



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 26.04.2022

CORAM

THE HON'BLE MR. JUSTICE P.D. AUDIKESAVALU

W.P. No. 21092 of 2019
and
W.M.P. No. 20293 of 2019

The Chairman

M/s.Tamil Nadu Industrial Investment Corporation Ltd.,
Nandanam, Chennai - 600 035.

...Petitioner

-vs-

1. M. Venkateswaran & 50 others,
Rep.by its Unit Secretary K. Dhamodharan
C/o Madras Chingleput General Workers Union,
No. 7-F, North Mada Street,
Thiruvottiyur, Chennai - 600 019.
2. The Management,
M/s. SahaKeil Ltd.,
C 6,7,8 Industrial Complex, Maraimalai Nagar,
Kancheepuram District - 603 209.
3. The Recovery Officer,
Debt Recovery Tribunal Spencer Plaza,
Anna Salai, Chennai - 600 002.
4. State Industrial Promotion Corporation of Tamil Nadu Limited,
Rep.by its Managing Director,
No.19, Rukmani Lakshmi pathy Salai,
Egmore, Chennai - 600 008.
(R4 impleaded vide order dated 21.04.2022
made in W.M.P. No. 9928 of 2022)

...Respondents

Prayer:- Writ Petition filed under Article 226 of the Constitution of India, 1950, praying to issue a Writ of Certiorari, calling for the record pertaining to the impugned order dated 23.04.2019 passed by the Principal Labour Court, Chennai in E.A No. 93 of 2014 in E.P. No. 224 of 2013 in C.P. No. 424 of 2015 and quash the same as illegal.

For Petitioner : Mr. M.J. Jaseem Mohammed

For Respondents : Mr. K.M. Ramesh (for R1)
: R2 & R3 (ex-parte before Tribunal)
: Mrs. Sudharsana Sundar (for R4)



O R D E R

Heard Mr.M.Jaseem Mohammed, Learned Counsel for the Petitioner, Mr.K.M.Ramesh, Learned Counsel for the First Respondent and Mrs. Sudharsana Sundar, Learned Counsel for the Fourth Respondent and perused the materials placed on record, apart from the pleadings of the parties.

2.The Petitioner and the Fourth Respondent are Public Sector Undertakings of the Government of Tamil Nadu providing industrial finance in the State and had advanced loans to the Second Respondent, viz., M/s.SahaKeil Limited, who had defaulted in the re-payment of the same. The First Respondent viz., Mr. M.Venkateswaran and 50 others, were erstwhile workers of the Second Respondent and on closure of its establishment, they had raised certain monetary claims in C.P. No. 424 of 2005 before the Principal Labour Court, Chennai (hereinafter referred to as 'the Labour Court' for short) in which the order dated 12.12.2005 was passed directing the Second Respondent to make payment of Rs. 1,44,26,907/- to them. The First Respondent has filed Execution Petition in E.P. No. 224 of 2013 before the Labour Court seeking attachment of a property of the Second Respondent in the outskirts of Chennai for recovery of the said dues, which was ordered on 19.08.2014. The Petitioner had filed the application in E.A. No. 93 of 2014 to raise the said order of attachment in which a conditional order was passed on 22.03.2019 requiring the Petitioner or through the Fourth Respondent to deposit the amount due under the Execution Petition within one month, failing which that Petition shall stand dismissed and the matter was directed to be called on 23.04.2019. On the said date, since that condition had not been complied, the application in E.A. No. 93 of 2014 was dismissed, which is challenged in this Writ Petition.

3.In the meanwhile, the Fourth Respondent had filed another application in E.A. No.76 of 2019 to be impleaded as the Fourth Respondent in E.P. No.224 of 2013 before the Labour Court and the said application was dismissed by order dated 07.12.2018. Though it is informed that the said order has not been challenged, it would assume significance that it had been brought to the notice of the Labour Court by the Fourth Respondent that another property of the Second Respondent at Hosur had already been then sold and a sum of Rs. 2,25,00,000/- from its proceeds had been allocated by the Debt Recovery Tribunal, Bangalore in its order dated 30.05.2018 in TRC/1348/2017 (DCP No. 4365/2008 in OA/216/2000) towards workers dues. In short, the contention of the Fourth Respondent supporting the Petitioner was that a sum of Rs. 2,25,00,000/- is available for the First Respondent at Debt Recovery Tribunal, Bangalore, which could be appropriated towards the claim made by



the First Respondent in E.P. No. 224 of 2013 before the Principal Labour Court, Chennai without bringing the property of the Second Respondent in the outskirts of Chennai for sale at the first instance as it is fully required for satisfying the debt owed by the Second Respondent to the Petitioner and the Fourth Respondent.

4. Having regard to the aforesaid facts borne out of the record, the Labour Court in its order dated 22.03.2019 in E.A. No. 93 of 2014 ought not to have imposed the condition requiring the Petitioner to remit the entire amount and the consequential order passed on 23.04.2019 dismissing that application for failure to comply with the said condition cannot be sustained and requires to be set aside.

5. In view of the foregoing discussion, the following order is passed:-

- (i) the orders dated 22.03.2019 and 23.04.2019 in E.A. No. 93 of 2014 in E.P. No. 224 of 2013 passed by the Labour Court are set aside and that application is restored to file;
- (ii) the parties shall appear before the Labour Court on 22.06.2022 when the Petitioner shall file an affidavit with supporting documents in E.A. No. 93 of 2014 to establish that the sum of Rs. 2,25,00,000/- is available with the Debt Recovery Tribunal, Bangalore in terms of its order dated 30.05.2018 in TRC/13488/2017 (DCP. No. 4365 of 2008 in OA/216/2000) towards dues claimed by the First Respondent, who shall thereafter take necessary steps for appropriating the said amount towards dues claimed from the Second Respondent in E.P. No. 224 of 2013 in the Labour Court;
- (iii) in the event that the amount claimed by the First Respondent is realized from the sale proceeds of the property of the Second Respondent at Hosur, necessary further orders shall be passed to record satisfaction of the claim made in E.P. No. 224 of 2013 by the First Respondent in the Labour Court;
- (iv) in case the First Respondent is not able to recover the amount due in the aforesaid manner or there is any shortfall, the Labour Court shall thereafter hear all the concerned parties and pass further orders in E.A. No. 93 of 2014 following the prescribed procedure on merits in accordance with law; and
- (v) it shall be ensured that there is atleast one effective hearing every week showing progress of the case in E.P. No. 224 of 2013 and monthly reports in that regard shall be filed before the Registrar (Judicial) of this Court till the



matter is finally disposed.

In fine, the Writ Petition is ordered on the aforesaid terms. Consequently the connected Miscellaneous Petition is closed. No costs.

WEB COPY

Sd/-
Assistant Registrar(CS-VI)

//True Copy//

Sub Assistant Registrar

kv/skr

To

1. The Management,
M/s. SahaKeil Ltd.,
C 6,7,8 Industrial Complex, Maraimalai Nagar,
Kancheepuram District - 603 209.
2. The Recovery Officer,
Debt Recovery Tribunal Spencer Plaza,
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5. The Chairman
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Nandanam, Chennai - 600 035.

Copy to
The Registrar (Judicial),
Madras High Court,
Chennai - 600 104.

+1cc to Mr.M.J.Jaseem Mohamed, Advocate, S.R.No.28809
+1cc to Mr.K.M.Ramesh, Advocate, S.R.No.28984
+1cc to M/s.Sudharshana Sundar, Advocate, S.R.No.28743

W.P. No. 21092 of 2019

NRJK(CO)
RGA(23/05/2022)