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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 10.03.2022

CORAM

THE HONOURABLE MR.JUSTICE T.RAJA

and

THE HONOURABLE MR.JUSTICE SATHI KUMAR SUKUMARA KURUP

W.A.No.2655 of 2010 and M.P.No.1 of 2010

The Management of
Sanmar Matrix Metals Limited,
Viralimalalai-621 316.

... Appellant

(amended as per order dated 10.01.2022
in CMP.No.21817/2022 in W.A.No.2655/2010)

-vs-

1. R.Govindarajan

2. M.Rajadurai

3. P.Kanagaraj

4. The Presiding Officer,
Labour Court, Tiruchi.

... Respondents

Writ Appeal filed under Section 15 of Letters Patent against
the order passed in W.P.No.14116/1996 dated 23.11.2009.

Prayer in W.P.No.14116/1996:

Writ Petition filed under Art.226 of the Constitution
of India praying for a Writ of Certiorarified Mandamus calling
for the records relating to common award of the Labour Court,
Trichy in I.D.Nos.25 to 27 of 1994 dated 11.01.1996, quash the
same and substitute it by an award setting aside the order of
dismissal dated 09.02.1993 and reinstate the petitioners in
service with full backwages, continuity of service and all other
attendant benefits.

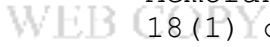
For Appellant : Mr.Sai Prasad
for M/s.Sai Raaj Associates

For respondents : Mr.N.G.R.Prasad
1 to 3 for M/s.Row and Reddy

JUDGEMENT

(Judgment of the Court was pronounced by T.RAJA, J.)

This Writ Appeal has been preferred against the order passed
in W.P.No.14116/1996 dated 23.11.2009 by a learned Single Judge
of this Court.





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against the same, Thiru.R.Govindarajan, as well as the two other workmen raised industrial disputes which came to be taken up on file before the Hon'ble Labour Court, Trichy. The industrial Dispute raised by Thiru R.Govindarajan was taken up on file as ID No.26 of 1994 and the other two disputes were taken up as ID Nos.25 and ID 27 of 1994 respectively. The Labour Court after hearing both parties, passed a common award dated 11/01/96 dismissing the disputes raised by the workmen, thereby upholding the termination of the workmen.

As against the said award of the Labour Court, the workmen filed a common Writ Petition in WP No.14116 of 1996 before the Hon'ble High Court, Madras and the Hon'ble High Court, after hearing the parties, vide order dated 23/11/09 was pleased to set aside the award and consequently, allow the Writ Petition, thereby reinstating the workmen with full back wages with all benefits including continuity of service.

As against the said order passed by the Hon'ble High Court in WP No.14116 of 1996, the Management filed a Writ Appeal in WA No.2655 of 2010 and the same is pending on the file of the Hon'ble High Court, Madras.

In the meanwhile, M/s. Moorco (India) Limited which was engaged in the manufacture of flow meter and metering systems, in view of the losses, ceased to continue the manufacture of the flow meter and metering systems and pursuant to the same, in or about 2002, the workmen employed at the relevant time departed from the services by receiving certain sums in full and final settlement of the dues. Thereupon, the name of the company viz., Moorco (India) Limited underwent changes and presently is known as Sanmar Matrix Metals Limited and presently engaged in the manufacture of steel castings for various applications. This fact was also brought to the notice of the Hon'ble High Court in the form of an additional affidavit.

Even as these proceedings were pending, in view of the various developments, both parties through their counsels expressed their desire to mutually settle the pending litigation. In the course of the discussions, both parties agreed that the workmen would be paid lump sum compensation in lieu of relief granted by the Hon'ble High Court in WP No.14116 of 1996. Both parties held discussions and arising out of the said discussions, the parties agreed to enter into a settlement without any reservation on the following terms:

TERMS OF THE SETTLEMENT

1) Thiru R.Govindarajan agrees that he shall not insist upon the reliefs so granted by the Hon'ble High Court vide order dated 23/11/09 in WP No.14116 of 1996 and in any case,



treat the same as having given up by Thiru R.Govindarajan. In other words, Thiru R.Govindarajan agrees that his cessation of employment on 09/02/93 has become final.

