CENTRAL ADMINISTRATIVE TRIBUNAL

CHENNAI BENCH

OA/310/00042/2026

Dated this 8th day of June, Two Thousand Twenty-Six

CORAM:

HON'BLE MR M. SWAMINATHAN, MEMBER (J)
&
HON'BLE MR. M. L. SRIVASTAVA, MEMBER (A)

Rajkumar. R
No. 106, LE Chalet, Mevalur Kuppam
Valarpuram (Post), Sriperumpudur Taluk
Tamil Nadu – 602 105. …Applicant

By Advocate : M/s G. Natarajan

Vs

1. The Additional Commissioner of Central Taxes
O/o The Principal Chief Commissioner of Central Taxes
GST Bhawan, No. 26/1, Mahatma Gandhi Road
Chennai, Tamil Nadu – 630 034.

2. The Chairman
Central Board of Indirect Taxes & Customs
Department of Revenue, Ministry of Finance
North Block, New Delhi 110 001. …Respondents

By Advocate : Mr. Su. Srinivasan, SCGSC

ORAL ORDER

(Pronounced by Hon'ble Mr. M. L. Srivastava, Member (A)

This OA has been filed by the applicant seeking following relief:

> "to call for the records of the 1st Respondent in passing the impugned order Vide F.No. GCCO/II/24/51/2025-CAO-O/o PrCC-CGST-ZONE-CHENNAI dated 12.08.2025 and set aside the same as being arbitrary, without the authority of law and in violation of Articles 14 and 141 of the Constitution of India and direct the 1st Respondent to revise the pay scale of the Applicant to Rs.6,500-10,500 with effect from 01.01.1996 and to Rs.7,500 – Rs. 12,000 from 23.09.2002 and pay the arrears of pay and allowances and pension as applicable to the Applicant, along with appropriate interest and thus render justice."

2. Brief facts of the case, as submitted by the applicant:

The Applicant joined the Central Excise Department in 1980, became an Inspector in 1984, was promoted to Superintendent in 2002, and retired in 2014, drawing pay and pension as per applicable service rules. Before the 5th Pay Commission, Central Excise Inspectors were drawing their pre-revised scales; after the 5th Pay Commission, they were placed on the Rs.5,500- 9,000 scale from 01.01.1996, and later, the scale was revised to Rs.6,500-10,500 and for Superintendents to Rs.7,500-12,000 effective from 21.04.2004. The issue of pay parity between Inspectors of Central Excise and Inspectors of other cadres such as CBI/IB was raised because parity existing before 1996 was disrupted after the 5th Pay Commission recommendations were implemented. Several Central Administrative Tribunal, High Court, and Supreme Court orders have held that the pay revision ought to be given effect notionally (and in some cases actually) from 01.01.1996 and that arrears are payable for Inspectors and Superintendents in Central Excise and other departments. The Applicant filed a representation seeking pay fixation at the higher scales from 01.01.1996 and from his promotion date for pension fixation, along with arrears, relying on judicial decisions. The Departmental order dated 12.08.2025 rejected the Applicant's claim on the grounds that the claim was time-barred and that the Department of Expenditure had decided to apply the revised pay only from 21.04.2004, noting that the 5th and 6th Pay Commissions did not accept demands for parity with CBI Inspectors. The Applicant submits that the Supreme Court has settled this principle and that the binding nature of those decisions under Article 141 of the Constitution, and the principle of "equal pay for equal work," entitled him to have the benefit extended to all similarly placed employees. Hence this OA.

