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STATE OF M.P. & ORS.

v.

MALA BANERJEE

(Civil Appeal No. 2944 of 2015)

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MARCH 17, 2015

**[VIKRAMAJIT SEN AND PRAFULLA C. PANT, JJ.]**

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*Service law: Increased pay scale – Kramonnati Scheme – Eligibility of respondents-lecturers/teachers for increased pay scales – Under Madhya Pradesh Revision of Pay Rules, 1990, lecturers/teachers were eligible for a higher pay scale on completion of 12 years of service – Kramonnati Scheme entitled all government servants to the benefit of two higher pay scales, first on completion of 12 years of service and the second on further completion of another 12 years (24 years in all) – Scheme was effective from 19.4.1999 – State Government granted the benefit of Scheme to teachers w.e.f. 1.8.2003 – High Court held in favour of respondents – Held: There was no justification for discriminating between teachers and all other employees in view of the purpose of the Scheme – The appellants could not explain why it chose to deny teachers the benefit of the second Kramonnati while granting this benefit to all other employees, thus discriminating against them and violating their fundamental rights enshrined in Articles 14 and 16 of the Constitution – Further, there was no explanation for granting the second Kramonnati w.e.f. 1.8.2003 – This was neither the date in the original scheme nor justifiable on the basis of any other material available on the record – Many employees had completed 24 years of service by 1999; therefore, in postponing their second Kramonnati by 4 years, the appellants departed from the basic object of the Scheme – The order was arbitrary in nature and discriminatory towards the respondents and others in their position.*

**Dismissing the appeals, the Court**

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**HELD: 1. Kramonnati Scheme was introduced to remove frustration among employees who had stagnated at a particular scale for many years without promotional avenues, with the endeavour of removing any adversity in their performance. Keeping this purpose in perspective, there was no justification for discriminating between teachers and all other employees. The fact that the Madhya Pradesh Revision of Pay Rules were already in place at the time the Kramonnati Scheme was introduced indicated that the appellants accepted that increase in pay scale are salutary and indeed important for educators on whose motivation and dedication the future of the country and of society is almost entirely dependent. It is not correct to state that the respondents were not entitled to claim the benefit of the Kramonnati Scheme because they were already covered under the Madhya Pradesh Revision of Pay Rules, as there was no basis for the two being mutually exclusive. [Paras 5 and 7] [708-F-H; 708-A-C]**

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*Federation of Railway Officers Association vs. Union of India* (2003) 4 SCC 289: 2003 (2) SCR 1085 – relied on.

**CASE LAW REFERENCE**

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**2003 (2) SCR 1085**

**relied on.**

**Para 7**

**CIVIL APPELLATE JURISDICTION: Civil Appeal No. 2944 of 2015.**

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From the Judgment and Order dated 22.10.2008 of the High Court of Madhya Pradesh Bench at Gwalior in Writ Appeal No. 201 of 2008.

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Civil Appeal Nos. 2945, 2946, 2947, 2948, 2949, 2950, 2951, 2952, 2953, 2954, 2955, 2956, 2957, 2958, 2959, 2960, 2961, 2962, 2963, 2964, 2965, 2966, 2967, 2968, 2969, 2970, 2971, 2972, 2973, 2974, 2975, 2976-2977, 2978, 2979, 2980, 2981, 2982, 2983, 2984, 2985, 2987, 2988, 2989, 2990-2991, 2992, 2993, 2994, 2995, 2996, 2997, 2998, 2999 and 3000-3003 of 2015

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C. D. Singh, Darpan Bhuyon, B. S. Banthia, Sachin D., Sunny Choudhary, Mishra Saurabh, Ankit, Anoop Kr. Srivastav, Gunnam Venkateswara, Jyoti Mendiratta, Sahiba Pantel, Satish Kumar, Abhishth Kumar, Puneet Jain, Abhinav Gupta, Ankita Gupta, Ms. Pratibha Jain, Ashok Mathur, Anand Sanjoy M. Nuli, Rajesh, Romy Chacko, Amit Kumar, Pulkit T., Prakash Kumar Singh for the appearing parties.

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Gyan Prakash Srivastava (Respondent-in-Person).

The Judgment of the Court was delivered by

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**VIKRAMAJIT SEN, J.** 1 Delay condoned. Leave granted.

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2 These Appeals assail the Judgment of the learned Division Bench of the High Court of Judicature of Madhya Pradesh, Bench at Gwalior, delivered on 22.10.2008, which upheld the Judgment dated 16.10.2007 of the learned Single Judge.

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3 Very briefly stated, the dispute pertains to the eligibility of the Respondents, all of whom are Lecturers/Teachers in the employment of the Education and Tribal Welfare Department, Government of Madhya Pradesh, for increased pay scales. The Respondents claim the benefits of the Kramonnati Scheme with effect from 19.4.1999, whereas the Appellants assert that they are willing to grant the benefit of the Kramonnati Scheme to them, and obviously others similarly placed as they are, but with effect from 1.8.2003.

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4 Under the Madhya Pradesh Revision of Pay Rules, 1990, the Respondents, were eligible for a higher pay scale on completion of 12 years of service. Subsequently, a policy dated 19.4.1999 known as the said Kramonnati Scheme came to be introduced entitling all Government servants to the benefit of two higher pay scales, the first on completion of 12 years of service, and the second on the further completion of another 12 years (24 years in all). The Appellants contend that this Circular applied to all their employees except the Teacher cadre, since the latter had already enjoyed the benefit of the Madhya Pradesh Revision of Pay Rules. On 2.11.2001, the Commissioner Public Instructions sanctioned the second Kramonnati for teachers with effect from 19.4.1999. The stand of the Appellants is that this was erroneously extended without obtaining the consent of the Finance Department, and was accordingly corrected by order dated 11.10.2006. However, despite this stance, the State Government took a policy decision on 3.9.2005 granting the benefit of a second Kramonnati to Teachers, but with effect from 1.8.2003. Recovery proceedings were initiated against teachers who had been bestowed Kramonnati from the earlier date.

