



WP.No.32691 of 2016

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 31.08.2023

CORAM :

THE HONOURABLE MR.JUSTICE M.DHANDAPANI

W.P. No.32691 of 2016
& WMP.No.28326 of 2016

The General Manager (P&A),
Steel Authority of India Ltd.,
Salem Steel Plant, Salem-13.

...Petitioner

Vs

1.The Presiding Officer,
Central Government Industrial
Tribunal-cum-Labour Court,
I Floor, B Wing, 26 Haddows
Road, Sastri Bhavan, Chennai-6.

2.The General Secretary,
Steel Plant Employees Union,
C 27/1, Mohan Nagar, Salem-30.

...Respondents

PETITION under Article 226 of The Constitution of India praying for the issuance of a Writ of Certiorari to call for the records of the first respondent resulting in the impugned award passed by the first respondent in I.D.No.86 of 2015 dated 16.3.2016 and quash the same.



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For Petitioner : Mr.C.T.Mohan, SC for Mr.A.Elango
For Respondent-2: Mr.N.G.R.Prasad for M/s.Row & Reddy

ORDER

This is a petition filed by the petitioner seeking to quash the award dated 16.3.2016 in I.D.No.86 of 2015 on the file of the first respondent.

2. The facts leading to filing of this case are as follows :

(i) There was a system prevailing in the petitioner plant permitting their employees to avail treatment with their own arrangement. Some of the employees used to avail alternate methods of treatment such as homeopathy, ayurvedha, unani, etc. Even after establishing a full-fledged hospital in their premises with 40 beds for their employees, workers and their dependants to avail free treatment on allopathic medicine, the employees of the petitioner plant continued to avail reimbursement of medical expenses after taking alternate methods of treatment.

(ii) In 1984, the Rules regarding Reimbursement of Medical Expenses were framed, by which, it was made clear that reimbursement of medical expenses were provided only to the employees, who availed allopathic system of medical treatment and not otherwise. Further, the other



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units of the petitioner in various parts of this country informed that they did not have the system of reimbursement of medical expenses for availing alternate method of treatment.

(iii) In the year 2012, various irregularities were found out by the Vigilance Department relating to the claim of medical reimbursement for availing alternate method of treatment. Therefore, on 13.2.2012, the petitioner issued a circular stating that the reimbursement of medical expenses for the employees and their dependants would be admissible only in the cases of taking treatment in allopathic medicine. Thereafter, on 10.3.2012, the members of the second respondent made various demands including restoration of benefits for reimbursement of medical treatment taken under alternate methods of treatment.

(iv) As a consequence, conciliation proceedings were initiated, which ended in failure. That is how the matter landed up before the first respondent and the second respondent filed claim petition seeking to direct the petitioner to restore to their employees the facility of reimbursement of medical expenses incurred after taking alternate methods of treatment. In that, the petitioner filed a counter. After contest, by the impugned award, the



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first respondent directed the petitioner to restore the facility of reimbursement of medical expenses incurred on treatment using alternate methods of medicine. Challenging the same, the petitioner is before this Court.

3. Learned Senior Counsel appearing on behalf of the petitioner would submit that the impugned award of the Labour Court is illegal and erroneous as the medical treatment under alternate methods of treatment like Homeopathy, Ayurvedic, Unani etc., are not included in conditions of service as such the same will not come under the purview of Section 9(A) of the Industrial Disputes Act (for short, the Act). Hence, a notice under Section 9(A) of the Act is not necessary before issuing the circular dated 13.2.2012 since the said provision is not applicable to the present case. According to him, since the medical facilities and reimbursement are continued to be provided by the management in respect of allopathic treatment, there is no curtailment of facilities such as medical treatment or reimbursement of medical expenses as alleged by the respondent union. However, the Labour Court, without adverting to the above facts, mechanically held in favour of



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the respondent union and therefore, the impugned award requires interference. Accordingly, he prayed for the allowing this Writ Petition.

4. Per Contra, the learned counsel appearing on behalf of the respondent union would submit that admittedly, the employees of the respondent union were availing medical facilities of allopathic treatment as well as the alternate methods of treatments like homeopathy, ayurveda and unani etc through other hospitals even from the project stage of the plant till 12.2.2012. However, the petitioner has not issued any notice mandated under Section 9(A) of the Act before discontinuing the existing facility to the employees and hence, the action of the management in withdrawing the existing facilities of alternate methods of treatments is not justified. The said fact has been rightly appreciated by the Labour Court while passing the impugned award, which cannot at all be interfered with. Accordingly, he prayed for dismissal of this Writ Petition.

5. Heard the learned Senior Counsel appearing on behalf of the



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petitioner and the learned counsel appearing on behalf of the respondent union.

6. It is seen from the records that the members of the respondent union were availing the facilities of alternate methods of treatment like Homeopathy, Ayurveda, Allopathy, Siddha, etc. even from the project stage of the petitioner plant till 12.2.2012. However, on 13.2.2012, a circular came to be issued to cease the facility of reimbursement of medical expenses by resorting to alternate methods of treatment.

7. On perusal of the award, it is seen that the first respondent considered what was reiterated in the said circular dated 13.02.2012 and held that while the memorandum of agreement dated 29.04.2010 was in force, the petitioner issued the said circular dated 13.02.2012 withdrawing the existing medical facilities, which were retained in the agreement dated 29.04.2010. The first respondent also found that no notice under Section 9A of the Act was issued before discontinuing the facilities, that the said circular



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dated 13.02.2012 could not be enforced since it was issued in violation of Section 9A of the Act and that even though the facility enjoyed by the workmen was not included in the service conditions, a notice should be given. The first respondent ultimately held that in the absence of a notice, the said circular dated 13.2.2012 was not valid in law and merely because the sister concerns of the petitioner were not given such a facility cannot be the basis to negate the benefits which were granted to the members of the respondent union.

8. In the considered view of this Court, the first respondent was justified in passing the impugned award after holding that the act of the petitioner in discontinuing the facility by issuing the said circular dated 13.2.2012 could not be approved. This Court finds no perversity in the findings rendered by the first respondent.

M.DHANDAPANI,J



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9. Accordingly, the writ petition stands dismissed and the impugned award passed by the first respondent is confirmed. Consequently, the connected WMP is closed.

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Index : Yes (or) No

Neutral Citation : Yes (or) No

NHS

To

The Presiding Officer, Central
Government Industrial Tribunal-
cum-Labour Court, I Floor,
B Wing, 26, Haddows Road,
Sastri Bhavan, Chennai-6.

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