3. The learned Counsel for the applicant invited our attention to the common order dated 09.01.2024 passed by the Hyderabad Bench of the Tribunal in OA No. 1089/2019 & batch, which was upheld by the Hon’ble High Court for the State of Telangana at Hyderabad in W.P.(C) No. 10490/2024 by order dated 09.08.2024, and thereafter affirmed by the Hon’ble Supreme Court in SLP (C) Diary No. 59005/2024 by order dated 28.02.2025. Reliance was also placed on the decision of the Jaipur Bench of the Tribunal in OA No. 154/2015 dated 11.01.2022, which was upheld by the Hon’ble High Court of Judicature for

Rajasthan at Jaipur in D.B. Civil Writ Petition No. 16035/2022 dated 20.10.2023 and subsequently affirmed by the Hon'ble Supreme Court in Special Leave to Appeal (C) No. 2944/2024 by order dated 09.09.2024. In the said order, the Hon'ble Supreme Court observed that it agreed with the view taken by the Tribunal that the respondents/employees were discriminated against in the matter of grant of benefits under the 5th Central Pay Commission, and that they were entitled to the revised pay scale with effect from 01.01.1996 in order to bring them on par with similarly situated employees. Accordingly, directions were issued to the concerned department to clear the arrears within six months from the date of the order.

4. He further drew our attention to paragraphs 22 to 24 of the judgment dated 09.08.2024 passed by the Hon'ble Telangana High Court in W.P. No. 10490/2024. In paragraph 22, the Court recorded that, pursuant to the directions of the Hon'ble High Court at Kolkata dated 03.05.2023 in W.P.(C.T.) No. 21 of 2015, a Special Anomaly Committee was constituted with the approval of the competent authority to consider the representations made therein. Based on the recommendations of the said Committee, the Central Board of Direct Taxes (CBDT) issued an order dated 22.09.2023 enhancing the pay scale notionally with effect from 01.01.1996 in respect of the respondents in that Writ Petition.

5. In paragraph 23, it was noted that the learned Additional Solicitor General submitted that the Department of Expenditure, vide I.D. No. 7.2.2008-IC dated 16.05.2024, had advised CBDT to consult the Department of Legal Affairs/ASG for filing an appeal before the Hon'ble Supreme Court against the judgment of the Bombay High Court dated 08.12.2023 in W.P. No. 9649 of 2012 along with a stay application. However, no material was placed before the Court to show that the orders passed by various Benches of the Tribunal and High Courts had been challenged before the Hon'ble Supreme Court or that any stay had been granted.

6. In paragraph 24, the Hon'ble High Court held that once a Special Anomaly Committee had been constituted in CBDT pursuant to the orders of the Kolkata High Court, and its recommendations had been implemented retrospectively with effect from 01.01.1996, there was no necessity to constitute a separate Special Anomaly Committee for CBIC, particularly when both CBDT and CBIC function under the common Department of Revenue.

7. Learned counsel for the applicant further submitted that in similar matters this Tribunal by order dated 09.03.2026 in OAs 274/2025, 795/2025 and 811/2025 had allowed the application and the said orders were also implemented by the Department. Hence, he prayed that similar relief be granted in the present OA as well.

8. Per contra, the learned counsel for the respondents vehemently opposed the submissions advanced on behalf of the applicant and relied entirely upon the reply statement filed in OA 1351/2024.

9. We have heard the arguments put forth by the learned counsel for the parties at length, perused the pleadings and the materials placed on record. The judgments relied upon by the learned counsel for the parties were also carefully gone through by us.

10. The core issue arising for consideration in the present Original Application is whether the applicant is entitled to the benefit of notional fixation of pay with effect from 01.01.1996 and consequential monetary benefits from the said date, or whether the actual financial benefits are payable only from 21.04.2004, in terms of the recommendations of the Anomaly Committee and the Office Memorandum issued thereunder.

11. The Inspectors' Association of the Income Tax Department had earlier filed OA No. 86 of 2008 before the Mumbai Bench of this Tribunal seeking notional fixation of the enhanced pay scale with effect from 01.01.1996. The said OA was allowed by order dated 17.01.2012, wherein the respondents/Union of India were directed to issue necessary instructions for implementing the upgraded

pay scale notionally from 01.01.1996 and to pay the consequential arrears of salary.

12. In the meanwhile, similarly situated employees had filed OA No. 397 of 2009 before the Kolkata Bench of this Tribunal, which was also decided in their favour. Aggrieved thereby, the respondents approached the Hon'ble High Court at Calcutta by filing WPCT No. 21 of 2015. By order dated 03.05.2023, the Hon'ble High Court disposed of the Writ Petition with a direction to the Union of India to constitute a Special Anomaly Committee to examine and decide the issue.

