



**101 IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH**

**CWP No.4166-1999(O&M)
Date of Decision: 13.05.2025**

S.C.Jain and others

....Petitioners

vs.

State of Haryana and others

....Respondents

CORAM: HON'BLE MR. JUSTICE JAGMOHAN BANSAL

Present: Mr. Ankur Goyat, Advocate
for Mr. Ramesh Goyat, Advocate
for the petitioners
Mr. Raman Sharma, Addl. A.G., Haryana
Mr. Padam Kant Dwivedi, Advocate
for respondents No. 3 and 4

JAGMOHAN BANSAL, J. (ORAL)

1. The petitioner through instant petition under Articles 226/227 of the Constitution of India is seeking setting aside of order dated 27.08.1993 to the extent pay scale is revised with effect from 01.08.1993 instead of with effect from 01.05.1989.

2. The petitioners are retired employees of Haryana Agro Industries Corporation. They were working as Assistant Engineers during 1979-1993. In 1979, State Government revised pay scale of its Assistant Engineers. Further revision took place in 1989. The State Government on the request of employees, constituted a Committee to ascertain pay anomaly. It was found that there is pay anomaly in the salary of Assistant Engineers. Accordingly, State Government removed anomaly and consequentially revised pay scale of Assistant Engineers from 01.05.1989. The petitioners claim that they were always treated at par with State Government



employees. In 1979, pay scale of Assistant Engineers of State Government was revised and similar revision took place in the case of petitioners. In 1989, the State Government revised pay scale of Assistant Engineers. The same exercise was carried out by respondent. In 1993, anomaly in the pay was removed by State Government and removal took place with retrospective effect i.e. 1.5.1989. The respondent also removed anomaly in the pay scale, however, it was removed with effect from 01.08.1993. As per judgment of Supreme Court in **Haryana State Minor Irrigation Tubewells Corporation and others vs. Chakrarti Garg, 2008(7) SCC 375**, the respondent was duty bound to remove pay anomaly from 01.05.1989 instead of 01.08.1993.

3. Mr. P.K.Dwivedi, Advocate submits that it is factually incorrect that respondent revised pay scale of petitioners in 1979 and 1989 at par with State Government employees. The respondent being an independent and autonomous body adopted its own pay scales. The pay scales of State Government were considered as model pay scales and few employees were getting salary at par with State Government employees, however, many employees were not getting same pay scale. During 1979-1993, the pay scale of employees of respondent were different from pay scale of State Government. The respondent is not bound to mechanically adopt pay scales of State Government. The respondent has to consider its financial constraints.

4. I have heard learned counsel for the parties and perused the record with their able assistance.



5. The petitioner is claiming that respondent-Corporation has always adopted pay scale of State Government, thus, revision of scale with retrospective effect by State should be adopted by respondent-Corporation. The petitioner is relying upon letter dated 26.02.1988 to contend that respondent adopted pay scale as applicable to State Government employees. The letter dated 26.02.1988 is reproduced as below:-

“ *Pay Scales of various categories or (sic) employee of Haryana Agro Industries Corporation are hereby revised as per details given in the annexure 'A' with effect from 1st July, 1986 as approved by the Haryana Govt.*

2. *It is further ordered that the pay fixation/other rules contained in Haryana Govt. Notification No. GSR/39/Const/Art-309/87, dated 29th April, 87 (copy enclosed at annexure 'B' read with any amendments/additions/alterations/corriganda will also be applicable on the employees of the Haryana Agro Industries Corporation Ltd. The option to elect the existing of (sic) revised scale by employees of Corporation shall be exercised in writing in the form at annexure 'C' within three months of the date of issue of this order. Further, as provided in the Govt. Notification referred to above, the arrears of pay from 1.1.1986 to 28.2.1987 will be credited to the C.P.F. Accounts or to a special saving account to be opened in the name of the employee where there is no Provident Fund Account. The arrears from 1.3.1987 onwards are to be paid in cash. The deposits under the C.P.F. account for the period January, 1986 to Feb. 1987 will, however, not be eligible for corresponding contribution from the Corporation.*

3. *The pay of employees covered under annexures 'A' will be fixed by the Accounts Officer (Hqrs)*



in accordance with the guidelines contained in detailed instructions at annexure 'B'.

