

D. Rajagopal Vs. Tamil Nadu Small Industries Development Corporation Ltd.
Represented by Its Managing Director and ors.

D. Rajagopal Vs. Tamil Nadu Small Industries Development Corporation Ltd.
Represented by Its Managing Director and ors.

SooperKanoon Citation : sooperkanoon.com/783607

Court : Chennai

Decided On : Mar-21-1986

Reported in : [1987(54)FLR194]; (1986)IILLJ425Mad

Judge : Sathia Dev, J.

Acts : Companies Act; Service Rules - Rules 3 and 10(2)

Appeal No. : Writ Petition No. 2977/85

Appellant : D. Rajagopal

Respondent : Tamil Nadu Small Industries Development Corporation Ltd.
Represented by Its Managing Director and O

Judgement :

ORDER

1. Petitioner seeks for a declaration that R. 3. 10(2) of the Service Rules of respondent-Corporation, is illegal.
2. Already, dealing with the points arising in W.P. 2976 of 1985, it has been held that the Corporation is an instrumentality of the State of Tamil Nadu in respect of service condition of its employees, and they are entitled to protective benefits under Parts III and IV of the Constitution, as held in *Ajay Masia v. Khalid Mujib*

Sehravarni : (1981)ILLJ103SC and, therefore, any term relating to their service conditions, which confers arbitrary powers, and which is capable of vicious discrimination, is illegal. Mr. Santhanam, learned counsel for Corporation would submit that the Rules having been framed by the Board of Directors of Company registered under the Companies Act, petitioner cannot seek for such a declaration. This plea is without substance, because as 'other authority' under Art. 12, it cannot enforce an illegal condition of service, which offends any of the provisions in Parts III and IV of the Constitution. A similar provision formulated by West Bengal Electricity Board was struck down by the Supreme Court in W.B.S.E. Board v. Desh Bandhu Ghosh : (1985)ILLJ373SC . Hence, R. 3. 10(2), is hereby declared as illegal. Therefore, this writ petition is allowed with costs. Counsel's fee Rs. 250/-

SooperKanoon - India's Premier Online Legal Search - sooperkanoon.com