the Commandant, CISF, RTC, Arakkonam for interview and test for appointment as

Bandsmen in CISF, RTC, Arakkonam, but they were not allowed to report to test for selection by the first respondent stating that since they were

appointed at Air Force Station, Tambaram, they would be made permanent and their pay scales would be fixed on par with the pay scales of

Bandsmen in the Indian Air Force.

2. Before the Tribunal, the respondents have filed a reply statement stating that the Air Force Station, Tambaram has engaged Civilian Bandsmen

Team consisting of 10 bandsmen as a Non-Public Fund Venture and they all are paid from local Non Public Fund and are not governed under the

Central Government Rule; that they are working as part-time and their terms and conditions are governed by DACL.29/99; that the services

rendered by them as Bandsmen cannot be accounted or regulated for any Government appointments as they are not Government servants and not

paid from Defence Service Estimate (Public Fund) and there are no provisions and Rules to absorb any employee, whether paid from public fund

or non-public fund to any existing regular vacancies. The respondents would deny the allegation of the petitioners that they were not allowed to

participate in the interview and would further submit that the existing regular vacancies are laid down in SRO 365, dated 15.12.1989, which are

framed under Article 309 of the Constitution and these regular vacancies can be filled either by transfer or by direct recruitment and not by

absorption; that the non-Government employees are not eligible and entitled for any relaxation for Government appointment and has to follow the

procedure which is laid down for other citizens for direct recruitment and the claim of Bandsmen for absorption for released Group "D" post is

illegal.

3. The respondents would further submit that the Government of India has

released some vacancies for Group "C" and "D" posts after relaxing ban on recruitment which was in existence since 1984 and these vacancies are to be filled up by direct recruitment and a publication to this effect was effected in the Employment News, dated 24/30.12.2001 and no Bandsman has ever been given any assurance for absorption in Government appointments and not prevented to seek employment elsewhere; that the petitioners are not engaged against any existing vacancies and not paid from Public Fund Account and their duties are for limited hours and occasional; that petitioners 1 to 4 were engaged for a consolidated salary, which was revised from time to time and the last revision was done in 1997 and rest of the petitioners were engaged on daily wages and at present they are paid at Rs.40/= per day and Rs.200/= per month as incentive in addition to other financial packages; that the petitioners are not eligible and entitled for absorption in Group "D" posts and there is no Rule for their absorption in Group "D" posts, which are to be filled under Recruitment Rules, framed under Article 309 of the Constitution and the petitioners, instead of following the procedure for applying for direct recruitment, want a back door entry for these posts. On such averments, the respondents prayed to dismiss the claim of the petitioners.

4. The Tribunal, by its order dated 10.6.2002, dismissed the claim of the petitioners on the ground that they have not been appointed against any post or vacancy, but worked as casual labourers for long period and casual labourers cannot claim regular benefit, unless they have been appointed as per Rules and worked against a vacant post. Aggrieved against the said decision of the Tribunal, this writ petition has been filed.

5. There is no denial of the fact that the petitioners are working as Bandsmen in Station Band Section of the respondents, some from the year 1982 and some from the year 1992. According to the respondents, the petitioners were appointed on casual and daily basis and since the petitioners are being paid from out of the Non-public fund, their services are governed by "the Rules Regulating the Terms and Conditions of Service of Civilian Employees of Non- Public Funds (Welfare Fund) other than AF Canteen and AF School" and would quote Rule 2(2) of the said Rules, which reads as follows:

All employees, whether under probation or temporary or permanent do not get

the status of a government employee at any stage. All employees are employees of NPF and will remain so till the superannuation or till the date of resignation/termination of service.

Pointing out this Rule, the respondents would argue that the petitioners, being the employees of NPF, could never get the status of a government employee at any stage and therefore, the relief sought for by them is rather misconceived.

6. While on one hand, the respondents rely on Rule 2(2), to reject the claim of the petitioners, they are silent rather tight-lipped about Rule 2(1) of

the same Rules, which reads as follows:

All employees shall be classified as under probation during first year of service. On successful completion of one year of probation, they shall be

termed as temporary employees till five years of service (including the period of probation). On completion of five years of qualifying service, they

shall be treated as permanent employees up to the age of superannuation or up to the date of resignation/termination.

