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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

+ W.P.(C) 14425/2024 and CM APPL. 60457/2024

GENERAL SECRETARY CEL RETIRED EMPLOYEES
WELFARE ASSOCIATION, ON BEHALF OF THE RETIRED
EXECUTIVES OF CELPetitioner

Through: Mr. Kamlesh Kr. Mishra, Mr. Naved
Khan and Ms. Snigdha Anand, Advocates.

versus

CENTRAL ELECTRONICS LIMITED
& ANR.Respondents

Through: Mr. Anil Mittal, Advocate.

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+ W.P.(C) 14460/2024 and CM APPL. 60622/2024

GENERAL SECRETARY CEL RETIRED EMPLOYEES
WELFARE ASSOCIATION ON BEHALF OF THE RETIRED NON
EXECUTIVES OF CELPetitioner

Through: Mr. Kamlesh Kr. Mishra, Mr. Naved
Khan and Ms. Snigdha Anand, Advocates.

versus

CENTRAL ELECTRONICS LIMITED & ANR.Respondents

Through: Mr. Anil Mittal, Advocate.

CORAM:
HON'BLE MS. JUSTICE JYOTI SINGH

ORDER
21.10.2024

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1. Both these writ petitions have been preferred by CEL Retired Employees Welfare Association ('CELREWA'). W.P.(C) 14425/2024 has been filed by CELREWA on behalf of retired Executives of Central Electronics Ltd. ('CEL') while W.P.(C) 14460/2024 has been filed by



CELREWA on behalf of retired Non-Executive Employees of CEL. Both writ petitions have been filed claiming interest @ 6% per annum on arrears of enhanced wages for the period 01.01.2012 to 20.09.2022. Since in both petitions common question of law is raised and identical relief is claimed, they are being decided by this common order.

2. Facts to the extent relevant are that CELREWA is an Association of Retired Employees of CEL, which is a Public Sector Undertaking ('PSU') under the Ministry of Science and Technology and came into existence in 1974. As per the averments made by the Petitioners, in the year 2006 Government of India announced the 6th Central Pay Commission and based on the recommendations, pay of the Government servants and other employees in PSUs/other Government organizations was enhanced and Department of Public Enterprises ('DPE') issued an Office Memorandum dated 09.11.2006 providing a methodology of pay revision in Central Public Sector Enterprises ('CPSEs') across the country w.e.f. 01.01.2007.

3. In W.P.(C) 14425/2024, it is averred that Respondents carried out pay revision for Executives w.e.f. 01.01.2007 vide order dated 22/23.10.2010 and arbitrarily included Clause 6.1 denying wage revision arrears for enhanced wages for 45 months between 01.01.2007 to 30.09.2010. Subsequently, however, arrears of enhanced wages were paid but without any interest. In W.P.(C) 14460/2024, it is urged that pay revision was carried out for Non-Executives w.e.f. 01.01.2007 vide Memorandum of Settlement ('MoS') dated 23.12.2010 but by Clause 19.1 Respondents arbitrarily denied wage revision arrears for enhanced wages including arrears towards earned leave encashment availed by them for 45 months



between 01.01.2007 to 30.09.2010. Subsequently, however, the arrears were paid but no interest was given despite delayed payments.

4. Learned counsel for the Petitioners submits that Respondents paid arrears on enhanced wages (Basic Pay + DA) for 45 months from 01.01.2007 to 30.09.2010 after long struggle of and follow-ups by the employees and filing of W.P. (C) 13917/2021 in this Court. It was during the pendency of this writ petition that the Court was informed of the payment of the arrears and vide order dated 01.12.2022, Court disposed of three writ petitions being W.P. (C) 13739/2021, 13917/2021 and 13944/2021, directing the Respondents to pay interest to the Petitioners @ 6% per annum on the amounts released to them for the period commencing January, 2012 till actual payments. It is further submitted that against the said order, appeals were filed by CEL being LPA Nos.93/2023, 94/2023 and 98/2023 which were dismissed by the Division Bench vide judgment dated 15.02.2023 and SLP bearing No. 9670/2023 was dismissed on 18.05.2023. It is further urged that despite these orders, Respondents restricted the payment of 6% interest only to 344 members of CELREWA though the arrears were paid to 714 employees i.e. 539 retired and 175 regular and deprived those retired employees who became members of CELREWA after 18.05.2023, which was wholly illegal as these employees form a part of the homogenous group of retired employees and the date of enrolment with CELREWA cannot be a ground to discriminate for grant of interest.

5. Issue notice.

6. Mr. Anil Mittal accepts notice on behalf of the Respondents and submits that Petitioners are not entitled to interest on the arrears on enhanced wages as there was no delay in releasing the arrears and without



prejudice, further submits that if the Court is inclined to grant interest, the rate of interest should be lesser than 6%.

7. Heard learned counsels for the parties and examined their rival submissions.

8. There is no dispute that employees of CEL have been paid arrears on enhanced wages for 45 months for the period 01.01.2007 to 30.09.2010 on account of pay revision carried out by the Respondents post 6th CPC recommendations. It is equally undisputed that the arrears were paid belatedly in 2022 and that Petitioners in W.P. (C) 13739/2021, 13917/2021 and 13944/2021 were held entitled to interest @ 6% per annum from January, 2012 till the date of actual payments by order dated 01.12.2022. This order has been upheld by the Supreme Court and implemented.

9. As per the case of the Petitioners herein, who are members of CELREWA and form a mixed bag of Executives and Non-Executives retired employees of CEL, the order granting 6% interest was illegally restricted by the Respondents to 344 members of CELREWA and those who became members after 18.05.2023 have been denied the same benefits. Court is unable to accept the distinction drawn by the Respondents in payment of interest solely on the basis of acquiring membership in CELREWA. The rationale behind grant of interest vide order dated 01.12.2022 was delay in release of arrears of enhanced wages and this is clearly discernable from the observations of the Division Bench in LPA Nos.93/2023, 94/2023 and 98/2023 that the retired employees became entitled for revision of salary w.e.f. 01.01.2007 and MoU was executed in 2010 for payment of salary/revised wages, however, the Board of Directors of CEL approved the payment of arrears vide Resolution dated 10.05.2022,



meaning thereby, the matter was delayed by the Competent Authority for grant of revised wages and retired employees cannot be said to be at fault. The Division Bench also observed that it was really strange that the employer inspite of recommendations of the CPC and the Government of India and despite the execution of the MoU took an inordinate long period to grant approval on 10.05.2022. Therefore, this Court finds no reason to single out the present Petitioners and deprive them of interest on delayed payment of arrears on enhanced wages and their case, as rightly pointed out by Mr. Mishra, is squarely covered by the earlier orders of the Supreme Court and this Court.

10. Accordingly, the writ petitions are allowed directing the Respondents to pay 6% simple interest to the Executives/Non-Executives of CELREWA w.e.f. 01.01.2012 till the date of actual payment as these employees who became members of CELREWA after 18.05.2023 form a part of the homogenous group comprising of those employees, to whom interest has been paid.

11. Writ petitions are disposed of in the aforesaid terms. Pending applications also stand disposed of.

JYOTI SINGH, J

OCTOBER 21, 2024/shivam