



- 5) CWP-20151-2021
Parveen Kumar and othersPetitioners
Versus
Punjab State Grains Procurement Corporation
Ltd and others ...Respondents
- 6) CWP-21865-2020
Jivtesh Singh Rawat and anotherPetitioners
Versus
Punjab State Grains Procurement Corporation
Ltd and others ...Respondents
- 7) CWP-13245-2021
Vijay Kumar and othersPetitioners
Versus
Punjab State Grains Procurement Corporation
Ltd and others ...Respondents
- 8) CWP-13931-2021
Kashmiri Lal and othersPetitioners
Versus
Punjab State Grains Procurement Corporation
Ltd and others ...Respondents
- 9) CWP-22096-2023
Arvind Kumar and anotherPetitioners
Versus
Punjab State Grains Procurement Corporation
Ltd and others ...Respondents



10)

CWP-34447-2024

Gaganpreet Singh and others

....Petitioners

Versus

Punjab State Grains Procurement Corporation
Ltd and others

...Respondents

CORAM: HON'BLE MR. JUSTICE HARPREET SINGH BRAR

Present: Mr. D.S. Patwalia, Senior Advocate with
Ms. Rishu Bajaj, Advocate
for the petitioners (in CWP-34447-2024).

Mr. Mayank Mathur, Advocate
for the petitioner(s) (in CWP-20010-2020,
CWP-973-2021, CWP-21865-2020,
CWP-13931-2021 and CWP-22096-2023).

Mr. Vikas Chatrath, Advocate,
Mr. Jatinder Pal Singh, Advocate,
Mr. Nitish Kumar, Advocate and
Ms. Priya Kaushik, Advocate
for the petitioners (in CWP-20151-2021).

Mr. Sumit Sinha, Advocate
for the petitioners (in CWP-13245-2021 &
CWP-21321-2020).

Mr. Sanjay Majithia, Senior Advocate with
Ms. Sanchita Jain, Advocate and
Mr. Sumit Jain, Advocate
for the respondents (in all cases).

HARPREET SINGH BRAR, J. (ORAL)

1. This common order shall dispose of the aforementioned civil writ petitions as they arise from a similar factual matrix. However, for the sake of brevity, the facts are taken from CWP-17191-2020.

2. The present civil writ petition(s) has been filed under Articles 226/227 of the Constitution of India for issuance of a writ in the nature of *mandamus* directing the respondents to grant regular pay scales of Rs.10,300–34,800+Rs.4,400 (Grade Pay), all allowances and other consequential service



benefits to the petitioners, in terms of their respective Regular Appointment Order(s) dated 29.12.2016 & 03.01.2017 (Annexures P-11 to P-11/Z) w.e.f. 29.12.2019 and 03.01.2020.

CONTENTIONS

3. Learned Senior counsel for the petitioners *inter alia* contends that the primary grievance of the petitioners as raised in the instant writ petition(s) is that they have not been granted the regular pay scales in spite of their regularisation as indicated by appointment letters (Annexures P-11 to P-11/Z). The respondent-Corporation, in contravention of the terms of the regular appointment letters, has deferred the payment of the regular pay scales. Further, vide impugned order dated 13.08.2020 (Annexure P-16), the respondent-Corporation has taken an altogether different stand and ordered that the petitioner shall be paid a salary in accordance with the D.C. rates with effect from 01.04.2018. The respondent-Corporation has changed the terms and conditions of the appointment order. Learned Senior counsel submits that the petitioners were appointed pursuant to the advertisement issued during the year 2009 to 2011 (Annexures P-4 to P-4/D). The recruitment process was initiated by the respondent-Corporation in pursuance to the said advertisements and the petitioners were selected on the basis of interviews conducted in pursuance thereof. A merit list was prepared post-interview and appointment letters (Annexure P-5 to P-5/Z) were awarded to the petitioners to the post of Financial Assistants on contract basis. Subsequently, in its meeting dated 25.11.2011, the Board of Directors of the respondent-Corporation took a policy decision to regularise the service of the employees who were appointed on contractual posts. The same issue was discussed in detail by the Board of Directors in its meeting held on 28.07.2016 and a decision was taken to



regularise all the employees including Suresh Kumar, General Manager (Finance) and Sushil Kumar, Financial Analyst. However, during the pendency of the aforementioned writ petition(s), the respondent-Corporation passed two orders dated 22.10.2020(Annexure P-31 in CWP-20151-2021) and 16.02.2021 (Annexure P-33 in CWP-20151-2021), withdrawing the order of regularisation dated 29.12.2016 (Annexure P-11 to P-11/Z).

