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CENTRAL ADMINISTRATIVE TRIBUNAL
PRINCIPAL BENCH

O.A.No.2254/97

Hon'ble Shri Justice V.Rajagopala Reddy, VC(J)
Hon'ble Smt. Shanta Shastry, Member(A)

13th
New Delhi, this the 3rd / day of July, 2000

All India Postal Officers (Accounts)
Association through its General Secretary
Sadananda, Accounts Officer
A-2/110-E, Kondli Gharoli
Mayur Vihar, Phase-III
Delhi - 110 096.

2. S.K.Mukherjee, Aged 46 years
S/o late Shri Sisir Kr. Mukherjee
r/o 23-G Sector IV
Pushp Vihar, New Delhi - 110 017
and working as
Sr. Accounts Officer
Department of Post
New Delhi - 110 001.
3. Shri Sadananda, Aged 42 years
s/o Shri K.Krishnaswamy
r/o A-2/110-E, Kondli Gharoli
Mayur Vihar, Phase-III
Delhi - 110 096.
and working as
Accounts Officer
O/o Sr. Manager MMS
Department of Post
New Delhi - 110 028.
4. T.M.Antony
aged 42 years
S/o Shri S.Thangaraj
r/o B-14/337, Himgiri Apartments
Sector-34, Noida-201303.
working as Assistant Accounts Officer
Department of Post
Dak Bhawan
New Delhi - 110 001. ... Applicants

(None)

vs.

1. Union of India through
its Secretary
Department of Expenditure
Ministry of Finance
North Block
New Delhi.
2. The Secretary
Department of Post
Ministry of Communications
Dak Bhawan
New Delhi - 110 001. ... Respondents
(By Shri Rajeev Bansal, Advocate)

ORDER (Oral)

By Reddy. J.

Applicant No.1 is an All India Postal Officers (Accounts) Association and Applicants No.2, 3 and 4 are the members of the Association. The matter pertains to the payment of productivity linked bonus to Group 'A' and 'B' officers of the Department of Posts. By order dated 5.11.1996, the Government allowed the productivity linked bonus to Group 'C' and 'D' employees for the year 1995-96. The grievance of the applicant in this case is that Group 'A' and Group 'B' officers are also entitled for the said bonus and that the granting bonus to only Group 'C' and 'D' employees is discriminatory and violative of Article 14 of the Constitution of India.

2. In the reply, it is stated as under:

"The Productivity Linked Bonus Scheme was introduced in the Department of Post w.e.f. 1.4.1979. It was paid to all Group 'D' 'C' and Group 'B' non-gazetted employees without any ceiling on emoluments for eligibility. However, for Group 'D', 'C' and 'B' non-gazetted employees if the emoluments drawn were more than Rs.2,500/- p.m. the amount of Productivity Linked Bonus is calculated as if their emoluments were Rs.2,500/-. The Government of India has further removed the eligibility ceiling on emoluments in respect of all Group 'C' and 'D' employees w.e.f. 1.4.1995. The applicant Association represented for payment of Productivity Linked Bonus to all Gazetted Officers. The same was forwarded by Respondent No.2 to Respondent No.1. The question of grant of bonus was reviewed and it was decided to pay bonus to all Group 'C' and 'D' employees irrespective of monetary ceilings. This was applicable for the accounting year 1995-96. A reference was also made to Fifth Central Pay Commission, which examined the matter in detail. Their recommendations are in para 111.49 of the report. In sub-para 7 of para 111.49, Pay Commission recommended



that the payment of bonus should be restricted to those employees who are categorised as auxiliary and supporting staff and are in receipt of emoluments not exceeding Rs.4,500/-, in the revised scales of pay. Based on an agreement between the Staff side and the Official side of the JCM, adhoc productivity linked bonus for the year 1996-97 was granted to all Group 'C' and 'D' employees and non-gazetted employees in Group 'B'."

3. None appears for the applicants either in person or through their counsel nor any representation is made on their behalf. Heard the counsel for the respondents. Since the matter is of 1997, we dispose of the same on merits and on the available pleadings and on hearing the counsel for the respondents.

