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W.P.No.8694 of 2025



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 23.04.2025

CORAM:

**THE HON'BLE MR.JUSTICE M.S.RAMESH
AND
THE HON'BLE MR.JUSTICE N.SENTHILKUMAR**

W.P.No.8694 of 2025
and
W.M.P.No.9737 of 2023

1.Union of India,
Rep. by its Chairman,
Steel Authority of India Limited,
Ispat Bhawan, Lodi Road,
New Delhi.

2.The Executive Director,
Steel Authority of India Limited,
Slam Steel Plant,
Salem.

3.General Manager (Personnel & Administration),
Steel Authority of India Limited,
Slam Steel Plant,
Salem.

...Petitioners

Vs

1.Salem Steel Plant National Employee Union,
Reg No.221/SLM,
Rep. by its General Secretary, T.Devaraju,
No.C-29/38, Mohan Nagar,
Slam Steel Plant Township,
Salem.

2.P.Matheswaran



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3.Salem Urukkalai Thozhilalar Munnetra Sangam,
Reg. No.487/SLM, (Affiliated to LPF),
C-27/8. Salem Steel Plant,
Mohan Nagar, Salem.

4.S.Selvaraj

...Respondents

PRAYER: Writ Petition filed under Article 226 of the Constitution of India praying to issue a Writ of Certiorari calling for the entire records relating to impugned proceedings and quash the impugned order passed in OA.310/00864/2016 on the file of the Central Administrative Tribunal on 13.12.2024.

For Petitioners	: Mr.ARL.Sundaresan, ASG for Mr.N.Nithianandam
For R1 & R2	: Mr.Balan Haridas
For R3	: Mr.G.Ramapriya Gopalakrishnan

ORDER

(Order of the Court was made by M.S.RAMESH,J.)

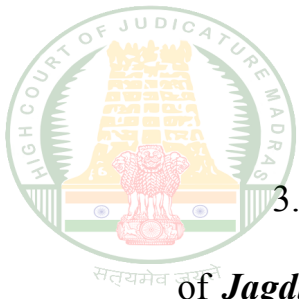
When the petitioners sought for re-fixation of the pay scale of the members of the 1st respondent Union through an order dated 25.04.2016 with a consequential direction for recovery of the excess amount paid, the order came to be challenged by the 1st and 2nd respondents herein before the Central Administrative Tribunal, Chennai Bench (hereinafter referred to as 'the Tribunal') in O.A.No.864 of 2016. The main ground raised in the



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proceedings before the Tribunal is that the proposed action of revision of pay scale, without any prior notice, is in violation of the principles of natural justice. Likewise, recovery of any excess payments made would be opposed to the decision of the Hon'ble Supreme Court in the case of ***State of Punjab and Others Vs. Rafiq Masih (White Washer) and Others*** reported in ***(2015) 4 SCC 334***. The Tribunal had placed reliance on the decision in ***White Washer's case (supra)*** and had also recorded that any recovery, without prior notice to the pensioner, would be in violation of the principles of natural justice and accordingly had set aside the order re-fixing the pay scale, as well as the proposed recovery. However, the petitioners herein were granted liberty to issue an appropriate notice for their proposal to re-fix the pay scale to the concerned members of the Union and pass a reasoned order, after consideration of the explanations.

2. The Hon'ble Supreme Court, in ***White Washer's case (supra)***, had set forth various circumstances under which an excess payment made to an employee and not being the fault of the employee, cannot be recovered. It is also not in dispute that prior to re-fixation, no notice was issued to the concerned employee. Such arbitrary action, without any prior notice, would be in violation of the principles of natural justice.



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3. In a very recent decision of the Hon'ble Supreme Court in the case of **Jagdish Prasad Singh Vs. State of Bihar and Others** reported in **2024 SCC OnLine SC 1909**, it was held that any step of reduction in the pay scale and recovery from a Government employee would tantamount to a punitive action because the same has drastic as well as evil consequences. In the said decision, the Hon'ble Supreme Court had also taken note of the fact that the employee therein had superannuated 8 years prior to the punitive action of revision of pay scale and recovery and held that permitting the department to proceed with their intended course of action, would be grossly illegal and arbitrary.

4. In the instant case, the petitioners seek for re-fixation of pay scale and recovery of excess payment made to the members of the 1st respondent Union, which is impermissible as per the law laid down in **White Washer's case (supra)**. The Tribunal had rightly appreciated these facts and had set aside the re-fixation order, together with a direction to the petitioners/ Management to refund the recovered payment, if any. We do not find any reason to the interfere with the order of the Tribunal.



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5. Accordingly, the Writ Petition stands dismissed. No costs.

Consequently, connected miscellaneous petition is closed.

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(M.S.R.,J.) (N.S.,J.)

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Index:Yes/No

Neutral Citation:Yes/No

Speaking order/Non-speaking order

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