

Supreme Court of India

Shiv Dayal Shrivastava vs Union Of India on 7 February, 1984

Equivalent citations: 1984 AIR 465, 1984 SCR (2) 853

Author: M Rangnath

Bench: Misra Rangnath

PETITIONER:

SHIV DAYAL SHRIVASTAVA

Vs.

RESPONDENT:

UNION OF INDIA

DATE OF JUDGMENT 07/02/1984

BENCH:

MISRA RANGNATH

BENCH:

MISRA RANGNATH

FAZALALI, SYED MURTAZA

VARADARAJAN, A. (J)

CITATION:

1984 AIR 465

1984 SCR (2) 853

1984 SCC (1) 724

1984 SCALE (1) 156

ACT:

High Court Judges (Conditions of Service) Act, 1954-Ss. 5 (3) and 9 (1) read with Rule 20B of All India Services (Leave) Rules 1955-Interpretation of. For calculating cash equivalent of leave salary admissible to a Judge under Rule 20B, Ss. 5 (3) and 9 (1) of the Act would not apply.

HEADNOTE:

In Union of India v. Gurnam Singh [1982] 3 S.C.R. 700, this Court decided that under the High Court Judges (Conditions of Service) Act, 1954 Judges were entitled to cash equivalent of leave salary in respect of the period of earned leave at their credit on the date of retirement as provided under rule 20B of the All India Service (Leave) Rules, 1955. The two question which arose for consideration in this petition under Art. 32 filed by a retired Chief Justice of Madhya Pradesh High Court were (1) whether in view of the provisions of s. 5(3) of the Act, the limit has to be confined to five months equal to 150 days and not 180 days as in Rule 20B; and (2) whether for calculating the equivalent of leave salary admissible to a Judge the provisions of s. 9 (1) of the Act would apply ?

Allowing the petition and answering the questions in

the negative.

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HELD: The ratio of Gurnam Singh's case has not been disputed. It would necessarily mean acceptance of the position that the Act did not make provision for payment of the retirement benefit contemplated under rule 20B; otherwise rule 20B could not have been applied. For calculating the benefits under rule 20B, s. 5 (3) of the Act is not relevant and in case in the leave account maintained under s. 4 of the Act leave is due, the benefit under rule 20B has to be worked out subject to the upper limit of 180 days, equal to six months [857 B-C]

Once it is held that the benefit under rule 20B is not controlled by Chapter II of the Act, the manner of calculation indicated in s. 9 (1) of the Act would also not apply. [857 E]

The principles governing the cash equivalent of leave would apply not only to the petitioner but also to Judges who have already retired or who may retire hereafter, from the date from which this facility was made available to the members of the Central Services holding the rank of Secretary to the Government of India or its equivalent. [857 E-G]

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JUDGMENT:

ORIGINAL JURISDICTION: Writ Petition No. 8991 of 1983. (Under Article 32 of the Constitution of India.) Petitioner in person alongwith Mukul mudgal K. Parasran, Attorney General, K. G. Bhagat Addl. Solicitor General, R.N. Poddar for the Respondent. The Judgment of the Court was delivered by RANGANATH MISRA, J. Shri Shiv Dayal Shrivastava, the petitioner before us in this application under Article 32 of the Constitution praying for a writ of mandamus to the Union of India, retired as Chief Justice of the Madhya Pradesh High Court with effect from February 28, 1978. At the time of retirement he was drawing salary of Rs. 4,000 per month as provided under Constitution. This Court in the case of Union of India v. Gurnam Singh(1) decided that under the High Court Judges (Conditions of Service) Act, 1954 ('Act' for short), Judges were entitled to cash equivalent of leave salary in respect of the period of earned leave at their credit on the date of retirement as provided in Rule 20B of the All India Services (Leave) Rules, 1955 ('Leave Rules' for short). The Accountant General of Madhya Pradesh authorised the petitioner to draw cash equivalent of leave, salary amount as to Rs. 15,240 by his communication dated July 17, 1982. The petitioner informed the Accountant General that he was drawing the amount as indicated in the communication without prejudice to his right to claim Rs. 24,000 to which sum under the law he was entitled. On July 19, 1982, the petitioner was authorised to draw a further sum of Rs. 750 thus in all Rs. 15,990 only. On February 2, 1983, the Union of India in the Ministry of Law, Justice & Company Affairs indicated to the several authorities including the Registrars of all the High Courts that while in view of the decision of this Court referred to above, the Central Government were advised that Judges of the High Courts were entitled to payment of cash equivalent of leave salary in respect of the period of

earned leave at their credit, the expression 'earned leave' does not occur in the Act. On the analogy of the Leave Rules the cash equivalent of leave salary to be paid would be the cash equivalent of the unutilised leave due on full allowances as defined in ss. 3 and 9 (1) of the Act. In making calculations of the cash equivalent of the leave salary the ceiling of five months mentioned in s. 5 (3) of the Act would be applicable. Relying on the aforesaid letter of the Central Government, the Accountant General of Madhya Pradesh on March 25, 1983, intimated the petitioner that he was entitled to payment of cash equivalent of unutilised earned leave subject to the ceiling of five months; leave and, therefore, he had been paid an excess sum of Rs. 2,220 which should be refunded. That has led the petitioner to move this Court.