*Chandigarh, dated the
26th Feb., 1988*

*H.S.Anand
Managing Director”*

6. The respondent is claiming that by order dated 27.08.1993, pay scale was revised with effect from 01.08.1993. It is not a case of revision of pay scale and removal of anomaly as done by State Government whereas it is case of change of designation of Assistant Engineers and thereafter revision of pay scale. The order dated 27.08.1993 is reproduced as below:-

“

Order

In pursuance of the decision of the Standing Committee of Bureau of Public Enterprises, Haryana, it has been decided to change the designation of Assistant Engineers to District Managers when posted in Farmers Service Centres. The pay scale of the following Assistant Engineers/District Managers are also revised from the present pay scale of A. 2000-3500 to 2200-4000 w.e.f. 1.8.93. The pay of these officers will be fixed under the normal rules applicable to them.

Sr.No. Name of A.E.

1. S/Sh. D.S.Arya

(Under suspension) (He will enjoy this benefit after his reinstatement.)

2. B.R. Kashyap

3. K.L.Batra

4. M.K. Gupta

5. R.S.Gill

6. B.R.Gupta

7. S.C.Goyal

8. S.S. Gaba

9. S.C. Rawal



10. *Birbal Singh*

11. *A.K.Diwan*

12. *D.N.Arora.*

Dated Chandigarh, the

*Ramendra Jakhu
Managing Director.”*

7. The petitioners are claiming that respondent-Corporation is bound to extend pay scale at par with State Government employees. The moment State Government removed anomaly with retrospective effect, the respondent-Corporation was bound to remove anomaly with retrospective effect.

8. From the perusal of Annexure P-6, it is evident that respondent has changed designation of Assistant Engineers and thereafter revised pay scale. The petitioners are claiming that this is removal of pay anomaly whereas it does not appear that respondent-Corporation has actually removed pay anomaly and brought Assistant Engineers at par with State Government employees. The respondent is a public sector undertaking. It is a limited company registered under the Companies Act, 1956. A limited company is not at par with State Government. Its employees cannot claim parity with State Government employees. The claim of the petitioner is based upon the fact that on earlier occasion same pay scale was extended to Assistant Engineers. The respondent has pointed out that pay scales of all the employees of the Corporation were not at par with pay scales of State Government employees. In case of few employees, same pay scale was extended, however, there were many employees who were getting different pay scale than State Government employees. Pay scale of Assistant Engineers of the Corporation prior to 1979 was Rs.500-1000 (Grade-I) and



Rs. 350-900 (Grade-II) whereas State Government employees were getting pay scale of Rs. 400-1100. At the time of revision in 1986, pay scale of some categories of employees of the Corporation was not at par with employees of State Government.

9. This Court does not find it appropriate while exercising power under Article 226 of Constitution of India to direct the respondent to extend revised pay scale from retrospective effect only on the ground that same pay scale has been retrospectively granted to State Government employees.

Supreme Court in **A.K. Bindal and another vs. Union of India and others, (2003) 5 Supreme Court Cases 163** has held that merely because the entire shareholding is owned by the Central Government will not make the incorporated company Central Government.

In **Harbans Lal and others vs. State of Himachal Pradesh and others, 1989 SCC (4) 549**, the Supreme Court has held that employees of incorporated company cannot claim parity in wages with their counterparts in Government service.

10. In the wake of above discussion and findings, this Court is of the considered opinion that instant petition sans merit and deserves to be dismissed and accordingly dismissed.

11. Pending Misc. application(s), if any, shall stand disposed of.

13.05.2025
paramjit

(JAGMOHAN BANSAL)
JUDGE

Whether speaking/reasoned:	Yes	
Whether reportable:	Yes	