7. If the respondents cling on these Rules for other purposes, that is to say, to deny or reject the claim of the petitioners, they should have been fair

enough in their approach by complying with the other part of the same Rules viz. Rule 2(1), which mandates to treat the employees as permanent

employees after completion of five years of qualifying service since, admittedly, the petitioners are in service from 1982 and 1992. None of the

petitioners was made permanent by the respondents in spite of they being in service from 1982 and 1992, which fact remained unchallenged.

8. At this juncture, we feel it appropriate to quote the application clause of the said Rules in Rule 1(2), which reads as follows:

These rules shall apply to all civilian employees of Non-Public Funds paid out of Non- Public fund Accounts, but shall not be applicable to any

person engaged on daily wages or on casual employment. These rules shall not be applicable to any Government employee, who may, for the time

being be detailed to work therein in any capacity whatsoever.

9. These Rules have come into operation on 30.11.1999 under Para 1 of Air HQ Letter No. Air HQ/26051/Accts/PC-II and since, admittedly, all

the petitioners having been engaged years prior to the coming into being of these Rules i.e. from 1982 and 1992, they cannot be given

retrospective effect so as to affect the accrued interest of the personnel already in service. From this a legal presumption would arise in the mind of this Court that only to deprive such of the employees engaged by the respondents on casual and daily wage basis, these Rules are brought into force inducting draconian and sweeping clauses into it, such as Rule 2(2), extracted supra, paving way for exploitation of the employees for years together till the date of their superannuation by the respondents. In the considered opinion of this Court, such draconian clauses invented and introduced into the so-called Rules by the respondents is unethical rather unconstitutional. The other aspect which this Court wants to point out is that on one hand the respondents name them as terms and conditions and on the other hand, they call it as Rules, which shows the confused state in which the respondents are hovering.

10. At this juncture, we deem it proper to look at the above said Rules so as to know their nature. Rule (3) deals with Appointment, Rule (4) deals with probation period; Rule (8) deals with hours of work and closed days; Rule (9) deals with attendance; Rule (10) deals with Leave; Rule (11) deals with fitness for work; Rule (13) deals with wages; Rule (14) deduction that may be made from wages; Rule (15) deals with Medical facilities, House Rent Allowances and Conveyance allowances; Rule (16) deals with Rules of conduct; Rule (17) deals with Act of commission/omission constituting misconduct; Rule (18) deals with suspension from duty; Rule (19) deals with punishment for misconduct; Rule (20) deals with procedure for dealing with cases of misconduct; Rule (21) deals with review of the punishment; Rule (23) deals with resignation; Rule (24) deals with termination of service; Rule (25) deals with resignation/termination of services; Rule (26) deals with superannuation; Rule (27) deals with contributory provident fund; Rule (28) deals with payment of bonus; Rule (29) deals with loan; Rule (30) deals with Service Book; Rule (31) deals with terminal benefits.

11. Thus, when all the Rules are similar to that of the regularly appointed employees, and when the respondents impose and follow all such conditions in respect of the casual and daily wage employees, denying them the benefits being enjoyed by such similarly placed employees, appears to be unfair and amounting to violation of Article 14 of the Constitution

of India.

12. The respondents would further argue that the petitioners were not appointed against any post or vacancy. There is more than sufficient material available on record to show that the services of the bandsmen is part and parcel of each and every event undertaken by the respondents and thus the work being undertaken by the petitioners is perennial in nature. When such is the service being rendered by the petitioners, which is perennial in nature, the respondents having appointed them and getting their services from the years 1982 and 1992, had never thought of creating such a compulsory cadre and have taken the stand that they were not appointed against any post or vacancy, only with an ulterior motive of denying the due to the depressed class people like the petitioners, whose rights were upheld by the Constitution. If really the respondents are not in the need of the services of such of the employees, what made them to employ them and extract work from them for the last 25 years or so, is a billion dollar question that remained unanswered throughout. The administrative convenience adopted by the respondents regarding the payment of their remuneration under a different head, cannot be pitted against the petitioners, as being an obstacle to confer them their due status and benefits flowing from it.

13. At this juncture, we also want to point out that the respondents by their Station Routine Order dated 31.3.2000, have announced that the Air Force Station Band can be taken on hire for functions, marriage parties etc. and Service Personnel/AF Civilians/outside civilians could hire the band, with a hiring charge of Rs.3000/= for three years (minimum). It is also seen that after much persuasion, the respondents by their proceedings dated 20.9.2001, considering the request of the petitioners, have started paying 20% of band hiring charges to the petitioners besides providing breakfast and lunch, hair cut and washing charges for band uniform. Therefore, it is clear that till the representation of the petitioners dated 1.12.2000, they were not getting any remuneration from out of the hire charges being received by the respondents and even thereafter, only 20% of the band hiring charges are being paid to the petitioners, the rest of the 80% of the band hiring charges being credited to the accounts of the respondents.

