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family would be entitled to family pension even if he dies within less than one year.”

(6) Following the aforesaid judgment rendered in **Smt. Savitri Devi (supra)**, a Division Bench of this Court, of which one of us (S.S. Nijjar, J.) was a member, has also allowed CWP No. 12449 of 2003 (**Jagwati and another versus State of Haryana and others**). In our opinion, the matter is squarely covered by the aforesaid judgment.

(7) In view of the above, the writ petition is allowed. The respondents are directed to release the family pension alongwith the arrears to the petitioner with a period of three months of the receipt of a certificate copy of this orders. No costs.

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**R.N.R.**

*Before S. S. Nijjar, and Nirmal Yadav, JJ.*

**SUGAR FEDERATION COMMON CADRE OFFICER' WELFARE  
AND TECHNICAL ASSOCIATION (REGD.),—Petitioner**

*versus*

**STATE OF PUNJAB & OTHERS,—Respondents**

*C.W.P. No. 14084 of 2005*

6th September, 2005

*Constitution of India, 1950—Art. 226—Punjab State Cooperative Sugar Mills Service (Common Cadre) Rules, 1981—SUGARFED withdrawing concession of free electricity, water and accommodation to the common cadre employees—High Court directing SUGARFED to consider the matter in the light of the documents on record of the writ petition filed by employees—General Managers of all the Sugar Mills in a meeting taking a decision to bring about uniformity in the pay and allowances of the employess—Such a decision cannot be said to be either arbitrary or without jurisdiction—Employees are governed by the 1981 Rules—Conditions of service of a government servant can be unilaterally altered by the competent authority—No vested or accrued rights of the petitioners taken away—Petition dismissed.*

*Held*, that the orders passed by the respondents cannot be said to be without jurisdiction. Admittedly the term of the Board of Directors of SUGARFED expired on 2nd January, 2005. Thereafter, Registrar, Cooperative Societies, Punjab, Chandigarh has been acting as the Administrator. On 25th July, 2005, a decision was taken by all the General Managers of SUGARFED to frame a Uniform policy which would be applicable to Common Cadre employees and Mill cadre employees. Such a decision cannot be said to be either arbitrary or without jurisdiction. The Division Bench had directed the SUGARFED itself to consider the matter in the light of the documents on the record of the writ petition. The General Managers of all the Sugar Mills have held a meeting and taken a decision to bring about uniformity in the pay and allowances of the employees of SUGARFED. The petitioner cannot take any mileage from the condition contained in the appointment letter which clearly lays down that the employee will be provided with accommodation as admissible to other officials of corresponding rank in the mills, if available. The clause itself shows that the accommodation would be given only if it is available. It become apparent from Clause 6 of the appointment order that the employees are governed by the Punjab State Cooperative Sugar Mills Service (Common Cadre) Rules, 1981 on confirmation. Conditions of service of a government servant can be unilaterally altered by the competent authority, even without the consent of the employee. It is also to be noticed that the impugned orders do not cause any civil consequence as the same are not retrospective in nature. Therefore, no vested or accrued rights of the petitioner have been taken away.

(Paras 6 to 8)

R.S. Bajaj, Advocate, *for the petitioner.*

### JUDGMENT

**S. S. NIJJAR, J.**

(1) This writ petition has been filed by the Sugar Federation Common Cadre Officers's Welfare and Technical Association (Registered) through its President. It is aggrieved against the orders dated 1st August, 2005 (Annexures P-12 and P-13) whereby Managing Director of Punjab State Federation of Cooperative Sugar Mills Ltd. (for short "SUGARFED") has communicated the decision of General