2) The Management and the workman Thiru R.Govindarajan agree that in lieu of the reliefs that have since been given up by Thiru R.Govindarajan as ordered by the Hon'ble High Court in WP No.14116 of 1996, the workman would be paid a lump sum compensation of Rs.8,00,000/- (Rupees Eight Lakhs Only) and which is received by the workman without any reservation and being paid in the following manner:-

a) Cheque No.258622 dated 08.03.2022 drawn on IndusInd Bank Limited for Rs.4,00,000/-; and

b) Cheque No.258623 dated 08.03.2022 drawn on IndusInd Bank Limited for Rs.4,00,000/

In all totaling Rupees Eight Lakhs.

3) The workman Thiru R.Govindarajan agrees that the aforesaid sum of Rs.8,00,000/- shall include, among other things, unpaid salary dues, leave salary, bonus, if any, any entitlement to sums representing wages under Section 17B, etc., and inclusive of gratuity calculated till the date of the cessation of employment till 09/02/93. It is specifically agreed that the monetary sums so paid under this settlement shall not be treated as a precedent and none others are entitled to claim any benefit based on the monetary sums so paid under this settlement.

4) Both parties agree that as this lump sum compensation so payable under this settlement is in lieu of various reliefs so granted by the Hon'ble High Court in WP No.14116 of 1996, the workman is entitled to claim appropriate relief under Section 89 of the Income Tax Act by treating this lump sum compensation as being spread over for the period from 1993 till date of the settlement.

5) Thiru R.Govindarajan further agrees that in view of this settlement and pursuant to the cessation of his employment on 09/02/93 having become final and the various reliefs so granted by the Hon'ble High Court vide order dated 23/11/09 in WP No.14116 of 1996 having given up by the workman, Thiru R.Govindarajan, is not entitled to any other payments or further amounts pursuant to the order dated 23/11/09 of the Hon'ble High Court in WP No.14116 of 1996. In other words, both parties agree that the monetary benefits so paid to the workman under this settlement is in substitution to the various reliefs that has been granted by the Hon'ble High Court in W.P.No. 14116 of 1996. Consequently, it is specifically agreed that the workman is not entitled to claim any back wages, reinstatement or other attendant benefits from the date of cessation of his employment on 09/02/93.



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Thiru M.Rajadurai (PAN Card No.AJHPR5164Q / Aadhar Card No.7282 6877 8051) (also referred to as "workman") was employed with M/s. Moorco (India) Limited (presently known as M/s. Sanmar Matrix Metals Limited) (also referred to as "Management").

While so, over certain alleged misconducts, Thiru M.Rajadurai, as well as two other workmen viz., R. Govindarajan and P. Kanagaraj (collectively referred to as "workmen") were terminated from the services over certain acts of misconducts vide separate orders dated 09/02/93. As against the same, Thiru.M.Rajadurai, as well as the two other workmen raised industrial disputes which came to be taken up on file before the Hon'ble Labour Court, Trichy. The industrial Dispute raised by Thiru M.Rajadurai was taken up on file as ID No.25 of 1994 and the other two disputes were taken up as ID Nos.26 and ID 27 of 1994 respectively. The Labour Court after hearing both parties, passed a common award dated 11/01/96 dismissing the disputes raised by the workmen, thereby upholding the termination of the workmen.

As against the said award of the Labour Court, the workmen filed a common Writ Petition in WP No.14116 of 1996 before the Hon'ble High Court, Madras and the Hon'ble High Court, after hearing the parties, vide order dated 23/11/09 was pleased to set aside the award and consequently, allow the Writ Petition, thereby reinstating the workmen with full back wages with all benefits including continuity of service.

As against the said order passed by the Hon'ble High Court in WP No.14116 of 1996, the Management filed a Writ Appeal in WA No.2655 of 2010 and the same is pending on the file of the Hon'ble High Court, Madras.

In the meanwhile, M/s. Moorco (India) Limited which was engaged in the manufacture of flow meter and metering systems, in view of the losses, ceased to continue the manufacture of the flow meter and metering systems and pursuant to the same, in or about 2002, the workmen employed at the relevant time departed from the services by receiving certain sums in full and final settlement of the dues. Thereupon, the name of the company viz., Moorco (India) Limited underwent changes and presently is known as Sanmar Matrix Metals Limited and presently engaged in the manufacture of steel castings for various applications. This fact was also brought to the notice of the Hon'ble High Court in the form of an additional affidavit.

