

CENTRAL ADMINISTRATIVE TRIBUNAL
MUMBAI BENCH: GULESTAN BUILDING
6, PRESCOT ROAD, MUMBAI - 400 001

ORIGINAL APPLICATION No.895/1993

WEDNESDAY, THIS THE 7TH DAY OF JULY, 1999

SHRI JUSTICE S. VENKATARAMAN .. VICE CHAIRMAN

SHRI S.K. GHOSAL .. MEMBER (A)

1. Shri S.S. Sawant,
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4. " A.S. Ubhe,
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6. " G.R. Deo,
7. " R.R. Kamble
8. " P.K. Bone,
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20. Shri L.R. Vakil

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37. " P. Mohandas,
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46. " B.S. Patil

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50. " S.M. Korgaonkar,
51. " T.G. Kadam,
52. Mrs. V.S. Wavdekar,
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54. Shri S.U. Rokade,
55. " S.T. Vichare,
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57. " S.S. Randive,
58. " S.S. Jadhav,
59. Smt. L.V. Pawar,
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63. " C.R. Matkar,
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67. " V.K. Sawant,
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69. " B.T. Wagh,
70. " D.M. Vartak,
71. " R.R. Batwalkar,

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89. Kum. Sheeba Bhaskaran,
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91. Shri A.G. Bhat,
92. " D.B. Sawant,
93. " S.N. Hatle,
94. Mrs. C.S. Dalvi,
95. Shri V.S. Gujar,
96. Mrs. A.A. Dighe
97. Shri S.B. Inamdar,



98. Shri A.Q. Shaikh,
99. " P.M. Walke,
100. " M.M. Shaikh,
101. " S.R. Mahadik,
102. " S.P. Shinde,
103. Mrs. C.C. Palekar,
104. " S.S. Deshmukh,
105. " S.S. Pilankar,
106. Shri N.D. Ghutukade,
107. Mrs. S.D. Chaudhari,
108. " C.P. Unnikrishnan,
109. Shri J.S. Khongvir,
110. " M.P. Barapatre,
111. " V.P. Pillai,
112. Mrs. L.B. More,
113. Shri K.V. Krishnaprasad,
114. " B.H. Thombre,
115. " S.B. Kawarti,
116. " A.S. Tatti,
117. Mrs. P.P. Khedekar,
118. Shri A.S. Bhanarkar,
119. Mrs. Gouri Butty,
120. Miss D.V. Undire,
121. " Y.K. Bavare,

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122. Shri A.R. Khan,
123. " S.R. Gosavi,
124. " K.B. Chaskar,
125. " U.S. Pagare,
126. " M.K. Pawar,
127. " K.D. Pawar,
128. M^{rs}. R. Chaudhary,
129. " V.S. Usha. .. Applicants
(All working in India Govt.
Mint, Bombay - 400 023)
(By Advocate Shri P.M. Palshikar)

Vs.

1. General Manager,
India Government Mint,
S.B.S. Marg, Fort,
Bombay - 400 023.
2. Union of India, through
Secretary, Ministry of Finance,
Department of Economic Affairs,
New Delhi - 110 001. .. Respondents
(Shri V.G. Rege & Shri V.D. Vadhavkar, for Shri
M.I. Sethna, Sr.Standing Counsel)

O R D E R

Shri S.K. Ghosal, Member (A) :

The Government of India, Ministry of Finance,
Department of Economic Affairs, introduced a group
incentive scheme for the direct workers engaged on the
coinage work of the India Government Mint (IGM for short),
Bombay, in pursuance of discussions with the representatives



Labour Union. The records of the discussions are seen at Exhibit-2 which is dated 14.11.1981 and is signed by the Deputy Secretary to Government of India, Ministry of Finance (Department of Economic Affairs) and President of the Tanksal Mazdoor Sabha, India Government Mint, Bombay, General Manager, India Government Mint, Bombay, General Secretary, Tanksal Mazdoor Sabha (TMS), Bombay, India Government Mint (IG Mint), Senior Labour Officer, I.G. Mint, Bombay and Labour Officer, I.G. Mint, Bombay. The industrial employees who were covered by Exhibit-2 were described as unclassified industrial labour directly engaged on production. Thereafter, under Exhibit-3, dated 7.4.1982, certain staff came to be classified and were declared as eligible for payment of incentive bonus equal to 50% of the rate of incentive earned by the industrial workers of the respective department with effect from 1.2.1982. These classified staff were attached to the factory and were engaged on coinage activities. They also observed the 48 hours week working like the industrial workers engaged on those activities. The staff which came to be ^{so} classified have been detailed in Exhibit-3 and are referred to as classified staff.

