

IN THE CENTRAL ADMINISTRATIVE TRIBUNAL
NEW DELHI

O.A. No. 1629/87
T.A. No.

1987

DATE OF DECISION 13.4.1988

Shri S.S. Mehra

Petitioner

Applicant in person

Advocate for the Petitioner(s)

Versus

Union of India

Respondent

Smt. Raj Kumari Chopra

Advocate for the Respondent(s)

CORAM :

The Hon'ble Mr. P.K. Kartha, Vice-Chairman (Judl.)

The Hon'ble Mr. S.P. Mukerji, Administrative Member.

1. Whether Reporters of local papers may be allowed to see the Judgement ? *yes*
2. To be referred to the Reporter or not ? *yes*
3. Whether their Lordships wish to see the fair copy of the Judgement ? *no*


(S.P. Mukerji)
Adm. Member


(P.K. Kartha)
Vice-Chairman(Judl.)

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Central Administrative Tribunal
Principal Bench, New Delhi

Regn. No. OA-1629/87

Date: 13.4.1988

Shri S.S. Mehra

.... Applicant

Versus

Union of India

.... Respondents

For the Applicant

.... In person

For the Respondents

.... Smt. Raj Kumari Chopra,
Advocate.

CORAM: Hon'ble Shri P.K. Kartha, Vice-Chairman (Judl.)
Hon'ble Shri S.P. Mukerji, Administrative Member.

(Judgement of the Bench delivered by Hon'ble
Shri P.K. Kartha, Vice-Chairman)

The applicant has filed the present application under Section 19 of the Administrative Tribunals Act, 1985 praying that (i) he may be rewarded in terms of Ministry of Finance's scheme dated 30th March, 1985 in view of Article 14 of the Constitution, to the tune of Rs.2.445 crores, and (ii) he may be rewarded suitably keeping in view the Ministry of Finance's scheme after computing the savings in Government expenditure allegedly caused by the suggestion made by him leading to the issue of the Office Memorandum dated 29th May, 1986 by the Ministry of Urban Development.

2. The application was listed for hearing on 8.4.1988 when the learned Counsel for the respondents stoutly opposed its admission. She contended that there is nothing to indicate that the suggestion made by the applicant led to the issue of the Office Memorandum dated 29th May, 1986 by the Ministry of U.B. that whatever suggestions had been made by the applicant were in the discharge of his official duties and that the scheme for giving rewards to informers and Government servants contained in the Ministry of Finance's letter dated 30th May, 1985 provided only for ex-gratia payment and

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did not confer any right on anyone, much less persons like the applicant who were not covered by the said letter.

3. In view of the contentions raised by the learned counsel for the respondents, we consider it necessary to decide on the admissibility of the application at the threshold.

4. According to the applicant, he made four suggestions out of which two have been set out in the application. The first suggestion is that the "Central Public Works Department may be allowed to submit proposals (along with work estimates for all kinds of buildings) for required number of staff as per yardstick and the staff may be sanctioned along with the sanction of the projects. This would streamline the working and reduce the work at all levels as C.P.W.D. may not have to approach Government again and again with the proposals for creation of posts as the required number of staff will be approved along with the project itself." It will be noted that there is no reference to saving of Government expenditure in the aforesaid suggestion. The second suggestion related to the plight of the casual workers employed by the CPWD whose number touched around 17,000 upto 1985. As these workers were not paid adequately like regular employees, there had been unrest among them.

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5. Though the applicant has not claimed any relief in respect of the second suggestion made by him as outlined above, the same is being dealt with in this order as the applicant has referred to the decision of the Supreme Court in Surinder Singh and Another Vs. the Engineer-in-Chief CPWD and Others which was delivered on 17th January, 1986 and the order of the Supreme Court dated 21st August, 1987 dismissing the review petition. The Supreme Court's judgement and the order on the review petition have been annexed as Annexures XIV and XV to the petition, as if to suggest that had the

Government heeded the applicant's suggestions in time, there could have been considerable saving in Government expenditure. The second suggestion does not deserve examination as the same was not pressed before us.

6. With regard to the first suggestion, it may be stated that the applicant at the relevant time, was working as Deputy Director (Admn.(ii)), Office of the Directorate General of Works, CPWD, when he was required to examine cases of creation of posts for maintenance of residential quarters and office buildings as far as CPWD was concerned, apart from other work assigned to him. He has also worked in the Directorate of Estates as Assistant Director earlier. He had also got occasion to know the working in the Directorate of Printing. While working in the CPWD, he has also dealt with labour laws and examined various demands submitted by the unions. This itself supports the contention of the learned counsel for the respondents that whatever suggestions have been made by the applicant, for what they are worth, were made by him in the discharge of his official duties.

7. There is also nothing on record to indicate that the Office Memorandum, dated 29th May, 1986 was issued by the Ministry of Urban Development pursuant to the suggestions made by the applicant. The said Office Memorandum refers to earlier Office Memoranda dated 16.4.1984, 29.9.1984 and 12.4.1985 containing various instructions received from the Ministry of Finance (Deptt. of Expenditure) on filling up of vacant posts and creation of new posts.

