



WP No.25126 of 2023

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 09.10.2023

CORAM

THE HON'BLE MR.SANJAY V.GANGAPURWALA , CHIEF JUSTICE

AND

THE HON'BLE MR.JUSTICE D.BHARATHA CHAKRAVARTHY

WP No.25126 of 2023
and WMP No.24555 of 2023

E.I.D.Parry (India) Limited,
Head Office – DARE HOUSE,
234, N.S.C.Bose Road,
Parrys Corner, Chennai 600 001.

.. Petitioner

-VS-

1. The Commissioner of Labour,
Union Territory of Puducherry,
Puducherry.

2. Indian Bank,
Pondicherry Main Branch,
No.288, M.G.Road, Puducherry.

.. Respondents

Prayer: Petition filed under Article 226 of the Constitution of India for issuance of a Writ of Mandamus directing the respondents to forthwith and within such time as may be fixed by this Court refund the sum of Rs.2 crores deposited by the petitioner on 23.03.2009 (vide DD No.214692 dated 23.03.2009 drawn on State Bank of India) together with interest thereon as per prevailing bank rate from time to time,



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which was deposited by it in terms of the order dated 19.03.2009 in I.A.Nos.3 and 4 of 2009 in SLP (C) No.8387 of 2007 passed by the Hon'ble Supreme Court inasmuch as all proceedings have concluded and this deposit is required to be refunded.

For the Petitioner : Mr.Rahul Balaji
For the Respondents : Mr.S.Raveekumar
Govt. Pleader (Puducherry)
for R-1
: Mr.Aditya Chandramouli
for M/s.Aiyar & Dolia (V/R)
for R-2.

* * * * *

ORDER

(Made by the Hon'ble Chief Justice)

We have heard Mr.Rahul Balaji, learned counsel for the petitioner, Mr.S.Raveekumar, learned Government Pleader for Puducherry, for respondent No.1 and Mr.Aditya Chandramouli, learned counsel for respondent No.2.

2. The instant writ petition is filed seeking refund of the sum of Rs.2,00,00,000/- (Rupees two crores only) deposited by the petitioner



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on 23.03.2009 drawn on State Bank of India together with interest as per the prevailing bank rate. The said amount was deposited by the petitioner in terms of the order of the Hon'ble Supreme Court passed in I.A.Nos.3 and 4 of 2009 in SLP (C) No.8387 of 2007 dated 19.03.2008.

3. It is submitted that the said SLP (C) No.8387 of 2007 is converted into Civil Appeal No.6381 of 2009.

4. Reliance is placed on the order dated 31.08.2009 in Civil Appeal No.6381 of 2009 of the Apex Court. Paras 9 and 10 of the said order read thus:

“9. The Indian bank will now transfer the sum of Rs.six crores as directed by the High Court, from the sale proceeds, without prejudice to its contentions to a no-lien account in its Pondicherry Main Branch which shall be operated by the Commissioner, who shall endeavour to complete the exercise of verification, quantification and payment of the employees' dues within three months. The balance, if any, remaining in the no-lien account after such settlement of workers' dues, shall be paid to the New Horizon without prejudice to the contentions of the Bank. If the amount of Rs.6 crores is found to be insufficient by the Commissioner, the Commissioner may apply to Madras High Court for release of further funds from the amount in deposit with it.



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10. The sum of Rs.2 crores (or such other sum) that was deposited by the EID Parry with the Commissioner of Labour, Pondicherry in pursuance of our interim order dated 19.3.2009 shall be refunded to EID Parry.”

5. The balance amount remaining in no-lien account after the settlement of workers' dues was directed to be paid to New Horizon without prejudice to the contentions of the bank. The said order dated 31.08.2009 was further clarified by the Apex Court in I.A.Nos.8 and 1 of 2009 under order dated 11.12.2009. In the said order, the Apex Court had observed that the question whether EID Parry (present petitioner) is liable for any of the employees/workmen's dues other than Section 25FF of the Industrial Disputes Act, 1947 or whether it should be paid to New Horizon itself is an issue pending in W.P.No.24834 of 2005 or any other proceeding pending between them. Until that is done, the sum of Rs.2 crores deposited by EID Parry (the petitioner) shall continue to be in deposit and EID Parry shall not withdraw the said amount or interest thereon. After the issue of liability is ultimately decided, consequential orders be passed by the High court in regard to the said sum of Rs.2 crores.



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6. The Commissioner of Labour, Puducherry, has filed a counter.