2. Subsequently, under Exhibit-4, dated 11.4.1984, the employees of the Canteen, employees of the Dispensary, employees of the Accounts Offices including Assay Offices,

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Labour Office and Time Office as well as the Society staff were declared as eligible for incentive bonus equal to 25% of the weighted average of the rate of incentive earnings of the direct workers of all the departments with effect from 1.4.1983. The orders at Exhibits 3 and 4 were issued on behalf or by the General Manager, I.G. Mint, Bombay, in accordance with the approval conveyed by the Government of India. The applicants in the present O.A. belong to the category of employees covered under Exhibit-4.

3. After the order at Exhibit-4 was issued, they kept on making representations claiming that they should also be considered as eligible for 50% of the incentive bonus available to workers on the lines applicable to the classified staff covered under Exhibit-3. The applicants then approached this Bench in O.A. No.293/1991. The Tribunal, in its order dated 21.5.1991, disposed of that application directing that the Respondents should pass final orders on the grievance of the applicants, taking the representations made by ²⁹~~the~~ and/or on behalf of the applicants in September, 1989 and all other connected representations, by 31.8.1991. The Tribunal also held that if the applicants continued to have any grievance after the final orders were passed in this behalf, they were at liberty to approach the Tribunal in the matter.

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4. The Respondents, thereafter, had issued circular dated 30.9.1991, sanctioning a fixed amount of Rs.200/- p.m. for the categories of employees belonging to the non-gazetted supervisory categories of the I.G. Mint. The applicants have contended here that since they did not belong to the supervisory category, the said circular dated 30.9.1991 was not made applicable in their cases, though it was applicable only to the non-gazetted supervisory staff of the I.G. Mint, Bombay. On behalf of the 2nd Respondent, i.e., the Ministry of Finance, Department of Economic Affairs, Union of India, in their letter addressed to the 1st Respondent, dated 7.11.1991⁴⁹ at Exhibit-18, the rationale of fixing only 25% of the incentive payment for certain categories of employees was once again explained and it was reiterated that the request for revision of the rate of 25% to 50% of the incentive payment had no justification. It was also pointed out therein that a fixed amount of Rs.200/- p.m. in lieu of incentive payment^{to} those whose emoluments exceeded Rs.2,500/- p.m. had been sanctioned under their letter dated 30.9.1991.

5. The applicants thereafter initiated contempt proceedings for non implementation of the earlier order of the O.A. in Contempt Petition (Civil) No.52/1991 in the Original Application No.293/1991. However, based

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on the statement made by the Respondents that they had since issued an order carrying out the directions of the Tribunal, the Tribunal rejected the Contempt Application on 3.8.1992. The present O.A. has been filed by the applicants because, according to them, the order issued by the Respondents does not meet their grievance and is otherwise invalid.

6. The main grounds⁴⁹ urged on behalf of the applicants are that the Respondents cannot legitimately classify the applicants belonging to another category for the purpose of distinguishing them from the classified categories of employees covered under Exhibit-3, dated 7.4.1982 and further that, ⁴⁹any such classification entailing ^alower percentage of incentive bonus at 25% would be violative of the provisions of Articles 14 and 16 of the Constitution resulting in hostile discrimination. It has been contended specifically on their behalf that though the Respondents have placed them in the other categories covered under Exhibit-4, dated 11.4.1984, and declared them as eligible for only 25% of the incentive bonus, the employees so covered under Exhibit-4 are freely interchangeable with the employees covered under Exhibit-3 who are eligible for 50% of the incentive bonus. They have, in particular, pointed out that when they work for some time in the Accounts Office, Assays^{Office 49}, Labour Office and Time Office, their posts are designated with

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a particular nomenclature; whereas, ^{the 49} some employees can be transferred to the categories classified under Exhibit-3 with changed designations. According to the applicants, only because of their transfer from certain offices mentioned under Exhibit-4 to the posts mentioned under Exhibit-3 or vice-versa, the Respondents cannot legally vary the percentage of incentive bonus applicable to them without violating the equality doctrine enshrined in our Constitution.