4. Learned Senior counsel further submits that the petitioners were gainfully employed in various reputed organisations when they applied against the posts advertised by the respondent-Corporation, which they resigned from their appointment. From the experience certificates of the petitioners the relevant period are available on record as Annexures P-19 to P-19/N. The petitioners are well qualified in the field of accounts and finance, possessing degrees of B.Com, M.Com, MBA and CA. The petitioners joined the respondent-Corporation under a *bona fide* belief that these are regular appointments and they will be entitled to all the benefits that come along with it, including regular pay scales. They have also completed the probation period of three years to the satisfaction of the respondent-Corporation and therefore, in terms of the policy decision taken on 28.07.2016, the services of the petitioners were regularised. The act and conduct of the petitioners during their employment with the respondent-Corporation has remained satisfactory and they have discharged their duties effectively and efficiently since their initial appointment.

5. He further submits that the regularisation policy of the Government of Punjab was adopted by the Board of Directors in its meeting firstly held on 25.11.2011 vide agenda No.07 and, thereafter, on 28.07.2016. The petitioners are entitled to regular pay scales firstly, in terms of the policy



decision taken on 25.11.2011 and, thereafter, on fulfilment of the eligibility criteria for regularisation as adopted by the Board of Directors of the respondent-Corporation in its meeting held on 28.07.2016. The appointment letters were offered to the petitioners by the Managing Director after the approval of the Board of Directors, whereas, the impugned orders have been issued by the Managing Director without seeking its approval. Further, the Class-I officers namely Suresh Kumar, General Manager (Finance) and Sushil Kumar, Financial Analyst, who were initially appointed on 30.04.2008 were regularised on 23.12.2011, as discernible from Annexures P-7 and P-8, respectively, in terms of the resolution passed by the meeting of the Board of Directors held on 25.11.2011. Surprisingly, their regularisation has not been recalled and they have continued to serve as regular employees of the respondent-Corporation, whereas a different yardstick has been applied in the case of the petitioners only for the reason that petitioners have approached this Court, challenging the order passed by the respondent-Corporation. Lastly, the respondent-Corporation has consistently taken a stand that it is an autonomous and independent body, with its own source of income, and therefore, is solely responsible for its failure to regularise the petitioners.

6. On the other hand, learned counsel representing the respondent-Corporation submits that the case of regularisation was re-examined on directions issued by this Court, vide order dated 10.12.2020 passed in CWP No.21206 of 2020. It was concluded that in the absence of the financial approval by the State Government for sanctioning of the posts, the petitioners cannot be granted the benefit of regularisation. Further, Suresh Kumar and Sushil Kumar were appointed after initiating the process of creation of sanctioned posts after de-regularisation of two cadre posts in the Food and



Supply Department. In fact, the retiral dues of Sushil Kumar have been withheld. However, learned counsel for the respondent-Corporation could not controvert the fact that the aforementioned, Suresh Kumar and Sushil Kumar were regularised without obtaining any financial approval from the State Government and the sanction for their regularisation has not been granted till date.

7. Further, learned counsel for the respondent submits that the Punjab Ad-hoc, Contractual, Daily Wage, Temporary, Work Charged and Outsourced Employees' Welfare Act, 2016 (hereinafter 'the Act'), was opined to be contrary to the law by the learned Advocate General, Punjab vide letter No.2117 dated 03.03.2017. Subsequently, as indicated by order dated 16.08.2018 in CWP-4187-2017, the Government of Punjab decided to withdraw the Act. He also submits that Punjab (Group B&C Employees Welfare) Bill, 2016 as well as Punjab (Group D Employees Welfare) Bill, 2016 were also withdrawn. Further, an opinion was sought qua regularisation of employees of the respondent-Corporation pursuant to which, the learned Advocate General, Punjab (Annexure R-5) remarked that their regularisation was contrary to the law and that the rights of the petitioner(s) stand explained with the adoption of the policy in the year 2011 as well as the subsequent adoption of the regularisation policy of the Board of Directors in its meeting held on 25.11.2011 and 28.07.2016.