14. Had the petitioners been not attending the functions through the respondents, and had they attended the functions on their own, they would have received whole of the hiring charges and not just the pittance of 20%. Thus, when the respondents have treated the petitioners as their employees, and sent them even for the private functions and swallowed 80% of the hiring charges, using the petitioners as tools to augment their income, the petitioners should not be allowed to get deprived further at the hands of the respondents. It seems, the petitioners have served the organisation with a fond hope of getting their services absorbed since the work which they are pursuing is perennial in nature, and this was taken advantage of by the respondents, as has been discussed supra.

15. As has been held by the Apex Court in *Air India Statutory Corporation, etc. Vs. United Labour Union and others* [overruled], "there are constitutional limitations in the trinity, viz., Preamble, the Fundamental Rights and the Directive Principles on the respondent-Management, a public sector undertaking, and it share the burden and shoulder constitutional obligations to provide facilities and opportunities enjoined in the Directive Principles, the Preamble and the Fundamental Rights enshrined in the Constitution" and not to resort to such illegal unfair labour practices, as has been clearly established in this case.

16. In *Gujarat Agricultural University Vs. Rathod Labhu Bechar and Others*, , considering the case of daily rated labourers engaged dehors the rules as plumbers, carpenters, sweepers, pump operators, helpers and masons by a fully State-aided University and continued as such for long period of 10 years or so without considering their regularisation, the Apex Court has held:

Where work taken is not for a short period or limited for a season or where work is not of a part-time nature and if pattern shows that work is to be taken continuously year after year, there is no justification to keep such persons hanging as daily-rate workers. In such a situation a legal obligation is cast on an employer; if there be vacant post, to fill it up with such workers in accordance with rules, if any, and where necessary by relaxing the qualifications, where long experience could be equitable with such qualifications. If no posts exist then duty is cast to assess the quantum of such work and create such equivalent posts for their absorption.... It

is true, creation of posts does involve financial implication. Hence financial health of a particular institution plays an important role which courts also keep in mind. The court does exercise its restraint where facts are such where extent of creation of posts create financial disability. But this does not give largess to an institution to engage larger number of daily-wage workers for a long number of years without absorbing them or creating posts, which constitutes an unfair labour practice.

17. It is not the case of the respondents that the petitioners are not qualified or eligible to hold the post, which they are holding for the last 25 years

or so. A strong case has been put up on the part of the petitioners that in the year 1992, they were called upon, following their applications by the

Commandant, CISF, RTC, Arakkonam for interview and test for appointment as Bandsmen in CISF, RTC, Arakkonam, but they were not

allowed to report to test for selection by the first respondent authority stating that since they were appointed at Air Force Station, Tambaram, they

would be made permanent and their pay scales would be fixed on par with the pay scales of Bandsmen in the Indian Air Force. Though this

allegation of the petitioners was denied by the respondents, from the facts and circumstances of the case and the manner in which the things had

gone against the petitioners all these days, at the instance of the respondents, this Court is able to presume, legally, that there is truth in the

contention of the petitioners since otherwise, having got the call to attend the interview, there is no rhyme or reason for the petitioners to abstain

from attending the interview, which would have made them the permanent employees long back. Having denied or restrained the petitioners from

attending even the interview on a false promise, the respondents cannot now take a "U" turn, that too, pitting against them the so-called Rules of

the year 1999 and give a deep burial to the interest of such a depressed class.

18. On the part of the respondents, it is argued that the petitioners having joined the services of the respondents, knowing fully well their status as

daily wage and casual labourers and that they could never be absorbed, cannot, now claim absorption. The learned Counsel for the respondents

would also submit that the petitioners being the casual labour, do not have any right to regular or permanent public employment and would rely on

a Constitutional Bench judgment of the Apex Court in Secretary, State of

Karnataka and Others Vs. Umadevi and Others, , wherein it has been held:

Casual/temporary employees do not have any right to regular or permanent public employment. Further, temporary, contractual, casual, ad hoc or daily-wage public employment must be deemed to be accepted by the employee concerned fully knowing the nature of it and the consequences flowing from it.

