

UNION OF INDIA

v.

MOOL CHAND DASUMAL PARDASANI

September 3, 1971

[S. M. SIKRI, C.J., A. N. RAY AND D. G. PALEKAR, JJ.]

Civil Service—Fundamental Rule 56(b)(i)—Pre 1938 ministerial servant—Memorandum dated December 31, 1963—Memorandum given effect to by government—Denial of benefit would be infraction of Art. 14—Constitution of India, Article 14.

Clause b(i) of Fundamental Rule 56, as it stood prior to November 30, 1962 provided that a pre 1938 ministerial servant might be required to retire at the age of 55 years but should ordinarily be retained in service, if he continued efficient, upto the age of 60 years. By memorandum dated 31st December, 1963, the President of India decided that, subject to the right conferred by memorandum dated November 30, 1962, to retire any officer on three months' notice after he attained the age of 55 years, pre-1938 ministerial officers governed by F.R. 56(b)(i) had to be continued in service like all other government servants upto the age of 58 years without an annual order sanctioning their retention. The respondent was a ministerial government servant governed by clause b(i). He entered government service prior to April, 1938 and would have attained the age of 55 years on March 14, 1964. On December 18, 1963 the Collector, Central Excise passed an order retiring the respondent from service. The order gave the respondent option to retire with effect from March 14, 1964 or to proceed on leave as might be admissible or granted to him preparatory to retirement. The respondent was on preparatory leave extending upto 28 months after March 14, 1964 and was paid the salary that was admissible to him for this leave period. The High Court quashed the order of retirement and held that the respondent would be deemed to be in service until he attained the age of 60 years. The High Court further was of the view that the memorandum was not in the nature of executive or administrative instruction.

Dismissing the appeal,

HELD : The orders of the High Court that the respondent would be deemed to be in service until he attained the age of 60 had to be upheld.

The memorandum was given effect to in relation to ministerial servants at all relevant times subsequent to December 31, 1963. The government acted on the memorandum. The respondent would be entitled to the benefit of the memorandum as all other government servants were at the relevant time. To deny the respondent operation of the memorandum will be infraction of Art. 14 of the Constitution, [612 F-G]

The respondent was on preparatory leave extending upto 28 months after March 14, 1964; and he was paid the salary that was admissible to him. Therefore, for 28 months he continued to be a government servant. Taking into consideration these features it is clear that the respondent was entitled to the benefit of the increased age of retirement namely 58 years and thereafter upto 60 years in accordance with the memorandum. [613 A]

A [The Court did not find it necessary to express any opinion on the question whether the memorandum was a mere executive or administrative instruction or had the force of a statutory rule.] [613 C-D]

CIVIL APPELLATE JURISDICTION : Civil Appeal No. 2201 of 1970.

B Appeal from the judgment and decree dated May 2, 3, and June 16, 1969 of the Gujarat High Court in Second Appeal No. 594 of 1968.

L. M. Singhvi and *S. P. Nayar*, for the appellant.

The respondent did not appear.

C The Judgment of the Court was delivered by

D **Ray, J.** This appeal by certificate is against the judgment dated 2/3 May, 1969 and 16 June, 1969 of the High Court of Gujarat quashing the order dated 18 December, 1963 passed by the Collector, Central Excise, Baroda and further ordering that the respondent will be deemed to have been continued in the service of the Government until he attained the age of 60 years.

The order impeached by the respondent was as follows :—

“Central Excise Collectorate, Baroda, Establishment Order No. 286 of 1963.

E Shri Mulchand Pardasani, Upper Division Clerk, Head Quarter Office, Baroda, who attains the age of 55 years on 14-3-1964 is hereby informed that the Collectorate Departmental Promotion Committee, 1963, has not considered him suitable for further retention in service beyond the age of 55 years. He has the option to retire with effect from 14-3-1964 forenoon or proceed
F on leave as may be admissible and granted to him preparatory to retirement.

