

W.A.(MD)No.614 of 2025

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BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

Dated : 19.03.2025

CORAM:

**THE HONOURABLE MRS.JUSTICE J. NISHA BANU
and
THE HONOURABLE MRS.JUSTICE S.SRIMATHY**

**W.A(MD)No.614 of 2025 &
C.M.P.(MD)No.4546 of 2025**

1.The State of Tamil Nadu,
Rep. by its Principal Secretary to Government,
Environment, Climate Change and Forests
(FR.8) Department,
Fort St. George, Chennai – 600 009.

2.The Managing Director,
Arasu Rubber Corporation Limited,
Vadaseri, Nagercoil,
Kanyakumari District – 629 001.

... Appellants

Vs.

G.S.T.Joodhith Prince

... Respondent

Prayer: Writ Appeal filed under Clause 15 of the Letter Patent against the order of this Court in W.P.(MD)No.18048 of 2021, dated 03.09.2024.

For Appellants :Mr.Veerakathiravan
Additional Advocate General
Assisted by Mr.P.Thilak Kumar,
Government Pleader

For Respondent :Mr.T.Cibichakraborty



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For Mr.Prithviraj

JUDGMENT

(Judgment of the Court was delivered by **S.SRIMATHY, J.**)

The present writ appeal is filed by the respondents in the writ petition against the order dated 03.09.2024 passed in W.P.(MD)No.18048 of 2021.

2. The writ petition is filed for Writ of Certiorarified Mandamus to quash the order dated 20.04.2021 and consequently direct the appellants to revise the scale of pay for the post of Junior Draughting Officer from Rs.5200-20200 + 2800 to Rs.9300-34800+4200 with effect from the date of initial appointment dated 01.12.2010 along with monetary benefits by extending the benefits under G.O.Ms.No.329, Finance (Pay cell) Department, dated 26.08.2010 and G.O.Ms.No.268, Finance (Pay cell) Department, date 22.07.2013 and disburse the monetary benefits within a time frame.

3. The brief facts are that the petitioner is employed as Junior Draughting Officer in Arasu Rubber Corporation Limited. The grievance of the petitioner is that his scale of pay has not been fixed on par with the Government



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Servants, hence he submitted a representation, but the same was dismissed vide the order impugned in the writ petition dated 20.04.2021. Challenging the same, the writ petition was filed. The writ petitioner has relied on W.A.Nos.484 of 2014 and 2183 of 2021, dated 23.12.2021 in the case of Government of Tamil Nadu represented by its Secretary to Government vs. S.Karunanithi and M/s.Arasu Rubber Corporation Limited, wherein, the co-ordinate Bench has allowed the same by invoking Rule 34 of the Service Rules of the Arasu Rubber Corporation Limited.

4. In the counter affidavit, the second respondent Arasu Rubber Corporation has stated that the One-Man Commission recommendation was implemented regarding other posts but for the post of Junior Draughting Officer the Corporation recommended for fixing the scale pay of Rs.9300-34800+4200, but the government had rejected the said recommendation. The Government is the ultimate authority to sanction the revised pay scale and when the same was rejected the Corporation cannot grant any revised pay scale. The government had rejected the recommendation since there will be additional financial burden on the State. After considering the rival submissions, the writ court has accepted the contention of the writ petitioner and allowed the writ petition and the impugned



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order was quashed and the matter was remanded for fresh consideration on merits in accordance to the Division Bench order dated 23.12.2021. Aggrieved over the same, the present writ appeal is filed.

5. The contention of the writ appellants is that the employees in Corporations cannot be compared with the Government Servants and the employees in Public Sector Units are not civil servants and had relied on *Pyare Lal Sharma vs. Managing director reported in AIR 1989 SC 1854* and *A.K.Bindal and another vs. Union of India and others dated 25.04.2003*. It is settled proposition that the employees of Public Sector Undertaking, employees of Board Service, employees of Municipality, Corporation or Local Body cannot be stated as Government employees. And such employees cannot be considered on par with the Government servants. In the present case, Arasu Rubber Corporation is a Limited Company and it has its own Rules and Regulations and the salary would be fixed based on the income of the Company as well. Therefore, the Company has right to fix scale of pay, of course, with concurrence of the Government. If the government rejected the recommendation, then the revised pay cannot be sanctioned, since ultimately the Government is the authority to revise the pay scale.