In Para No. 53 of the said Judgment, it has been held:

One aspect needs to be clarified. There may be cases where irregular appointments (not illegal appointments) as explained in S.V. Narayanappa ( State of Mysore and Another Vs. S.V. Narayanappa, , R.N. Nanjundappa ( R.N. Nanjundappa Vs. T. Thimmiah and Another, ) and B.N.

Nagarajan ( B.N. Nagarajan and Others Vs. State of Karnataka and Others, ) and referred to in para 15 above, of duly qualified persons in duly

sanctioned vacant posts might have been made and the employees have continued to work for ten years or more but without the intervention of

orders of the courts or of tribunals. The question of regularisation of the services of such employees may have to be considered on merits in the

light of the principles settled by this Court in the cases above referred to and in the light of this judgment. In that context, the Union of India, the

State Governments and their instrumentalities should take steps to regularise as a one-time measure, the services of such irregularly appointed, who

have worked for ten years or more in duly sanctioned posts but not under cover of orders of the courts or of tribunals and should further ensure

that regular recruitments are undertaken to fill those vacant sanctioned posts that require to be filled up in cases where temporary employees or

daily wagers are being now employed. The process must be set in motion within six months from this date. We also clarify that regularisation, of

any already made, but not sub-judice, need not be reopened based on this judgment, but there should be no further bypassing of the constitutional

requirement and regularising or making permanent, those not duly appointed as per the constitutional scheme.

19. There is no quarrel with regard to the proposition laid down by the Honourable Apex Court. But, as has already been adverted to supra, the

draconian Rules were brought into existence by the respondents well after the

appointment of the petitioners. Therefore, by the time the petitioners joined the services of the respondents, no such draconian Rules were in operation and the petitioners were also serving, with required qualifications, with a fond hope of absorption and they were restrained by the respondents from attending even the interview in the year 1992 on the ground that they would be made permanent in their posts and therefore, they need not have to attend the interview any more. In this factual matrix of the case on hand, the above part of the judgment of the Honourable Apex Court would not apply to the facts of the case on hand.

20. Further more, in the recent judgment of the Honourable Apex Court in U.P. State Electricity Board v. Pooran Chandra Pandey and Ors. 2007

(7) Sup 374 where 34 petitioners who were daily wage employees of the Cooperative Electric Supply Society had prayed for regularization of their services in the U.P. State Electricity Board, Their Lordships of the Honourable Apex Court, while referring to various pronouncements made by the Apex Court earlier, have held:

The decision in Secretary, State of Karnataka and Others Vs. Umadevi and Others, , cannot be applied to a case where regularization has been

sought for in pursuance of Article 14 of the Constitution and often Uma Devi's case is being applied by Courts mechanically as if it were a Euclid's

formula without seeing the facts of a particular case. The ratio of any decision must be understood in the background of the facts of that case. A

case is only an authority for what it actually decides, and not what logically follows from it. A little difference in facts or additional facts may make a

lot of difference in the precedential value of a decision.

It has also been held in para No. 18 of the Judgment:

We may further point out that a seven-Judge Bench decision of this Court in Mrs. Maneka Gandhi Vs. Union of India (UOI) and Another, has

held that reasonableness and non-arbitrariness is part of Article 14 of the Constitution. It follows that the government must act in a reasonable and

non-arbitrary manner otherwise Article 14 of the Constitution would be violated. Maneka Gandhi's case (supra) is a decision of a seven-Judge

Bench, whereas Uma Devi's case (supra) is a decision of a five-Judge Bench of this Court. It is well settled that a smaller bench decision cannot

override a larger bench decision of the Court. No doubt, Maneka Gandhi's case

(supra) does not specifically deal with the question of regularization of government employees, but the principle of reasonableness in executive action and the law which it has laid down, in our opinion, is of general application.

19. In the present case many of the writ petitioners have been working from 1985 i.e. they have put in about 22 years service and it will surely not be reasonable if their claim for regularization is denied even after such a long period of service. Hence apart from discrimination, Article 14 of the Constitution will also be violated on the ground of arbitrariness and unreasonableness if employees who have put in such a long service are denied the benefit of regularization and are made to face the same selection which fresh recruits have to face.

21. In view of such a categorical observation made by the Honourable Apex Court, which is aptly applicable to the case on hand and further since in the case on hand also, the petitioners are working for the last 25 years or so without any benefit when compared to other similarly situated persons working with the respondents, the prayer of the petitioners deserve to be allowed.