4. The question of payment of productivity linked bonus for the year 1995-96 for Group 'A' and 'B' officers is raised in this OA. It is seen from the pleadings that when the Scheme was introduced the Productivity Linked Bonus was paid to the employees drawing a monthly wage not exceeding Rs.600/- per month, which was, from time to time, extended to Rs.3500/- per month. Eventually the wage limit was dispensed with and all Group 'C' and 'D' and Group 'B' non-gazetted employees were given the bonus, in 1995-96. The applicants' Association represented for the payment of productivity linked bonus to all Gazetted officers and the same was considered by Respondents No.1 and 2 and it was rejected. It was decided to pay all Group 'C' and 'D' employees irrespective of their monetary ceilings for the year 1995-96. Subsequently, the matter has been referred to Fifth Central Pay Commission which examined the matter in detail. The Fifth Central Pay Commission recommended that the payment of bonus should be



restricted to those employees who are categorised as auxiliary and supporting staff and are in receipt of emoluments not exceeding Rs.4500/-, in the revised scales of pay. Subsequently, as it is stated in the reply, an agreement has been reached on the Staff side and the Official side of the JCM and the ad hoc productivity linked bonus for the year 1996-97 was granted to all Group 'C', 'D' and also to employees of Group 'B' non-gazetted. Thus it is clear that the respondents have considered the representations of the Association and has taken a considered view of the matter. The payment of productivity linked bonus is a policy decision of the Government and we cannot interfere with the decision on the policy matter of the Government.

6. The contention regarding violation of Article 14 is not sustained. We are of the view that the Group 'C' and 'D' employees are primarily responsible for increase in the productivity, a reasonable classification was made in giving the bonus to them. Subsequently, on the basis of the recommendations of the Fifth Central Pay Commission it was extended to non gazetted Group 'B' employees.

7. The OA, therefore, fails and is accordingly dismissed. No costs.

Dated: 13th July, 2000.

After the judgment was dictated, before it was transcribed and signed, learned counsel for the applicant appeared and sought permission to advance



his arguments. We allowed him to argue the matter.

Heard the learned counsel for the applicant and the respondents.

2. The learned counsel relied upon the scheme that was introduced in 1980 where a monthly wage not exceeding Rs.600/- was fixed as the eligibility for grant of the Productivity Linked Bonus (PLB) and the subsequent proceedings whereby the maximum monthly wage has been increased from time to time where the maximum limit fixed was Rs.3500/- for allowing the PLB. It is further contended that even before the Fifth Central Pay Commission the Department has taken the stand that all the employees of the Department are entitled for the above bonus irrespective of their wage and classification of the employees. Hence, it is argued that the applicants are also entitled for the PLB and there is no justification for denying the benefit to Group 'A' and 'B' employees. It is also argued that the Group 'A' and 'B' employees after all constitute 0.63% of the total employees and by granting the above benefits the Government would not lose much of its revenues.

3. The learned counsel for the respondents, however, submits that instead of maximum limit in the monthly wage the Government has now applied the grouping of the employees as the basis for granting the PLB and the same, it is stated, is a reasonable classification, as the gazetted employees are not directly responsible for the increase in the production and the Group 'C' and 'D' non-gazetted employees alone are the employees who are directly concerned with the production in the factories.



Hence, the benefit is given to them only.

4. We entirely agree with the case of the respondents. The gazetted employees cannot have any grievance for not getting the benefit of PLB as after all they are far away from the actual production units and the directly responsible persons are the Group 'C' and 'D' employees, who are low paid and needy employees, who should be given the benefit. Since the inception of the Scheme the intention of the Government was to give the benefit to the employees in the lower rung of the wage group as they are the directly concerned employees for increasing the production. Hence, a limit in the monthly wage has been fixed. Now, it is changed to gazetted employees. We do not find any fundamental change in the classification of the employees. The Fifth Central Pay Commission has also approved the said classification and recommended for the payment of the PLB only to the non-gazetted employees. We do not find any substance in the argument of the learned counsel for the applicant and the above order dated 3.7.2000 passed by us, dismissing the OA, stands.

Shanta S

(SMT. SHANTA SHAstry)
MEMBER(A)

Rajagopal Reddy

(V.RAJAGOPALA REDDY)
VICE CHAIRMAN(J)

/RAO/