Even as these proceedings were pending, in view of the various developments, both parties through their counsels expressed their desire to mutually settle the pending litigation. In the course of the discussions, both parties



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agreed that the workmen would be paid lump sum compensation in lieu of relief granted by the Hon'ble High Court in WP No.14116 of 1996. Both parties held discussions and arising out of the said discussions, the parties agreed to enter into a settlement without any reservation on the following terms:

TERMS OF THE SETTLEMENT

1) Thiru M.Rajadurai agrees that he shall not insist upon the reliefs so granted by the Hon'ble High Court vide order dated 23/11/09 in WP No.14116 of 1996 and in any case, treat the same as having given up by M.Rajadurai. In other words, Thiru M.Rajadurai agrees that his cessation of employment on 09/02/93 has become final.

2) The Management and the workman Thiru M.Rajadurai agree that in lieu of the reliefs that have since been given up by Thiru M.Rajadurai as ordered by the Hon'ble High Court in WP No.14116 of 1996, the workman would be paid a lump sum compensation of Rs.8,00,000/- (Rupees Eight Lakhs Only) and which is received by the workman without any reservation and being paid in the following manner:-

a) Cheque No.258624 dated 08.03.2022 drawn on IndusInd Bank Limited for Rs.4,00,000/-; and

b) Cheque No.258625 dated 08.03.2022 drawn on IndusInd Bank Limited for Rs.4,00,000/

In all totaling Rupees Eight Lakhs.

3) The workman Thiru M.Rajadurai agrees that the aforesaid sum of Rs.8,00,000/- shall include, among other things, unpaid salary dues, leave salary, bonus, if any, any entitlement to sums representing wages under Section 17B, etc., and inclusive of gratuity calculated till the date of the cessation of employment till 09/02/93. It is specifically agreed that the monetary sums so paid under this settlement shall not be treated as a precedent and none others are entitled to claim any benefit based on the monetary sums so paid under this settlement.

4) Both parties agree that as this lump sum compensation so payable under this settlement is in lieu of various reliefs so granted by the Hon'ble High Court in WP No.14116 of 1996, the workman is entitled to claim appropriate relief under Section 89 of the Income Tax Act by treating this lump sum compensation as being spread over for the period from 1993 till date of the settlement.

5) Thiru M.Rajadurai further agrees that in view of this settlement and pursuant to the cessation of his employment on 09/02/93 having become final and the various reliefs so granted by the Hon'ble High Court vide order dated 23/11/09 in WP No.14116 of 1996 having given up by the workman, M.Rajadurai, is not entitled to any other payments or



General Manager - Legal

Representing Workmen Thiru P. Kanagaraj
(Party-in-person)

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3) No. of employees covered
under the settlement One only

4) SHORT RECITAL OF THE CASE:

Thiru P. Kanakaraj (PAN Card No. BRWPK8515L / Aadhar Card No. 7609 5833 4987) (also referred to as "workman") was employed with M/s. Moorco (India) Limited (presently known as M/s. Sanmar Matrix Metals Limited) (also referred to as "Management").

While so, over certain alleged misconducts, Thiru P. Kanakaraj, as well as two other workmen viz., M. Rajadurai and R. Govindarajan (collectively referred to as "workmen") were terminated from the services over certain acts of misconducts vide separate orders dated 09/02/93. As against the same, Thiru P. Kanakaraj, as well as the two other workmen raised industrial disputes which came to be taken up on file before the Hon'ble Labour Court, Trichy. The industrial Dispute raised by Thiru Kanakaraj was taken up on file as ID No. 27 of 1994 and the other two disputes were taken up as ID Nos. 25 and ID 26 of 1994 respectively. The Labour Court after hearing both parties, passed a common award dated 11/01/96 dismissing the disputes raised by the workmen, thereby upholding the termination of the workmen.

As against the said award of the Labour Court, the workmen filed a common Writ Petition in WP No. 14116 of 1996 before the Hon'ble High Court, Madras and the Hon'ble High Court, after hearing the parties, vide order dated 23/11/09 was pleased to set aside the award and consequently, allow the Writ Petition, thereby reinstating the workmen with full back wages with all benefits including continuity of service.

As against the said order passed by the Hon'ble High Court in WP No. 14116 of 1996, the Management filed a Writ Appeal in WA No. 2655 of 2010 and the same is pending on the file of the Hon'ble High Court, Madras.

In the meanwhile, M/s. Moorco (India) Limited which was engaged in the manufacture of flow meter and metering systems, in view of the losses, ceased to continue the manufacture of the flow meter and metering systems and pursuant to the same, in or about 2002, the workmen employed at the relevant time departed from the services by receiving certain sums in full and final settlement of the dues. Thereupon, the name of the company viz., Moorco (India) Limited underwent changes and presently is known as Sanmar Matrix Metals Limited and presently engaged in the



manufacture of steel castings for various applications. This fact was also brought to the notice of the Hon'ble High Court in the form of an additional affidavit.