In the counter, it is stated that in compliance of the directions of the Apex Court, several meetings were convened and adequate opportunity was provided to the management of M/s.New Horizon Sugar Mills Ltd., in the matter of deciding the claims and settlement of dues to the workers. The Ariyur Sugar Mills workers had submitted their claim applications of 307 employees and 26 out-stationed workmen had not submitted their claim applications and the total claim amount raised was Rs.12,74,34,679.59 (Rupees twelve crores seventy four lakhs thirty four thousand six hundred seventy nine and paise fifty nine only). The details were given of the amount lying with them. It is submitted that payments had been made to 318 erstwhile workers of New Horizon Sugar Mills from 2 accounts maintained by the Labour Commissioner. The names of the workers are also detailed in the counter-affidavit. It is stated that out of 333 workers, 13 workmen have not submitted the claim applications and two of the deceased workmen's legal heirs have also not submitted the claim application for compensation. It was stated that the total calculation of compensation to the unclaimed 15 workmen approximately comes to Rs.6,38,969.59



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(Rupees six lakhs thirty eight thousand nine hundred sixty nine and paise fifty nine only).

7. In para 19 of the counter-affidavit, it is stated that EID Parry (India) Ltd. deposited Rs.2 crores, which amount shall be disbursed by the Labour Commissioner to the erstwhile workmen of New Horizon Sugar Mills Ltd. as per their entitlement. Paras 22 to 24 of the counter-affidavit read thus:

“22. I submit further that 318 workers have received the compensation out of 333 workers. The Receipt Registers (7 Volumes) and Bank Statements of Indian Bank Accounts were verified and found to be correct. The process of quantification and disbursement of compensation to the erstwhile workers of New Horizon Sugar Mills Limited has been completed and there is a balance amount of Rs.7,13,75,721/- (The remaining amount transferred from the Court is 3,40,43,378 + the amount remaining from the EID Parry transferred amount is 3,73,32,343) in the bank accounts (the said amount will be on higher side due to accumulation of interest as on date).

23. I humbly submit that the sum of Rs.2,00,00,000/- was deposited by EID Parry to Account No.829077755. I further submit that as per the interim orders of the Hon'ble Supreme Court, dated 9.3.2009, the workmen were given part payments amounting totally to Rs.15,97,329/-. Thereafter, as per the directions of the Hon'ble High Court, Rs.6 crores was transferred to the Account No.829077755 and Rs.6 Crores was once



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again transferred to the new Account No.865030837. Since a further sum of Rs.4,60,99,248/- was transferred by the Hon'ble High Court, to maintain a separate account, a new Account bearing No.901797818 was opened and the money was transferred and used for disbursal. The dues to 318 workmen were fully settled from and out of the Accounts bearing Nos.865030837 & 829077755. The balance was transferred to the State Bank of India and deposited in a fixed deposit.

24. I humbly submit that in so far as the claims of the petitioner, the balance amount after the initial part payment is lying in the Indian Bank Account No.829077755 and Fixed Deposit No.06054515016 with accrued interest as stated in the table above, funds lying in the State Bank of India will be sufficient to make payment to the unsettled 15 Employees who have so far not given the claim application.”

8. It has been clarified in para 24 of the affidavit, as reproduced supra, that so far as the claim of the petitioner is concerned, the balance amount after the initial part payment is lying in the Indian Bank account No.829077755 and Fixed Deposit No.06054515016 with accrued interest as stated in the table given in the affidavit and the funds lying in the State Bank of India will be sufficient to make payment to the unsettled 15 employees who have so far not given the claim application.



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9. The learned counsel for the bank submits the bank has no objection if the amount is allowed to be paid to the petitioner as claimed. It is submitted by respondent No.1 that the other amount lying in the SBI account deposited by the original owner would be sufficient to satisfy the claim of the remaining 15 workmen.

10. In light of the above and the affidavit filed by the Commissioner of Labour, the respondents may release the amount of Rs.2,00,00,000/- (Rupees two crores only) along with interest to the petitioner.

11. The learned counsel for the petitioner submits that the initial part payment that was made by the petitioner with the respondents certainly could not have been deducted from the petitioner's claim. The learned counsel for the bank submits that the petitioner would give a representation to the respondents. If the representation is given by the petitioner, the respondents may consider the same on its own merits.



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With the above observations, the writ petition is disposed of.

There will be no order as to costs. Consequently, W.M.P.No.24555 of 2023 is closed.

(S.V.G., CJ.)

(D.B.C., J.)

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Index : Yes/No

Neutral Citation : Yes/No

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