Sd/- Illegible
for Collector, 18-12-63”

G The respondent filed this suit for a decree that the order of retirement of the respondent passed by the Collector, Central Excise, Baroda and all acts done in the course of the said order are illegal and that the respondent continued to be in service in the post he was holding on 14 March, 1964 and for other consequential reliefs. The respondent's contention was that the order was in contravention of his right to continue in service until he
H attained the age of 60 years, that the order cast a stigma on the respondent, that three months' notice was required to be given to the Government servant to retire on his attaining the age of 55

years, the order of the Collector was against the orders issued under the authority of the President of India raising the age of superannuation to 58 years.

A

The contention of the Government on the other hand was that prior to 30 November, 1962 Fundamental Rule 56(b) (i) stated the age of compulsory retirement of a pre-April, 1938 ministerial servant to be 55 years. He might be retained in service after the age of 55 years if he continued efficiency but it was not a right. The other contention of the Government was that the orders regarding the respondent raising the age of superannuation to 58 years and further that three months' notice was required to be given to a Government servant to retire him on his attaining the age of 55 years were contained in memoranda dated 30 November, 1962 and 31 December, 1963, and the said memoranda did not have the force of statutory rule and were mere executive instructions. It was also contended that even if the memorandum was held to have the force of the statutory rule, the right of the respondent to continue in service till the age of retirement was subject to the absolute right of the Government to retire a Government servant on three months' notice.

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There is no dispute that the respondent was a ministerial Government servant who had entered into the Central Government service prior to April, 1938 and that he would have attained the age of 55 on 14 March, 1964.

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Fundamental Rule 56 as it stood prior to 30 November, 1962 in clause (b) thereof dealt with ministerial servants. Clause (b) (i) provided that a pre-1938 ministerial servant who was not governed by sub-clause (ii) thereof might be required to retire at the age of 55 years, but should ordinarily be retained in service, if he continued efficient upto the age of 60 years. After the age of 60 years he could not be retained except in very special circumstances to be recorded in writing and with the sanction of the Local Government. Fundamental Rule 56(b) (ii) dealt with ministerial servants who entered Government service on or after 1 April, 1938 or who being in Government service on 31 March, 1938 did not hold a lien or a suspended lien on a permanent post on that date and stated that such ministerial servants would ordinarily be required to retire at the age of 55 years and must not be retained after that age except on public grounds to be recorded in writing, and with the sanction of the Local Government. Such ministerial servants in clause (b) (ii) would not be retained in service after the age of 60 years except in very special circumstances.

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The respondent was governed by Fundamental Rule 56(b) (i) as it stood prior to 30 November, 1962 with the result that he might be required to retire at the age of 55 years and that he

A should be ordinarily retained in service upto the age of 60 years, if he continued to be efficient and after the age of 60 years he could not be retained in service except under special circumstances.

B This Court in *Kailash Chandra v. The Union of India*⁽¹⁾ considered Rule 2046(2)(a) of the Indian Railway Establishment Code. Rule 2046(2)(a) is *totidem verbis* as Fundamental Rule 56(b)(i). This Court held that the ministerial servant falling within the said clause might be compulsorily retired on attaining the age of 55, but when the servant is between the age of 55 and 60 the authority will have the option to continue him in service subject to the condition that the servant continues to be efficient. Therefore, there would be no right to continue in service beyond the age of 55.

C In the present case there came into existence two memoranda. The first was dated 30 November, 1962. The second was dated 31 December, 1963. The December, 1963 memorandum was in partial modification of the memorandum dated 30 November, 1962. Under the December, 1963 memorandum it is stated that the President of India is pleased to decide that subject to the right of Government to retire any officer on three months' notice after he had attained the age of 55 years, the pre-1938 ministerial officers governed by F.R. 56(b)(i) should be continued in service like all other Government servants (except those whose age of retirement is 60) upto the age of 58 years without an annual order sanctioning their retention. After the age of 58 years and till they attain the age of 60 years, however, such an annual order would be necessary. It was also provided in the memorandum that there will be a review in the case of all employees to assess their suitability for retention beyond the age of 55 years. It is not necessary to refer to the other parts of the memorandum for the purposes of the present appeal.