22. The other argument advanced on the part of the respondents is that the regular vacancies in Group "D", which are framed under Article 309 of the Constitution can be filled either by transfer or by direct recruitment and not by absorption and that the non-Government employees are not eligible and entitled for any relaxation for Government appointment and has to follow the procedure which is laid down for other citizens for direct recruitment and the claim of Bandsmen for absorption for released Group "D" post is illegal. As has already been held supra, all the service rules made applicable to the petitioners were similar to the service conditions of regular employees and for all other practical purposes, except for payment of remuneration, the petitioners were treated as Government employees and therefore, in the considered opinion of this Court, the stand taken by the respondents does not appear to be reasonable. Even otherwise, as has been held by the Honourable Apex Court in Gujarat Agricultural University Vs. Rathod Labhu Bechar and Others, , "if no posts exist then duty is cast (on the employer) to assess the quantum of such work and create such equivalent posts for their absorption" and as has been held

by the Apex Court in Air India Statutory Corporation, etc. Vs.

United Labour Union and others [overruled], that "there are constitutional limitations in the trinity, viz., Preamble, the Fundamental Rights and the

Directive Principles on the respondent-Management, a public sector undertaking, and it share the burden and shoulder constitutional obligations to

provide facilities and opportunities enjoined in the Directive Principles, the Preamble and the Fundamental Rights enshrined in the Constitution", a

burden is cast on the respondent Management, a Public Sector Undertaking, to assess the quantum of such work and create such equivalent posts

for their absorption.

23. Thus, on analysing the entire facts and circumstances of the case, it is clear that the respondents, in spite of being the organ of the State and are

expected to be the vigilant guards of the Constitution and the people and a model employer, have freely taken it for granted and violated the

accrued legal rights of the petitioners, a depressed class of the Society and shockingly exploited them for 25 years or so and ultimately taken a

flimsy stand that they are not at all their employees in its true sense so as to confer any benefit on them, thus violating Article 14 of the Constitution

of India. It is nothing but a fence eating away the whole crop.

24. To sum-up, from the above discussions, it is clear that when the petitioners have made their representation dated 1.12.2000, the respondents

by their communication in TAM/9066/4/Org., dated 20.12.2000, have replied that their representation is under consideration giving a false hope to

the petitioners, but, subsequently, after many reminders, by their communication in TAM/9089/1/Org., dated 20.9.2001, the respondents have

outright rejected the claim of the petitioners for better pay scales. Further more, in the year 1992, the applicants were called upon, following their

applications, by the Commandant, CISF, RTC, Arakkonam for interview and test for appointment as Bandsmen in CISF, RTC, Arakkonam, but

they were not allowed to report to test for selection by the first respondent stating that since they were appointed at Air Force Station, Tambaram,

they would be made permanent and their pay scales would be fixed on par with the pay scales of Bandsmen in the Indian Air Force. By that time

itself, had the petitioners been intimated by the respondents that their services could never be made permanent and throughout they have to serve

only as casual labour, since by that time the DACL 29/99 are not in existence, the petitioners could have searched for better alternate jobs. Now, having served the respondents during their better part of life, and having lost their age in such long service, the petitioners cannot be deprived of their legal rights of getting their services regularised. Further, having thus made the petitioners to always believe the false promises made, now the respondents are pitting DACL 29/99 against the petitioners, forgetting the fact that these Rules were brought into existence much after the appointment of the petitioners, to deprive the petitioners of their legal due. At least after the introduction of these Rules, taking cue from their import, leave alone the other draconian clauses against the interest of the working class, the respondents should have made the petitioners permanent employees, since by that time they have completed more than five years of service, which was not done by the respondents. Thus, it is clear that the respondents are violating their own rules, which are beneficial to the employees and insisting on the Rules, which are against the interest of the working and depressed class of people.

25. Another factor to be mentioned is payment of a pittance of 20% to the petitioners from out of the hiring charges collected by the respondents

from the private parties, by sending the petitioners to attend the private functions and remitting for themselves the rest of 80% of the hiring charges.

All these situations, would make this Court to come to an irresistible conclusion that the petitioners are entitled for the relief sought for.

26. In such a situation, the Tribunal ought to have been more vigilant in protecting the rights of the oppressed and depressed class of people as

enshrined under the Constitution, without letting anybody to encroach into their rights, as has been done by the respondents in this case, and ought

to have allowed the claim of the petitioners. But, unfortunately, the Tribunal, has proceeded on surmises and conjectures resulting in miscarriage of

justice and calling for the interference of this Court to uphold the majesty of justice and law.

For all the above discussions, this writ petition is allowed, setting aside the order passed by the Tribunal. No costs.