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Managers dated 25th July, 2005. On the basis of the decision taken, it was decided to frame a Uniform Policy of charging House Rent and Electricity Charges from the Common Cadre Employees and Mill Cadre Employees. All the General Managers of the SUGARFED have been advised to charge the House Rent allowance and electricity charges from the Common Cadre Staff as well as the Mill Cadre Staff of SUGARFED. By letter (Annexure P-13), all General Managers have been directed to withdraw the petrol charges which were earlier being paid to the cane staff. It has also been decided that petrol charges will be paid as per the percentage of the Cane availability achieved by the concerned Cooperative Sugar Mills. By Circular letter, dated 22nd April, 1999 (Annexure P-4), a decision taken by the State of Punjab on the subject of rate of licence fee for Punjab Government Accommodation and withdrawal of rent free accommodation facility was communicated to all the Heads of Department in the State of Punjab. The decision was also made applicable to employees of all Public Undertakings, Corporations, Boards, Local Authorities/Universities and all other Institutions by whatever name it is called which were working under the control of the State Government irrespective of the fact whether they receive any aid from the State of Punjab or not. In this decision, it was also provided that where facility of rent free accommodation and supply of water/electricity has to be allowed under some constitutional obligations concerned administrative department will refer the cases to the Finance Department by 30th April, 1999. The decision was made effective from 1st April, 1999. Recoveries of house rent/licence fee were directed to be made at the new rates with effect from April, 1999. By letter, dated 9th June, 1999 (Annexure P-5), it was further directed that the deduction of house rent (licence fee) would be restricted to 5% instead of 10% of the pay. However, the order regarding withdrawal of concession for rent free house was stayed, till the matter had been looked into de novo. Thereafter, a D.O. Letter, dated 10th May, 2002 (Annexure P-6) was written by the Chief Secretary to Government of Punjab to the Secretary Cooperative pointing out that some of the Public Sector Undertakings have given higher pay scale and allowance to the employees than the government employees and have also extended perquisites which are not available to their counter-parts in Government service. A decision had, therefore, been taken by the Cabinet Sub Committee of Fiscal Management that pay allowance and

perquisites of employees of public sector undertakings, Local Bodies, Corporations and other public and quasi public Institutions shall not be higher than their counter-parts in the Government service. It was brought to the notice of the Secretary (Cooperation) that the decisions of the Sub Committee are the decisions of the Council of Ministers for all intents and purposes, and therefore, the same should be implemented. These directions were circulated to SUGARFED, by letter, dated 17th May, 2002. On 1st January, 2003, the Registrar, Cooperative Societies informed the SUGARFED that the directions of the Government with regard to withdrawal of free accommodation, electricity etc. have not been implemented. The SUGARFED was directed to implement the instructions of the State of Punjab. On the basis of the aforesaid instructions, by letter, dated 28th March, 2002 (Annexure P-9), the SUGARFED issued directions to the Managing Directors of all the Cooperative Sugar Mills for implementation of the decisions taken by the Government. Against this, the petitioner-Federation submitted a representation, dated 14th May, 2003 (Annexure P-10). The representation was rejected by the respondents, without passing any speaking order. Reminders sent by the Federation were also ignored. CWP No. 13105 of 2003 was filed by some employees of the Sugar Mills. The petitioner also filed CWP No. 8224 of 2004. CWP No. 13105 of 2003 was disposed of by a Division Bench of this Court by order dated 19th May, 2005 with the following observations :—

“The petitioners are aggrieved by the impugned order, Annexure P-8, whereby the SUGARFED has withdrawn the concession of free electricity, water and accommodation to the common cadre employees pursuant to the directions of the Punjab Government issued,—vide letter dated 22nd April, 1999. It is the case of the petitioners that though it was open to the SUGARFED to withdraw the aforesaid concessions but that could only happen after a decision to that effect of the Board of Directors had been made. The respondents have, however, controverted his plea by stating that there was no rule or regulation which provided that before the concession aforesaid was withdrawn, a resolution of the Board of Directors had to be called. A reference in this connection has been made to paragraph 7 of the writ petition itself. We, however, find that in some

cases, the appointment letters given to the petitioners do not provide for free accommodation and other facilities. We are, therefore, of the opinion that, in this situation, it would be proper that the SUGARFED itself should consider the matter in the light of the documents on the record of the writ petition or any other material which may be available and keeping in view the interest of the SUGARFED as also the petitioners and other employees and pass a fresh order in accordance with law.

The writ petition is accordingly disposed off.