D Paragraph 6 of 30 November, 1962 memorandum which stated that notwithstanding anything contained there the appointing authority might require to retire a Government servant after he attained the age of 55 years on three months' notice without assigning any reason was not modified by 31 December, 1963 memorandum. The decision of the Government to continue a pre-1938 ministerial servant upto the age of 58 years without annual order sanctioning the retention was of course on a review to assess the suitability for retention beyond 55. If the Government wanted to retain a pre-1938 ministerial servant after the age of 55 as a result of the November, 1962 and December, 1963 memoranda he would be continued upto the age of 58 years without annual orders sanctioning retention and thereafter upto the age of 60 years with annual orders sanctioning retention.

(1) [1962] 1 S.C.R. 374.

The respondent contended that on 28 December, 1963 the date of the impeached order the respondent had not attained the age of 55 and he would have attained the age of 55 years on 14 March, 1964. That is not disputed. Therefore, as a result of the changes introduced by the memorandum to Fundamental Rule 56 the respondent who was a pre-April, 1938 ministerial Government servant would be entitled to the benefit of the increased age of compulsory retirement subject to the right of the Government to review his case for retention beyond the age of 55 and the right of the Government to retire him on three months' notice. This Court in *I. N. Saksena v. State of Madhya Pradesh*⁽¹⁾ in dealing with the effect of orders issued by the Government of Madhya Pradesh that the age of compulsory retirement of a ministerial Government servant would be raised to 58 years held that it was merely an executive direction and not a rule. The respondent contended that there were distinguishing features in the memoranda in the present case and the memoranda would be considered as a rule. It was particularly emphasised by the respondent that the memorandum was under the direction of the President and the memorandum itself stated that action was being taken to make necessary amendments in the Fundamental Rules as well as Supplementary Rules and Civil Service Rules and therefore the memorandum amounted to a rule and all that remained to be done was to make formal amendmtns in the Fundamental Rules. The High Court held that the memorandum in the present case was not in the nature of executive or administrative instruction.

Counsel for the Government stated that the memorandum was given effect to in relation to ministerial servants at all relevant times subsequent to 31 December, 1963. The Government acted on the memorandum. The ministerial servants were also treated as governed by the memorandum. The age of superannuation subsequent to 31 December, 1963 became 58 as a result of the memorandum. Ministerial servants continued to be in service upto 58 and thereafter to 60 in accordance with the tenor and terms of the memorandum. In this view of the matter to deny the respondent operation of the memorandum will be an infraction of Article 14 of the Constitution. There is nothing in the record to indicate that the respondent was not efficient. On the contrary, the order in the present case gave the respondent an option to retire with effect from 14 March, 1964 when he would have attained the age of 55 years. The same order gave the respondent option to retire with effect from 14 March, 1964 or to proceed on leave as might be admissible or granted to him preparatory to retirement. The stand taken by the Government in the present case in all the Courts was that the respondent was on preparatory leave extending upto 28 months after 14 March, 1964. In fact, the records show that

(1) [1967] 2 S.C.R. 496.

- A the respondent was paid the salary that was admissible to him for this leave period for 28 months. Therefore, for 28 months after 14 March, 1964 he continued to be a Government servant. Taking into consideration these features it is clear that the respondent was thus entitled to the benefit of the increased age of retirement
- B *viz.* 58 years and thereafter upto 60 years in accordance with the memorandum. The memorandum became a part of the Fundamental Rules as a result of the Fundamental (Sixth) Amendment Rules, 1965.

C The order challenged by the respondent in the present case is not legal and it cannot be sustained in view of the fact that the respondent would be entitled to the benefit of the memorandum as all other Government servants were at the relevant time.

D It is not necessary for us to express any view on the question as to whether the memorandum would be a mere executive and administrative instruction or have the force of statutory rules. We rest the decision in the present case on the consideration that the order complained against suffers from the vice of violation of Article 14 of the Constitution. The order of the High Court that the respondent would be deemed to be in Government service until he attained the age of 60 years on 14 March, 1969 is upheld.

For these reasons, the appeal fails and is dismissed. The appellant will pay costs to the respondent.

K.B.N.

Appeal dismissed.