OBSERVATIONS AND ANALYSIS

8. Having heard learned counsel for the parties and after perusing the record, it transpires that admittedly, the petitioners fulfil all the conditions prescribed for regularisation under the Act. The scope of work, for the posts to which the petitioners were appointed, is permanent in nature and they have also



been in service for a considerably long period of time. Recently, a two-Judge bench of the Hon'ble Supreme Court in ***Jaggo vs. Union of India and others*** **2024 SCC OnLine SC 3826**, discouraged the practice of that engaging temporary employees for an indefinite period, especially when they have a vital role in the operations of the employer-organisation. It was further held that an employee, whose work and conduct is satisfactory, has a right to be considered for regularisation. Speaking through Justice Vikram Nath, the following was observed:

*“20. It is well established that the decision in Uma Devi (supra) does not intend to penalize employees who have rendered long years of service fulfilling ongoing and necessary functions of the State or its instrumentalities. The said judgment sought to prevent backdoor entries and illegal appointments that circumvent constitutional requirements. However, **where appointments were not illegal but possibly “irregular,” and where employees had served continuously against the backdrop of sanctioned functions for a considerable period, the need for a fair and humane resolution becomes paramount. Prolonged, continuous, and unblemished service performing tasks inherently required on a regular basis can, over the time, transform what was initially ad-hoc or temporary into a scenario demanding fair regularization.** In a recent judgment of this Court in Vinod Kumar v. Union of India [(2024) 1 SCR 1230], it was held that held that procedural formalities cannot be used to deny regularization of service to an employee whose appointment was termed “temporary” but has performed the same duties as performed by the regular employee over a considerable period in the capacity of the regular employee. The relevant paras of this judgment have been reproduced below:*

“6. The application of the judgment in Uma Devi (supra) by the High Court does not fit squarely with the facts at hand, given the specific circumstances under which the appellants were employed and have continued their service. The reliance on procedural formalities at the outset cannot be used to perpetually deny substantive rights that have accrued over a considerable period through continuous service. Their promotion was based on a specific notification for vacancies and a subsequent circular, followed by a selection process involving written tests and interviews, which distinguishes their case from the appointments through back door entry as discussed in the case of Uma Devi (supra).



7. *The judgment in the case Uma Devi (supra) also distinguished between “irregular” and “illegal” appointments underscoring the importance of considering certain appointments even if were not made strictly in accordance with the prescribed Rules and Procedure, cannot be said to have been made illegally if they had followed the procedures of regular appointments such as conduct of written examinations or interviews as in the present case...*”

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xxx

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22. *The pervasive misuse of temporary employment contracts, as exemplified in this case, reflects a broader systemic issue that adversely affects workers' rights and job security. In the private sector, the rise of the gig economy has led to an increase in precarious employment arrangements, often characterized by lack of benefits, job security, and fair treatment. Such practices have been criticized for exploiting workers and undermining labour standards. **Government institutions, entrusted with upholding the principles of fairness and justice, bear an even greater responsibility to avoid such exploitative employment practices. When public sector entities engage in misuse of temporary contracts, it not only mirrors the detrimental trends observed in the gig economy but also sets a concerning precedent that can erode public trust in governmental operations.***

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25. *It is a disconcerting reality that temporary employees, particularly in government institutions, often face multifaceted forms of exploitation. While the foundational purpose of temporary contracts may have been to address short-term or seasonal needs, they have increasingly become a mechanism to evade long-term obligations owed to employees. These practices manifest in several ways:*

- ***Misuse of “Temporary” Labels:*** *Employees engaged for work that is essential, recurring, and integral to the functioning of an institution are often labelled as “temporary” or “contractual,” even when their roles mirror those of regular employees. Such misclassification deprives workers of the dignity, security, and benefits that regular employees are entitled to, despite performing identical tasks.*
- ***Arbitrary Termination:*** *Temporary employees are frequently dismissed without cause or notice, as seen in the present case. This practice undermines the principles of natural justice and subjects workers to a state of constant insecurity, regardless of the quality or duration of their service.*
- ***Lack of Career Progression:*** *Temporary employees often find themselves excluded from opportunities for skill development,*



promotions, or incremental pay raises. They remain stagnant in their roles, creating a systemic disparity between them and their regular counterparts, despite their contributions being equally significant.