13. Pursuant to the aforesaid directions of the Hon'ble High Court at Calcutta, a Special Anomaly Committee was constituted. The Committee examined the matter and recommended that the enhanced pay scale be granted notionally with effect from 01.01.1996 and actually from 21.04.2004. The said recommendation was accepted by the Government of India and communicated vide CBDT letter dated 22.09.2023.

14. Certain applicants, serving as Inspectors in the Central Excise Department, have contended that they are similarly situated to the applicants in OA No. 86 of 2008, as they were also affected by the very same Office Memorandum, dated 21.04.2004. They claim entitlement to notional pay fixation with effect from

01.01.1996 on grounds of parity. However, despite the decision of the Mumbai Bench in OA No. 86 of 2008, the respondent authorities, by order dated 28.12.2018, informed that the Department of Expenditure had not agreed to ante-date the effective date of the upgraded pay scale to 01.01.1996, even for the limited purpose of notional fixation.

15. Aggrieved by the order dated 28.12.2018, the applicants in OA No. 86 of 2008 and certain other similarly placed employees approached the Hyderabad Bench of this Tribunal by filing OA No. 1089 of 2019 and batch. The Tribunal, by common order, dated 09.01.2024, allowed the said OAs and directed the respondents to grant the enhanced pay scale to Inspectors/Superintendents in the Central Tax and Customs Department notionally with effect from 01.01.1996 to all the applicants, along with consequential arrears.

16. Challenging the common order dated 09.01.2024 passed in OA No. 1089 of 2019 and batch, the respondents/Union of India approached the Hon'ble High Court for the State of Telangana at Hyderabad by filing Writ Petition No. 10490 of 2024. The said Writ Petition was dismissed vide its judgment, dated 09.08.2024. The relevant portion of the judgment reads as under:

> "24. In the light of the above discussion, this Court is of the considered opinion that once a special Anomaly Committee was
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> constituted in CBDT pursuant to the orders of Kolkata High Court and based on the recommendations of the said Committee, when

it was implemented retrospectively w.e.f. 01.01.1996 in the CBDT, there is no need to constitute separate Special Anomaly Committee for the CBIC again since the Department of Revenue being the common for both the CBDT and CBIC.

25. Further, as per the Office Memorandum dated 06.02.1998, there will be two level Anomaly Committees, National and Departmental. The National Anomaly Committee deals with the common to two or more Departments and in respect of the common categories of employees; and that Departmental Anomaly Committee will deal with the Anomalies pertaining to exclusively to the Department concerned and therefore, CBDT and CBIC being two separate boards under the same Department of Revenue, the recommendations of Special Anomaly Committee constituted pursuant to directions of Hon'ble High Court of Kolkata in W.P.(CT)No.21 of 2015 have to be applied to the entire Department.

26. In view of the above discussion, this Court is of the considered opinion that the Tribunal had rightly allowed the O.A.No.1089 of 2019 and batch vide order dated 09.01.2024 directing the petitioners herein to grant enhanced pay scale of Inspectors/Superintendents in the Central Tax and Customs Department from 01.01.1996 notionally to the respondents along with consequential arrears. The petitioners failed to point out any illegality or irregularity in the impugned order; therefore, this Court is not inclined to interfere with the impugned order passed by this Tribunal".

17. The aforesaid judgment was further affirmed by the Hon'ble Supreme Court in S.L.P. (Civil) No. 59005/2024 vide judgment dated 09.10.2024. Consequently, the Order passed by the Hyderabad Bench of this Tribunal in O.A. No. 1089 of 2019 has attained finality.

18. It is true that several litigations were instituted before different Benches of this Tribunal as well as before various Hon'ble High Courts, including the

Bombay High Court, the Telangana High Court, and the High Court at Calcutta (Kolkata), on the same issue. Orders were passed in favour of the respective employees; however, all such orders were rendered *in personam*, including the Order dated 03.05.2023 passed by the Hon'ble High Court at Calcutta (Kolkata) in W.P.C.T. No. 21 of 2015. As the present applicants were not parties to those proceedings, they were not extended the benefit of the subsequent decision of the Government of India vide letter dated 22.09.2023.

