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

+ W.P.(C) 6238/2019, CM APPL. 3122-23/2021, CM APPL. 10800/2021, CM APPL. 20685/2021, CM APPL. 33895-96/2021, CM APPL. 34574/2021 & CM APPL. 31878/2022

MODI SPINNING AND WEAVING MILLS COMPANY LTD.

..... Petitioner

Through: Mr. M.A. Niyazi, Mr. Nikhil Singhvi,
Mr. Mohit Seth, Mr. Amjad Hussain,
Mr. Anamika Ghai Niyazi, Ms. Kirti
Bharadwaj, Ms. Nehmat Sethi and
Mr. Arquam Ali, Advocates.

versus

UNION OF INDIA AND ORS.

..... Respondents

Through: Mr. Rakesh Kumar, CGSC with Mr.
Sunil, Ms. Parul and Mr. Abhishek
Khanna, Advocates for R-1.

Mr. Praful Jindal, Advocate for R-2.
Mr. Anil Sapra, Sr. Advocate with
Ms. Jayashree Shukla Dasgupta, Mr.
Nilesh Kumar and Mr. Sarthak,
Advocates for R-4 and R-7.

Mr. Rajat Wadhwa, Mr. Chauhan,
Mr. Aditya, Mr. Lakshay Luthra and
Ms. Dhreti Bhatia, Advocates for R-
10.

Mr. Jairaj Mudgal, Mr. Rama Kant,
Ms. Anjali Mehra and Mr. Ashish
Mishra, Advocate for R-10 and R-11.

Mr. Pawan Upadhyay and Mr. Gaurav
Pathak, Advocates for R-14.

Mr. Daleep Dhyani, Advocate for R-
16.



Mr. Jayant K. Mehta, Sr. Advocate
with Mr. Adhish Sharma, Advocate
for CM APPL. 3122/2021

CORAM:

HON'BLE MR. JUSTICE NAJMI WAZIRI

HON'BLE MR. JUSTICE VIKAS MAHAJAN

ORDER

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30.08.2022

The hearing has been conducted through hybrid mode (physical and virtual hearing).

CM APPL. 37673/2022 (By R-10 for delay of 19 days in filing counter affidavit)

1. For the reasons mentioned in the application, it is allowed and the delay in filing the counter-affidavit is condoned. Let the same be brought on record.
2. The application stands disposed-off.

W.P.(C) 6238/2019, CM APPL. 3122-23/2021, CM APPL. 10800/2021, CM APPL. 20685/2021, CM APPL. 33895-96/2021, CM APPL. 34574/2021 & CM APPL. 31878/2022

3. The learned counsel for the petitioner submits that in terms of the BIFR Sanctioned Scheme (June 2000), Rs. 554.63 lacs, without interest from 01.06.1999, have to be paid to 1,471 retrenched employees of the company. Of the said amount, Rs. 1.80 crores is stated to have been paid before the filing of the petition. The said scheme reads *inter-alia* as under:

“ ...

3.5 Settlement of Workers' Dues :

The pending workers' dues of Rs.554.63 lakh towards statutory dues payable to 1471 retrenched employees of the company. In respect of the cloth-mill at Modinagar has been



provided in the scheme. The workers would have an option to adjust these dues against the sale price of the quarters occupied by them. The balance dues would be paid by MSWM in-four quarterly interest free instalments to commence after one month of the sanction of revised scheme by BIFR.

The houses/quarters occupied by the workers of subsidiary/group companies are proposed to be excluded-from the sale of assets. These houses are proposed to be transferred to the respective group companies at book value so that they can offer these houses to the workers against settlement of their dues.

...”

4. R-10 claims to represent 150 workmen, though according to the learned counsel for the petitioner the Minutes of their Meeting state that it has only 120 employees. The learned counsel for R-11 submits that they too represent 120 workmen.
5. Some workmen are said to be occupying residential quarters belonging to the petitioner and other subsidiary companies. To pay off the debt and/or to set-off the claims of the workmen, the value of the houses would need to be assessed/set-off/vacated/realised through sale. Around 575 workmen occupy such accommodations. The learned counsel for R-10 and R-11, state upon instructions, that they have no objection to the exercise of setting-off the claims of the individual workmen against the book value of the accommodation occupied by them and/or to sell-off the same wherever such set-off is not feasible, so that there is optimal realisation of the value of the property in terms of the scheme.
6. Albeit notices are stated to have been put up on the Notice Board of



the petitioner-company and the workmen are free to approach the office for the settlement of their individual claims, R-1 undertakes to issue public notices within two weeks of this order to the effect that workmen should approach the office of the petitioner for the settlement of their individual claims. The petitioner assures the court that it has the financial wherewithal to settle the individual claims of Rs. 554.63 lacs in terms of the Scheme. The learned counsel for R-10 and R-11 submits that they would be more than happy if the aforesaid measures towards settlement of the workmen claim is initiated and concluded. The learned counsel for the petitioner seeks and is granted six weeks time to file a further affidavit in this regard.

7. The learned counsel for R-10 and R-11 submit that they will approach the petitioner apropos their members affiliated to their respective Unions.
8. List on 09.11.2022.
9. Interim order, as recorded on 21.07.2022, to continue.

NAJMI WAZIRI, J

VIKAS MAHAJAN, J

AUGUST 30, 2022/ss