• **Using Outsourcing as a Shield:** *Institutions increasingly resort to outsourcing roles performed by temporary employees, effectively replacing one set of exploited workers with another. This practice not only perpetuates exploitation but also demonstrates a deliberate effort to bypass the obligation to offer regular employment.*

• **Denial of Basic Rights and Benefits:** *Temporary employees are often denied fundamental benefits such as pension, provident fund, health insurance, and paid leave, even when their tenure spans decades. This lack of social security subjects them and their families to undue hardship, especially in cases of illness, retirement, or unforeseen circumstances.” (emphasis added)*

9. As a matter of fact, the petitioners have been appointed pursuant to a transparent recruitment process that was initiated by respondent-Corporation by advertising for the said posts. The petitioners resigned from their respective jobs in other government undertakings and joined the respondent-Corporation with an earnest hope that they will be receive remunerations in terms of the regular pay scale, as was advertised. Further, the respondent-Corporation is an autonomous body corporate, which has adopted the policy of 2011 issued by the State Government by passing a resolution in a meeting of the Board of Directors held on 25.11.2011, wherein it was decided that an employee who has served the respondent-Corporation for three years shall be entitled to regularisation. As such, they cannot be allowed to approbate and reprobate at the same time by denying the benefits of regularisation to the petitioners, accrued to them vide resolutions taken in meetings of the Board of Directors dated 25.07.2011 and 28.07.2016, respectively.

10. Further, admittedly, some similarly situated employees were in fact regularised, as discernible from agenda No.7 of the minutes of meeting of



the Board of Directors dated 25.11.2011 (Annexure P-14 in CWP-20151-2021)

which is reproduced as under:

<p>7. To Discuss and Decide to Recommend The Case For Regularisation of the Service of Contract Employees in PUNGRAIN.</p>	xxx	xxx	xxx
	<p><i>Out of the above contract employees following have complete the three years of service and are recruited through proper process on the basis of qualification and experience.</i></p>		
	Sr. No.	Name of Contract Employees	Designation
	1.	Survesh Kumar	G.M. (Finance)
	2.	Sushil Kumar	Financial Analyst
<p><i>PUNGRAIN is an independent corporation and has its own source of income/receipts. For this proposal of direct recruitment on permanent basis financial no help would be required/taken from the Govt. of Punjab.</i></p>			
xxx	xxx	xxx	
<p><i>RESOLVED THAT the approval of the Board of Directors be and is hereby given for submitting the case along with recommendation regarding regularizing of the services of all employees who have completed 3 years of service to the Department of Food & i.e. the Administrative Department for its further submission to the Financial Department (Punjab). Civil Supplies(Punjab).</i></p>			
<p><i>RESOLVED FURTHER THAT the approval is also given for recommending the cases of all employees who would be completing three years of service from time to time.</i></p>			

Such discriminatory treatment meted out by an employer with regard to the regularisation of employees has been dealt with *in extenso* by a Division Bench of this Court in ***State of Punjab and others vs. Balbir Singh***



and others in **LPA No.706 of 2020** decided on 29.03.2022, wherein, speaking through Justice G.S. Sandhawalia, the following was held:

“12. The Finance Department in its usual stand put a spoke in the wheel on 24.12.2014 (Annexure P-9) on the ground that it was unable to accept the proposal of administrative staff. Reliance as such in the defence by the State in its written statement has been placed upon the instructions dated 17.11.2011 (Annexure P-10). It has been contended that Clause 5 of the said policy as such provided that only those departments could propose for regularization which are in a position to bear the financial burden after regularization of the services of their employees and would be granted permission as such and the Government shall not extend any direct or indirect financial support to these departments. Thus, the stand was that instructions dated 06.11.2011 (Annexure P-5) which the Hon'ble Chief Minister had approved were superseded in view of the instructions dated 17.11.2011 (Annexure P-10). Thus, the stand was taken that the Department of Finance had not given the approval correctly.

13. Mr. Tinna has thus relied upon the said defence that the Society was not in a position to bear the financial burden, therefore, the Finance Department had rightly rejected the case.

14. The said argument as such needs to be rejected outrightly. Firstly the instructions dated 17.11.2011 pertained also to Cooperative Organization and other Societies under various departments, which would be clear from the subject index of the said instructions, which reads as under:-

“Subject: To regularize the services of Daily wages/ work charge and contractual working in Board/ Corporations/ commissions/ cooperative organizations/ other societies under various department.”

15. Secondly Clause 5 which has been strongly relied upon reads as under:-

“5. Concerned Board of Directors/Competent Authority will recommend to regularize the services of contractual employees and daily wages/work charge working in various Board/Corporations/commissions under their departments, keeping in view of their financial conditions. So those departments will recommend regularize services of these employees, who are in a position to bear the financial burden after regularization of services of their employees. No direct or indirect financial burden will be given by the Government for the said purpose.”