Sd/-H.S. Bedi, Judge

Sd/- Viney Mittal, Judge

19th May, 2005”

(2) We may also notice here that the term of office of the Board of Directors of SUGARFED had expired on 2nd January, 2005. Therefore, Registrar, Cooperative Societies had been appointed Administrator of the SUGARFED for a period of six months or till the new Board is elected whichever is earlier by order dated 20th January, 2005. On 25th July, 2005, a meeting of all the General Managers of the Cooperative Sugar Mills was held to frame a uniform policy of charging house rent and electricity charges from the common cadre employees and Mill cadre employees. The aforesaid decision taken by the General Managers was communicated to all the Managers by letters dated 1st August, 2005 (Annexures P-12 and P-13). The Managers were directed to charge the employees under various heads on the following rates with effect from 1st August, 2005 :—

“Type of House	House Rent	Elecy. Unit free p.m.	Charges Rs./PM till meters are installed.
Common Cadre			
General Manager Residence	5% of the basic pay	350	500
HODs residence	5% of the basic pay	250	400

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Other common cadre staff residing in three/ two room set	5% of the basic pay	200	300
Mill Cadre staff three room set.	Rs. 350	90	150
Two rooms set	Rs. 250	75	100
One Room set	Rs. 150	60	75
dormitory	Rs. 100	50	50

Electricity charges over and above the free allowances will be charged as per the domestic rates of PSEB. No employee will use heater.

Employees using AC will be charged @ Rs. 500 month per AC for six months from April to September, where meters are not installed.

Thanking you,

Yours faithfully,

Sd/- Managing Director."

(3) As noticed earlier by another letter dated 1st August, 2005 (Annexure P-13) petrol charges for the cane staff has also been fixed.

(4) We have heard the learned counsel for the petitioner at length and perused the paper-book.

(5) Learned counsel for the petitioner argues that the aforesaid orders have been passed in contravention of the directions issued by the Division Bench of this Court in CWP No. 13105 of 2003, on 19th May, 2005. It is also submitted that the entire issue has not been considered by SUGARFED i.e. its Board of Directors or in their absence by the Administrator, but by a few General Managers of different Sugar Mills. Learned counsel submits that the grant of free furnished accommodation was one of the conditions of employment which was incorporated in the letter of appointment of the employees. This benefit, therefore, could not be withdrawn without following the principles of natural justice. The employees of the SUGARFED had been given

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these benefits keeping in view the peculiar circumstances which are relevant to the employees of SUGARFED only. Respondent No. 2 has power to issue directions only for the benefit of society. These instructions go against the interest of the society.

(6) We have considered the submissions made by the learned counsel for the petitioner. The orders passed by the respondents cannot be said to be without jurisdiction. Admittedly, the term of the Board of Directors of SUGARFED expired on 2nd January, 2005. Thereafter, Viswajeet Khanna, IAS Registrar, Cooperative Societies, Punjab, Chandigarh has been acting as the Administrator. On 25th July, 2005, a decision was taken by all the General Managers of SUGARFED to frame a Uniform policy which would be applicable to Common cadre employees and Mill cadre employees. Such a decision cannot be said to be either arbitrary or without jurisdiction. The Division Bench had directed the SUGARFED itself to consider the matter in the light of the documents on the record of the writ petition. The General Managers of all the Sugar Mills have held a meeting and taken a decision to bring about uniformity in the pay and allowances of the employees of SUGARFED. The petitioner cannot take any mileage from the condition which was contained in the appointment letter (Annexure P-3) which is as under :—

“3. That you will be provided with accommodation as admissible to other officials of corresponding rank in the mills, if available.”

(7) The aforesaid condition clearly lays down that the employee will be provided with accommodation as admissible to other officials of corresponding rank in the mills, if available. The clause itself shows that the accommodation would be given only if it is available. Clause 6 of the appointment order provides as follows :—

“6. That in respect of other matters you will be governed by the Punjab Cooperative Societies Act, 1961/Rules framed thereunder the Punjab State Cooperative Sugar Mills Service (Common Cadre) Rules, 1981 and such other Rules of the Mills as are/may be in force and as amended from time to time.”

(8) From the above, it becomes apparent that the employees are governed by the Punjab State Cooperative Sugar Mills Service (Common Cadre) Rules 1981 on confirmation. Conditions of service of a government servant can be unilaterally altered by the competent authority, even without the consent of the employee. For this view of ours, we take support from the observations of the Supreme Court made in the case of **Roshan Lal V. Union of India** (1). It is also to be noticed that the impugned orders do not cause any civil consequence as the same are not retrospective in nature. Therefore, no vested or accrued rights of the petitioner have been taken away.

(9) In view of the above, we find no injustice has been done to the petitioners. Dismissed.

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**R.N.R.**

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(1) 1967 S.L.R. (S.C.) 832