Even as these proceedings were pending, in view of the various developments, both parties through their counsels expressed their desire to mutually settle the pending litigation. In the course of the discussions, both parties agreed that the workmen would be paid lump sum compensation in lieu of relief granted by the Hon'ble High Court in WP No.14116 of 1996. Both parties held discussions and arising out of the said discussions, the parties agreed to enter into a settlement without any reservation on the following terms:

TERMS OF THE SETTLEMENT

1) Thiru P. Kanakaraj agrees that he shall not insist upon the reliefs so granted by the Hon'ble High Court vide order dated 23/11/09 in WP No.14116 of 1996 and in any case, treat the same as having given up by Thiru P. Kanakaraj. In other words, Thiru P. Kanagaraj agrees that his cessation of employment on 09/02/93 has become final.

2) The Management and the workman Thiru P. Kanakaraj agree that in lieu of the reliefs that have since been given up by Thiru P. Kanakaraj as ordered by the Hon'ble High Court in WP No.14116 of 1996, the workman would be paid a lump sum compensation of Rs.8,00,000/- (Rupees Eight Lakhs Only) and which is received by the workman without any reservation and being paid in the following manner:-

a) Cheque No.258626 dated 08.03.2022 drawn on IndusInd Bank Limited for Rs.4,00,000/-; and

b) Cheque No.258627 dated 08.03.2022 drawn on IndusInd Bank Limited for Rs.4,00,000/

In all totaling Rupees Eight Lakhs.

3) The workman Thiru P. Kanakaraj agrees that the aforesaid sum of Rs.8,00,000/- shall include, among other things, unpaid salary dues, leave salary, bonus, if any, any entitlement to sums representing wages under Section 17B, etc., and inclusive of gratuity calculated till the date of the cessation of employment till 09/02/93. It is specifically agreed that the monetary sums so paid under this settlement shall not be treated as a precedent and none others are entitled to claim any benefit based on the monetary sums so paid under this settlement.

4) Both parties agree that as this lump sum compensation so payable under this settlement is in lieu of various reliefs so granted by the Hon'ble High Court in WP No.14116 of 1996, the workman is entitled to claim appropriate relief under Section 89 of the Income Tax Act by treating this lump sum



compensation as being spread over for the period from 1993 till date of the settlement.

5) Thiru P. Kanakaraj further agrees that in view of this settlement and pursuant to the cessation of his employment on 09/02/93 having become final and the various reliefs so granted by the Hon'ble High Court vide order dated 23/11/09 in WP No.14116 of 1996 having given up by the workman, Thiru P. Kanakaraj, is not entitled to any other payments or further amounts pursuant to the order dated 23/11/09 of the Hon'ble High Court in WP No.14116 of 1996. In other words, both parties agree that the monetary benefits so paid to the workman under this settlement is in substitution to the various reliefs that has been granted by the Hon'ble High Court in W.P.No. 14116 of 1996. Consequently, it is specifically agreed that the workman is not entitled to claim any back wages, reinstatement or other attendant benefits from the date of cessation of his employment on 09/02/93.

6) Thiru P. Kanakaraj agrees that the payments so made under this settlement is in full and final settlement of all his claims against the Management, viz, Sanmar Matrix Metals Limited (Formerly Moorco (India) Limited) and pursuant to this settlement he has no claim of any kind against the Management, whether monetary or otherwise including any claim for re-employment, reinstatement of recruitment or the like and as such, he shall have no right to raise any dispute either singly or jointly with another or others on the same.

7) The parties further agree that as all the disputes between the Management and the workman have been fully and finally settled by virtue of this settlement, both parties agree to place this settlement on record before the Hon'ble High Court in WA No.2655 of 2010 and request the Hon'ble High Court to pass suitable orders in the Writ Appeal as having been settled out of court.

Both parties have entered this settlement at Chennai on this the 9th day of March 2022.'

4. Placing on record the above three Memorandum of Settlements, the present Writ Appeal is disposed of. No costs. Consequently, connected Miscellaneous Petition is closed. Needless to mention that the said Memorandum of Settlements shall form part of the order.

(*Herein enclosed the xerox copy of Memorandum of Settlements)

Sd/-

Assistant Registrar(CS VIII)

//True Copy//

Sub Assistant Registrar

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To,

The Presiding Officer,
Labour Court, Tiruchi.

W.A.No.2655 of 2010

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JP(CO)
A.SK(05/07/2022)