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6. The contention of the writ petitioner is that the issue is already considered in W.A.Nos.484 of 2014 and 2183 of 2021, dated 23.12.2021 in the case of Government of Tamil Nadu represented by its Secretary to Government vs. S.Karunanithi and M/s.Arasu Rubber Corporation Limited. But the contention fo the appellants are that the said Judgment referred by the writ petitioner was rendered on a different facts and circumstances of the case. In the said case, the employee was serving at Arasu Rubber Corporation Limited and he has compared another person who was also working in the Arasu Rubber Corporation Limited. Therefore, the Court had held equal pay to equal work. But in the present case, the petitioner is comparing with other Corporations like TAF CORN, TANTEA and PWD. Therefore, the said case law is not applicable to the petitioner's case. This Court is of the considered opinion each corporation is independent with each other and has different legal entity. The salary would be fixed based on the income from the respective corporation. Further it is the specific case of the appellants that the Junior Draughting Officer is a direct recruitment post in some institutions and in other institutions it is promotion post, therefore this Court is of the considered opinion that the government is empowered to fix the scale of pay by taking various factors into consideration.



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7. The next contention of the writ petitioner is that the Corporation Rules itself states that the corporation employees are entitled to pay at the rates applicable to State Government employees and relied on Rule 34 of the Arasu Rubber Service Rules and the same is extracted hereunder:

“34. Pay and Allowances:- Pay and allowances, such as Dearness Allowance, House Rent Allowance, Rural Incentive Allowance, Project Allowance etc., will be paid to the Corporation employees at the rates applicable to State Government employees, from time to time.”

This Court is of the considered opinion that the Rule 34 is a general rule, but the final approval is with the government. As held supra the government had to take several factors into consideration including the nature of post and the financial implication. Therefore, this Court is rejecting the claim of the writ petitioner.

8. At this juncture, the learned counsel appearing of the writ petitioner submitted, Arasu Rubber Corporation Limited has given its concurrence to fix pay scale on par with Government employees and relied on the letter dated 05.06.2015, wherein it is stated that the monthly financial implication would be

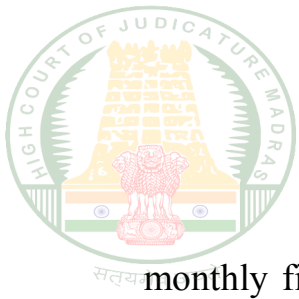


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less and the corporation can bear the same. After considering the recommendation of Arasu Rubber Corporation Limited, the Government has rejected the same for the sole reason, if the same is considered, other employees working in TAFCON, TANTEA and PWD would also seek the same relief. For which the learned Additional Advocate General had relied on the comparative statement of hierarchy and pay scales of Draughting Officers and the same is extracted here:

Category	TAFCON	TANTEA	PWD	ARC
<u>Scale of Pay as per the 6th Pay</u>	Rs.	Rs.	Rs.	Rs.
<u>Commission</u>	9300-34800+420	5200-20200+280	9300-34800+420	5200-20200+2800
Junior Draughting Officer	0	0	0	
Draughting Officer	9300-34800+460	9300-34800+440	9300-34800	9300-34800 +4440
	0	0	+4400	
Senior Draughting Officer	9300-34800+510	9300-34800+470	9300-34800	Deputation from
	0	0	+5100	Forest Department
<u>Scale of Pay as per the 7th Pay</u>	Rs.35400-112400	5200-20200+280	35400-112400	20600-65500
<u>Commission</u>		0		
Junior Draughting Officer				
Draughting Officer	Rs.36400-115700	9300-34800+440	35900-113500	35900-113500
		0		
Senior Draughting Officer	37700-119500	9300-34800+470	37700-119500	Deputation from
		0		Forest Department

9. Therefore, even though Arasu Rubber Corporation Limited stated that



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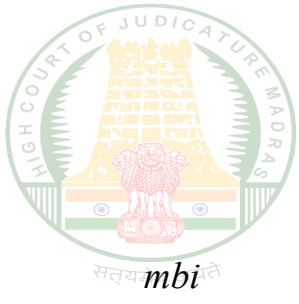
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monthly financial implication would be less, it is only report of the corporation alone. But the Government is taking into consideration, the other claims that would be put forth by TAFCORN, TANTEA and PWD. Therefore, the Government is the appropriate authority either to accept or reject the proposal of Arasu Rubber Corporation Limited. The Government has rejected the request by taking into consideration the financial implication of the Government. Therefore, such policy decision cannot be interfered. The writ Court has not considered the financial implications of the Government. If such claims are entertained, other similarly placed person in other Corporation and Board would also claim the same. Therefore, the order passed in the writ petition is liable to be set aside and accordingly set aside.

10. For the reasons stated supra the writ appeal is allowed. No costs. Consequently, the connected Miscellaneous Petition is closed.

[J.N.B., J.] [S.S.Y., J.]
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Index : Yes / No



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