5 The object of the Kramonnati Scheme must be noted, as this sheds light on its application. The Scheme was introduced to remove frustration among employees who had stagnated at a particular scale for many years without promotional avenues, with the endeavour of removing any adversity in their performance. Keeping this purpose in perspective, there is no basis or justification for discriminating between teachers and all other employees. The fact that the Madhya Pradesh Revision of Pay Rules were already in place at the time the Kramonnati Scheme was introduced indicates that the Appellants accepted that increase in pay scale are salutary and indeed important for educators on whose

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A motivation and dedication the future of the country and of society is almost entirely dependent. We do not agree with the Appellants' submission that the Respondents are not entitled to claim the benefit of the Kramonnati Scheme because they were already covered under the Madhya Pradesh Revision of Pay Rules, as there is no basis for the two being mutually exclusive. Indeed, we find it logical that the application of the Madhya Pradesh Revision of Pay Rules regarding the eligibility of increased pay scales should be replaced by the Kramonnati Scheme, which is more generous in the benefits it provides. This is all the more so since the Appellants have themselves ordained that the said Scheme can be availed by the Respondents but from 1.8.2003, which we find to be arbitrary and devoid of any logical foundation.

D 6 The Appellants have claimed that its Notifications indicated with clarity that the Scheme would not apply to those Departments where a provision of Kramonnati was already available in their Recruitment Rules. However, a perusal of the relevant Clarification issued by the State Government dated 3.5.2000/17.5.2000 makes it clear that its purpose was to protect employees who were working in Departments that had a provision of Kramonnati in their Recruitment Rules, by preventing any reduction in Kramonnati pay scale as a consequence of the new 19.4.1999 policy. It is our understanding that the Clarification intended to prevent the class of employees envisaged therein from facing any monetary loss and not to disadvantage any class of employee.

G 7 We also find ourselves unable to agree with the Appellants submission that this is a policy matter and, therefore, should not be interfered with by the Courts.<sup>1</sup> In *Federation of Railway Officers Association vs. Union of India* (2003) 4 SCC 289, this Court has already considered the scope of judicial review and has enumerated that where a policy is contrary to

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law or is in violation of the provisions of the Constitution or is  
arbitrary or irrational, Courts must perform their constitutional  
duties by striking it down. The Appellants have not been able  
to explain why it chose to deny teachers the benefit of the  
second Kramonnati while granting this benefit to all other  
employees, thus discriminating against them and violating their  
fundamental rights enshrined in Articles 14 and 16 of the  
Constitution. It is indeed paradoxical that teachers who  
prepare persons for employment and leadership are dealt with  
in a parodical attitude by the State. Further, we reiterate that  
no explanation is forthcoming for granting the second  
Kramonnati with effect from 1.8.2003. This is neither the date  
in the original scheme nor justifiable on the basis of any other  
material available on the record. Many employees had  
completed twenty four years of service by 1999; therefore, in  
postponing their second Kramonnati by four years, the  
Appellants have departed from the basic object of the Scheme.  
The 3.9.2005 Order failed to explain the basis of this decision,  
and is thus arbitrary in nature and discriminatory towards the  
Respondents and others in their position.

8 The annals of this litigation also need to be considered  
in some detail. The arguments ventilated before us were  
considered in detail by the Writ Court in **Smt. Prerna v. State  
of Madhya Pradesh**, which was decided on 26.4.2007 by a  
learned Single Judge of that High Court at its Indore Bench.  
Thereafter, another learned Single Judge of that High Court at  
its Gwalior Bench decided the present Writ Petitions from  
which these Appeals/Petitions arise in favour of the  
Respondents vide its Judgment dated 16.10.2007. Although  
the reasoning that has persuaded the second learned Single  
Judge to decide in favour of the Respondents is evident from  
the perusal of that Judgment, reliance on the Judgment dated  
26.4.2007 passed in **Smt. Prerna** had been duly considered.

- A We must immediately emphasise that a Bench should ordinarily follow the decision of a Coordinate Bench or else should forward the matter to the learned Chief Justice for constituting a Larger Bench in case the reasoning and conclusion of the Coordinate Bench is not acceptable. The
- B Appeal from the Judgment dated 16.10.2007, has been dismissed by the Division Bench in terms of the Judgment impugned before us, and that is how the Special Leave
- C Petitions (now Appeals) came to be filed. In this interregnum, an appeal that had been preferred from the Order of the learned
- D Single Judge, Indore Bench has also been decided on 18.12.2008 in favour of the Respondents, taking note of the Judgment by a Coordinate Bench presently impugned before us. We had made this clarification because one of the
- E arguments that has been ventilated before us is that the two sets of petitions had not been considered threadbare by the two Benches located at Indore and Gwalior. This has not lead to any legal irregularity, in that the learned Single Judge, as well as the learned Division Bench have sequentially considered the matter in detail.

9 We do not find any illegality in the Impugned Judgment and the Appeals are dismissed, but we desist from imposing costs.

- F 10 Since these Appeals are being dismissed, it would be a futile and wasteful exercise to take up all pending Applications. To remove possible doubts, all the Applications are dismissed.

G Devika Gujral

Appeals dismissed.

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