19. With regard to the issue of delay and laches in approaching this Tribunal, the applicant had contended that pay fixation constitutes a recurring cause of action in terms of the settled propositions laid down by the Hon'ble Supreme Court. It is observed that multiple litigations were pursued before various judicial fora, and upon conclusion of prolonged proceedings, a Special Anomaly Committee-constituted pursuant to the judgment dated 03.05.2023 in W.P.C.T. No. 21 of 2015 by the Hon'ble High Court at Calcutta-submitted its report only on 22.09.2023. Thereafter, the present applicant approached this Tribunal seeking benefits similar to those granted to other similarly situated employees.

20. It is also noted that the Hon'ble High Court of Delhi, while passing an Order in a similar matter in W.P. (C) No. 15760/2023 dated 23.01.2024, held that there was no requirement for the applicants therein to file an application for

condonation of delay. Reference was made to paragraph 14 of the said judgment, which reads as under:

> "14. Despite the aforesaid position emerging from the record that the impugned order is based on an earlier order passed by the learned Tribunal in O.A. 527/2015, which order dated 16.08.2022 has attained finality, we have still examined the matter on merits but find no reason to differ with the learned Tribunal. We are of the view that taking into account the admitted position that it is only pursuant to the recommendations made by the 5th CPC, which were duly accepted by the Government, that the pay scale of the respondents was enhanced on 19.02.2003, the necessary corollary thereof was to grant all the benefits to the respondents on actual basis from the date, the recommendations were accepted. Once the government chose to accept the recommendations of the 5th CPC, it was not permissible for the petitioners to take a view that actual benefits will not be granted w.e.f., 01.01.1996. Furthermore, once the benefits of the higher replacement scale being extended to similarly placed employees was not only covered by the decision of the Ernakulum Bench in 2006, but also by the Patna High Court and by the Principal Bench of the Tribunal in O.A. No. 527/2015, we are of the view that the respondents are also entitled to receive the same benefits. In fact, after the series of these decisions by different Courts, the petitioners were expected to itself extend the benefits to all similarly placed employees including the respondents herein. We, are, therefore of the considered view that in this factual matrix, it cannot be said that the claim of the respondents was barred by delay or latches."

21. With reference to the issue of the judgment to be applied in 'personam' or in 'rem' the Hon'ble Supreme Court in State of Karnataka & Others Vs. C. Lalitha reported in (2006) 2 SCC 747 held in Para 29 that

> "Service jurisprudence evolved by this Court from time-to-time postulates that all persons similarly situated should be treated similarly. Only because one person has approached the court that would not mean that persons similarly situated should be treated differently." Therefore, it is a settled law that once a benefit has

been granted to a set of employees, the same benefit has to be extended to other similarly placed persons.'

22. The Hon'ble Supreme Court vide its judgment, dated 09.12.2024 in the case of Lt. Col Suprita Chandel Vs Union of India, in Civil Appeal No.1943/2022, observed in Para No.15 as under:

15. In K.L. Shephard & Others Vs Union of India & Others reported in (1987) 4 SCC 431, this court while reinforcing the above principle held as under

"19. The writ petitions and the appeals must succeed. We set aside the impugned judgments of the Single Judge and Division Bench of the Kerala High Court and direct that each of the three transferee banks should take over the excluded employees on the same terms and conditions of employment under the respective banking companies prior to moratorium. The employee would be entitled to the benefit of continuity of service for all purposes including salary and perks throughout the period. We leave it open to the transferee banks to take such action as they consider proper against these employees in accordance with law. Some of the excluded employees have not come to Court. There is no justification to penalise them for not having litigated. They too shall be entitled to the same benefits as the petitioners…….."