Rule nisi was issued to the Union of India and this Court directed separate notice to the Attorney-General. A return has been made to the rule by the Union of India. No dispute has been raised to payability of the cash equivalent on the basis of Rule 20B of the Leave Rules Reliance has been placed on the provisions of the Act to justify the circular letter of February 18, 1983. Learned Attorney- General has been heard and he has furnished written submissions also.

The decision of this Court in Gurnam Singh's case has been accepted by the Union of India and steps have been taken to implement the same. In that case this Court held:

"..... it must be regarded as a provision absorbed by rule 2 of the High Court Judges Rules, 1956, into the statutory structure defining the conditions of service of a Judge of a High Court. We may observe that even as a right to receive pension, although accruing on retirement, is a condition of service, so also the right to the payment of the cash equivalent of leave salary for the period of unutilised leave accruing on the date of retirement must be considered as a condition of service".

Two questions require decision, viz., (1) whether in view of the provisions of s. 5 (3) of the Act, the limit has to be confined to five months equal to 150 days and not 180 days as in Rule 20B; and (2) whether for calculating the equivalent of leave salary admissible to a Judge the provisions of s. 9 (1) of the Act would apply ?

We may now refer to rule 20B of the Leave Rules as also to the two provisions of the Act:

"20B-Payment of cash equivalent of leave salary- The Government shall suo motu sanction to a member of the service who retires from the service under sub-rule (1) of rule 16 of the All India Services (Death-cum- Retirement Benefits) Rules, 1958, having attained the age of 58 years on or after the 30th September, 1977 the cash equivalent of leave salary in respect of the period of earned leave at his credit on the date of his retirement subject to a maximum of 180 days."

Section 5 (3) of the Act reads:

"5 (3). Subject to the provisions of sub-section (2) of s. 5A, the maximum period of leave which may be granted at one time shall be, in the case of leave on full

allowances, five months and in the case of leave with allowances of any kind, sixteen months."

Section 9 (1) provides:

"9 (1). The monthly rate of leave allowances payable to a Judge while on leave on full allowances shall be for the first forty five days of such leave, a rate equal to the monthly rate of his salary, and thereafter two thousand two hundred and twenty rupees. Provided that where leave on full allowances is granted to a Judge on medical certificate the monthly rate of leave allowances shall, for the first one hundred and twenty days, of such leave, be a rate equal to the monthly rate of his salary."

Chapter II of the Act deals with leave. Section 3 provides the kinds of leave admissible to a Judge. Section 4 makes provision for a leave account to be maintained. Section 5 deals with agree gate amount of leave which may be granted. Section 5A make provision for commutation of leave on half allowances into leave on full allowances while sections 6, 7 and 8 deal with grant of leave of specific kinds. These provisions in the Act deal with leave which has to be asked for and taken during the tenure of working as a Judge. Leave necessarily implies authorised absence from duty or employment (see Webster's Third New International Dictionary). Rule 20B makes provision for payment of cash equivalent of leave due under the appropriate provisions but subject to a maximum of 180 days. We have already indicated that the ratio of Gurnam Singh's case has not been disputed. It would necessarily mean acceptance of the position that the Act did not make provision for payment of the retirement benefit contemplated under rule 20B; otherwise rule 20B could not have been applied. The scheme in rule 20B is that the payment would be made suo motu and without any application for it. Leave referred to under the Act is one which has to be asked for and is intended to meet a different situation. For calculating the benefits under rule 20B, s. 5 (3) of the Act is not relevant and in case in the leave account maintained under s. 4 of Act leave is due, the benefit under rule 20B has to be worked out subject to the upper limit of 180 days, equal to six months. The claim made by the petitioner that he was entitled to the benefit of six months is, therefore, justified subject, of course, to admissibility of leave to the extent of 180 days in the leave account. No dispute was raised before us that as a fact petitioner had to his credit more than 180 days of leave.

Once we hold that the benefit under rule 20B is not controlled by Chapter II of the Act, the manner of calculation indicated in s. 9 (1) of the Act would also apply. The petitioner would thus become entitled to cash equivalent of six months' salary which would work out at Rs. 24,000. As he has been paid a sum of Rs. 15,990 he is entitled to Rs. 8,010. A writ in the nature of mandamus be issued to the Union of India to pay him the said amount within one month from today. Parties are left to bear their own costs before us.

We would like to add that it is manifest that in view of the enunciation of law by us in this judgment, the principles governing the cash equivalent of leave would apply not only to the petitioner but also to Judges who have already retired or who may retire hereafter, from the date from which this facility was made available to the members of the Central Services holding the rank of Secretary to the Government of India or its equivalent.

H.S.K.

Petition allowed.