7. As regards the grievance of the applicants that though under Exhibit-4, they were getting 25% of the incentive bonus, as and when their emoluments crossed Rs.2,500/-, the incentive payment would stop and yet at the same time, they were not considered eligible for the monthly fixed amount of Rs.200/- on the ground that they did not belong to the supervisory categories, ~~at~~ the stage of arguments, the learned counsel for the Respondents clarified that those who were getting the bonus at the rate of 25% would be eligible for the fixed monthly amount of Rs.200/- on their crossing the level of total emoluments of Rs.2,500/- p.m., even if they ~~do~~ not belong to the supervisory categories. We make a specific note of that submission made on behalf of the Respondents and do not ~~xxx~~ wish to proceed to examine that grievance any further.

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8. Regarding the main challenge made by the applicants to the differential scheme of payment of incentive bonus between the classified employees under Exhibit-3 and the employees like the applicants under Exhibit-4, we observe that as explained in great detail in the concerned orders at Exhibits-2,3 and 4, to which we have already made references, the scheme of incentive bonus is designed to provide incentive for increasing productivity and providing additional income essentially to the industrial workers engaged on coinage activities, i.e., first, the direct labour engaged in the production of coins and then under Exhibit-3, certain classified categories of employees who were connected to that direct labour and were attached to the factory. The other distinguishing features of these employees classified under Exhibit-3 are that they also observe 48 hours week working like industrial workers. It was based on such ⁴⁹ ~~considerations~~ ~~instructions~~ that they have been declared as eligible for incentive bonus equal to 50% of the rate of incentive earned by the industrial workers themselves. The applicants have not placed any material before us to indicate that they are also attached to the factory and that they are engaged ⁴⁹ on coinage activities and further that they also observe the 48 hour week working like the industrial workers while performing their duties in the offices and posts identified under Exhibit-4 for whom only 25% of the

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incentive bonus has been made applicable.

9. In our considered opinion, the basic issue involved here is whether the Respondents can draw a distinction between employees identified under Exhibit-3 and those like the applicants identified under Exhibit-4 in the specific context of the implementation of the incentive bonus scheme which, as explained in Exhibit-2, is based on certain volumes of production in the respective departments connected with coinage activities. It is evident that the Respondents have purposefully drawn a distinction between direct labour for coinage activities on the one hand and the employees who provide certain identified services auxiliary for production on the factory premises, but directly connected with coinage activities, on the other. Those like the applicants, who work in offices which may have at the most an indirect supportive role for the coinage activities, belong to third category. We do not find anything arbitrary or irrational in the above scheme of classification. In fact, any incentive bonus scheme, which is based primarily on certain targets of production mutually accepted by the Management and the Labour, normally recognises the distinction between the workers who are directly involved in achieving the agreed targets of production and those who either supervise their work or provide auxiliary services. It has been reiterated in this context on behalf of the Respondents that they extended the benefit of a part
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of the incentive bonus to the categories of employees like the applicants identified under Exhibit-4 as a measure of welfare, even though it was not strictly necessary to do so.

10. The arguments advanced on behalf of the applicants that ⁴⁹~~just~~ because the employees concerned are freely transferable from the posts in the organisations identified under Exhibit-4 to certain posts included under Exhibit-3 and therefore no distinction can be legitimately drawn between these two categories, does not appear convincing to us. It is not the individuals, ^{ie, 49} employees qua individuals, who come to man⁴⁵ certain posts, identified under Exhibit-3, that ⁴⁹~~are~~ relevant in this situation. It is not denied by the applicants that when they are so transferred from the posts, that ~~they~~ hold in the offices identified under Exhibit-4, to the posts, included under Exhibit-3, not only their designations changed⁴⁹, but they also work at posts which are connected directly with the coinage activities under-taken by the industrial workers ~~perse~~. It is, therefore, difficult for us to accept the arguments that on account of such transfers, there is no change in the duties and functions discharged by them. We do not think it is at all possible to hold that view.

11. For the reasons discussed in detail above, we

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do not find that the applicants are eligible for the reliefs sought by them. In the event, the O.A. fails and the same is dismissed. No costs.



(S.K. GHOSAL)
MEMBER(A)



(S. VENKATARAMAN)
VICE CHAIRMAN

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