This view was fortified by the Hon'ble High Court of Madras in paras 15 to 17 of its judgment, dated 11.08.2025 in W.P.No.33537/2023, as under:

"15. Treating similarly situated persons dissimilarly is anathematic to Article 14 of the Constitution of India. As rightly held by the Tribunal, being a model employer, the writ petitioners ought to have implemented the orders of the Supreme Court across the bar, without waiting for a person to approach the court. They need not have waited for a litigation to be commenced for the

> purpose of granting a relief to the second respondent, which he was otherwise entitled to.
>
> 16. Furthermore, this court while dealing with the order of the Central Administrative Tribunal, does not sit, as a court of appeal. The scope of jurisdiction under Article 226 of the Constitution of India is supervisory or visitorial. This Court is concerned only about the decision-making process and not with the decision itself. We do not find the order of the Tribunal to be so unreasonable to require interference on our part.
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> 17. The Tribunal has applied the right principles of law to the facts before it and has rendered justice between the parties. That being the position, we do not find any reason to interfere. The writ petition is dismissed. No costs. Consequently, the connected miscellaneous petition is closed".

23. In the light of the referred judicial pronouncements as well as the recommendation of the Special Anomaly Committee, it is evident that denial of retrospective application of the revised pay scales for the applicant, who is similarly situated with the officers of other departments constitutes a violation of the principles of equality and fair treatment under Article 14 of the Constitution of India. Hon'ble High Courts and Hon'ble Supreme Court have time and again emphasized the necessity for uniform application of benefits across similarly situated employees, mitigating the inequity that arises when distinct treatments are applied arbitrarily. In the present case, we find that the recommendations made by the Special Anomaly Committee for fixation of the applicant's pay scales underscore this necessity for equitable treatment.

24. In view of the foregoing discussion, it is submitted that the various orders passed by the Hon'ble Courts, as referred to hereinabove, are judgments **in rem**, applicable to all similarly situated employees, including the applicant in the present Original Application. Such judgments cannot be construed as judgments **in personam** confined only to the individual litigants therein.

25. It is further placed on record that certain similarly placed applicants had approached this Chennai Bench in OA Nos. 580/2025 and 990/2025 by submitting representations on the same issue. This Tribunal, by order dated 25.08.2025, directed the respondents to consider and dispose of the said representations within a period of two months from the date of receipt of a copy of the order. Even in such situation, the respondents have implemented the order of granting the relief to those applicants.

26. In these circumstances, when this Tribunal and the Hon'ble High Courts have unequivocally held that the relevant orders operate **in rem**, and when the respondent department has accepted and implemented such orders, the question arises whether the respondent department is legally competent to unilaterally (suo motu) reinterpret or treat those binding decisions as being **in personam**, according to its discretion. Such action on the part of the respondent department is liable to be held arbitrary, unsustainable in law, and contrary to settled judicial principles.

27. This brings us to the next issue, namely, whether restricting the benefit to the applicant from 21.04.2004, despite the anomaly having arisen from 01.01.1996, can withstand judicial scrutiny. Various Benches of this Tribunal have consistently taken the view that when an anomaly is rectified with effect from 01.01.1996, the consequential monetary benefits must ordinarily flow from that date.

28. However, it is noted that the Hyderabad Bench of this Tribunal, in OA No. 1089/2019, by order dated 09.01.2024, directed the respondents to grant enhanced pay on a notional basis from 01.01.1996 and actual monetary benefits from 21.04.2004. The said order was affirmed by the Hon'ble Telangana High Court by judgment dated 09.08.2024 and was further upheld by the Hon'ble Supreme Court by judgment dated 09.10.2024.

29. In light of the above circumstances and in consequence thereof, the impugned orders are liable to be set aside and it is accordingly set aside. The respondents are accordingly directed to refix the pay of the applicant with effect from 01.01.1996 in accordance with the Central Civil Services (Revised Pay) Rules, 1997, and to grant consequential benefits in the grades of Inspector and Superintendent on a notional basis with effect from 01.01.1996 and on an actual monetary basis from 21.04.2004 with all consequential benefits including

pensionary benefits. Such exercise shall be completed within a period of two months from the date of receipt of a copy of this order.

30. In the result, the OA is allowed on the terms indicated above. However, there shall be no order as to costs.

(M.L. Srivastava)
Member (A)

(M. Swaminathan)
Member (J)

08.06.2026

P ARUNA SOWBHAGYA
COURT MASTER
CAT,MADRAS BENCH

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