

SUPREME COURT OF INDIA

ITI Ltd.

Vs.

K. Chandragupta

(G.B. Pattanaik and U.C. Banerjee JJ.)

20.07.2000

ORDER

1. This appeal is directed against the judgment of the Division Bench of the High Court of Karnataka dismissing the L.P.A. filed by the employer against the judgment of the learned Single Judge.

2. The respondent was an employee under the Indian Telephone Industries in Category-H in the pay-scale of Rs. 835- 1490. On 1-4-1987 he was promoted as an Officer in Grade-I. His scale of pay in the promoted grade having alleged to have been fixed at a sum by which his basic pay in Category-H was being reduced, the respondent approached the High Court. The learned Single Judge as well as the Division Bench came to the conclusion that there has been a reduction in the basic salary of the respondent while fixing his salary in the promoted grade and, therefore, issued the necessary direction which is the subject- matter of this appeal.

3. On behalf of the employer-Indian Telephone Industries, it is contended before us that a settlement had been arrived at between the workmen and the management on 13-7-1989 giving it retrospective effect from 01-01-1987. Pursuant to such settlement the basic pay of an employee in Category-H like the respondent would be Rs. 1330/- and the basic pay of the respondent was fixed in Grade-I on 01-04- 1987 at Rs. 2,600/- and, therefore, the conclusion of the High Court that his basic salary stood reduced is incorrect.

4. It is contended on behalf of the respondent, on the other hand, that this so called fixation came much later and factually the employee's salary had been fixed with basic pay being reduced and therefore the order of the High Court is fully justified. We need not examine the question as to what factually had happened inasmuch as by giving retrospective effect to the settlement, which was arrived at on 13-7-1989 on the date when the respondent was promoted as an Officer in Grade-I, and his basic salary in the Grade of Officer having been fixed at Rs. 2,600/- whereas the basic salary in Category-H would have been Rs. 1,927/-, it would not be permissible for us to hold that there was any reduction in the basic salary of the respondent while fixing his basic pay in the promoted grade.

5. In course of hearing of this appeal a calculation has been presented before us which indicates that while adopting the method for fixation of total emoluments of the respondent, there has been some reduction inasmuch as, according to the calculation given, his basic salary should have been Rs. 2,800/-. We are not examining the correctness of the principles under which the basic salary of the respondent has been fixed at Rs. 2,600/- as that was not a cause of action in the present appeal. Suffice it to say that the respondent would be entitled to take such remedial measures, if so advised,

if he thinks that the employer had erroneously fixed his basic salary on 1-4-1987 at Rs. 2,600/-. He may also put in a representation to the employer giving the methods of calculation. We express no opinion on the correctness of the same. But, in view of our conclusion that the basic salary of the respondent in Grade-I Officer has not been reduced, the impugned judgment of the High Court cannot be sustained. Accordingly, the impugned judgment is set aside and this appeal stands allowed.