8. The claim of the applicant is that he should be rewarded in terms of Ministry of Finance's letter dated 30th March, 1985, set out at Annexure IV to the petition. The said letter deals with the grant of rewards to informers and Government servants in case of seizures made, ^{and} infringement

or evasion of duty detected under the provisions of the Customs Act, 1962, the Central Excise and Salt Act, 1944, the Gold Control Act, 1968 and the Foreign Exchange Regulation Act, 1973. Subsequently, the Ministry of Finance made the provisions of the said letter applicable to sanction reward to audit staff involved in special audit in Central Excise matters, by letter dated 31st October, 1986, a copy of which has been set out in Annexure IV-A to the application. The contention of the applicant is that any Government servant who contributes towards the savings of the Government (like the applicant who has put forward his suggestions in this regard) needs to be equally rewarded and that excluding some Government servants from the purview of the executive instructions on one ground or the other, although both categories of Government servants are responsible for earning Government revenue, is discriminatory and clearly violative of Article 14 of the Constitution.

9. The contention of the applicant based on the provisions of Article 14 of the Constitution is without any substance. The letter of the Ministry of Finance dated 30th March, 1985 embodies a scheme for giving rewards to informers and Government servants in case of seizures made and infringement or evasion of duty detected under the tax laws mentioned therein. It is stated in the letter that the reward is purely an ex-gratia payment, which, subject to the guidelines, may be granted on the absolute discretion of the authority competent to grant rewards and cannot be claimed by anyone as a matter of right. In determining the reward which may be granted, criteria have been laid down. These are, the specificity and accuracy of the information, the risk and trouble undertaken, the extent and nature of the help rendered by the informer, whether information gives clues

to persons involved in smuggling, or their associates, etc., the risk involved for the Government servants in working out the case, the difficulty in securing the information, the extent to which the vigilance of the staff led to the seizure, special initiative, efforts and ingenuity displayed, etc., and whether, besides the seizure of contraband goods, the owners/organisers/financers/racketeers as well as the carriers have been apprehended or not. The extension of the scheme by the subsequent letter dated 31st October, 1986 to Audit staff engaged in special audit in the premises of the Central Excise licensees is also based on the need to give ^{detection of} reward in major cases of evasion of excise duty.

10. The suggestion made by the applicant in the present case cannot be treated on a par with the services rendered to by the informers and Government servants referred in the letter of the Ministry of Finance dated 30th March, 1985.

11. The equality clause contained in Article 14 of the Constitution requires that all persons subjected to any legislation, should be treated alike under like circumstances and conditions. While that Article forbids class legislation, it does not forbid classification for purposes of implementing the right of equality guaranteed by it. In order to pass the test of permissible classification, two conditions must be fulfilled, namely, (i) that the classification must be founded on an intelligible differentia which distinguishes persons or things that are grouped together from others left out of the group, and (ii) that that differentia must have a rational relation to the object sought to be achieved by the statute in question. While the classification may be founded on different bases, what is necessary is that there must be a nexus between the basis of classification and the

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object of the Act under consideration (vide Motor General Traders and Another Vs. State of Andhra Pradesh and Others, 1984(1) S.C.C. 222 at 230). In State of Kerala Vs. N.M. Thomas(1976(2) SCC 310 at 334) the Supreme Court has observed as follows:-

"The rule of parity is the equal treatment of equals in equal circumstances. The rule of differentiation is enacting laws differentiating between different persons or things in different circumstances. The circumstances which govern one set of persons or objects may not necessarily be the same as those governing another set of persons or objects so that the question of unequal treatment does not really arise between persons governed by different conditions and different sets of circumstances. The principle of equality does not mean that every law must have universal application for all persons who are not by nature, attainment or circumstances in the same position and the varying needs of different classes of persons require special treatment. The Legislature understands and appreciates the need of its own people, that its laws are directed to problems made manifest by experience and that its discriminations are based upon adequate grounds. The rule of classification is not a natural and logical corollary of the rule of equality, but the rule of differentiation is inherent in the concept of equality. Equality means parity of treatment under parity of conditions. Equality does not connote absolute equality. A classification in order to be constitutional must rest upon distinctions that are substantial and not merely illusory. The test is whether it has a reasonable basis free from artificiality and arbitrariness embracing all and omitting none naturally falling into that category."

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12. In the light of the above, it appears to us that exclusion of Government servants like the applicant from the purview of the scheme embodied in the letter of the Ministry of Finance dated 30th March, 1985, cannot be held to be violative of Article 14 of the Constitution. The application of the scheme embodied therein to informers and Government servants administering taxation laws, to the exclusion of other Government servants, is an instance of reasonable classification. Such classification has also a nexus with

object of the scheme of giving awards.

13. In the result, we see no merit in the application and the same is dismissed in limini. There will be no order as to costs.

S.P. Mukerji

(S.P. Mukerji)
Administrative Member

13-4-88

P.K. Kartha
13/4/88

(P.K. Kartha)
Vice-Chairman(Judl.)