*15. A perusal of the said clause would go on to show that **the denial could not have been to one set of persons in the same department, who are similarly situated and once the benefit had been extended to teaching staff.** It is pertinent to notice that in the proposal (Annexure P-6) it had been noticed that **only 66 non-***



teaching administrative employees would be involved, whereas as per the earlier meeting of the Hon'ble Chief Minister dated 06.11.2011 (Annexure P-5), which had been reproduced above goes on to show that total of 6452 Computer Teachers as such were involved whose services were to be regularized. Thus, the fall back on Clause 5 as such is totally on untenable grounds in comparison to the ratio as such of the teaching staff, who had been regularized whereas the non teaching staff have been given a short shrift. **The decision of the Government as such is apparently arbitrary and discriminatory on the face of it and not sustainable, in view of Article 14 of the Constitution of India.**” (emphasis added)

11. Further still, the orders dated 22.10.2020(Annexure P-31 in CWP-20151-2021) and 16.02.2021 (Annexure P-33 in CWP-20151-2021), whereby the benefit of regularisation were withdrawn from the petitioners, were passed by the Managing Director, without the approval of the Board of Directors, which make them unsustainable in the eyes of law. Moreover, a perusal of the said orders 22.10.2020(Annexure P-31 in CWP-20151-2021) and 16.02.2021 (Annexure P-33 in CWP-20151-2021) does not indicate that the regularisation was withdrawn for the reason of non-availability of the sanctioned posts or for the lack of financial approval from the State Government. The respondent-Corporation cannot be allowed to present new reasons to justify its decisions, as has been attempted in the written statements, subsequent to passing of the said orders. Reliance in this regard can be placed on the judgment rendered by a Constitution Bench of the Hon'ble Supreme Court in ***Mohinder Singh Gill and another vs. The Chief Election Commissioner, New Delhi and others, (1978) 1 SCC 405***, wherein speaking through Justice Krishna Iyer, the following was opined:

8. **The second equally relevant matter is that when a statutory functionary makes an order based on certain grounds, its validity must be judged by the reasons so mentioned and cannot be supplemented by fresh reasons in the shape of affidavit or otherwise. Otherwise, an order bad in the beginning may, by the**



time it comes to court on account of a challenge, get validated by additional grounds later brought out. We may here draw attention to the observations of Bose J. In *Gordhandas Bhanji* case :

"Public orders publicly made, in exercise of a statutory authority cannot be construed in the light of explanations subsequently given by the officer making the order of what he meant, or of what was in his mind, or what he intended to do. Public orders made by public authorities are meant to have public effect and are intended to affect the acting and conduct of those to whom they are addressed and must be construed objectively with reference to the language used in the order itself".

Orders are not like old wine becoming better as they grow older."

12. It is a trite law that once a benefit has been granted by a competent authority, the same cannot be withdrawn by reviewing the matter subsequently by its successor-in-office. A reference in this regard can be made to the judgment rendered by a Division Bench of this Court in ***The General Manager, Northern Railway, Baroda House, New Delhi, and another vs. Madan Lal Chopra, Luggage Guard, Northern Railway and others*** and a Co-ordinate Bench of this Court in ***Amit Kumar Chakraborty vs. Haryana Power Generation Corporation Ltd. and others*** CWP No.2262 of 2018 decided on 01.02.2024. It would also be profitable to refer to the judgment rendered by the Privy Council in ***R.T. Rangachari vs. Secretary of State AIR 1937 PC 27*** wherein it was observed that that when a duly competent government officials has honestly arrived at one conclusion, their successor in office, after the decision has been acted upon and is in effective operation, cannot purport to reconsider the matter in order to arrive at totally different decision. Further, the successor-in-office can only review a duly passed order conferring certain service benefits if the same was passed without jurisdiction or in violation of Rules or, if the said order is vitiated by fraud etc. Such exercise must not be indulged in a casual, whimsical manner, merely motivated by prejudice.



13. In view of the discussion above, it is clear that the petitioners are not appointed by means of any back door entry. Accordingly, all the above mentioned writ petitions are allowed in the following terms:

- i. The petitioners are entitled to regularisation in terms of the order dated 29.12.2016 (Annexure P-21) of regularisation passed by the Board of Directors.
- ii. If any petitioners have already retired, his/her pensionary benefits will also be fixed/revised apart from arrears from the date of filing petition before this Court.
- iii. The petitioners shall be entitled to arrears from the date of filing petition before this Court. The arrears shall not carry interest.

Further, the respondent-Corporation are directed to do the needful within a period of four months from the receipt of a certified copy of this order.

14. A photo copy of this order be placed on the file of connected cases.

(HARPREET SINGH BRAR)
JUDGE

12.08.2025

Neha

Whether speaking/reasoned : Yes/No
Whether reportable : Yes/No