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W.P. No. 34388 of 2012

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 19.07.2024

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THE HONOURABLE MR. JUSTICE C.KUMARAPPAN

W.P. No. 34388 of 2012

and

M.P. No. 1 of 2012

1. The Management of India Motor
Parts and Accessories Ltd.,
No.46, Whites Road,
Chennai - 600 014
Represented by its Vice President (F&A)

2. Assistant In-Charge,
India Motor Parts and Accessories Ltd.,
Survey No. 30/1,
Plot No. 4, Shop No. 4,
Pune Satara Road,
Dhankawad,
Pune - 411 043.

Petitioners

...

Vs.

1. The Presiding Officer,
Principal Labour Court,
Chennai.

2. K.Varadharajan
Respondents

...

PRAYER: Writ Petition is filed under Article 226 of the Constitution of India, 1950, praying to issue a Writ of Certiorari, to call for the records and



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quash the same connected with C.P. No. 111 of 2005 passed by the 1st respondent i.e., The Presiding Officer, Principal Labour Court, Chennai order dated 18.09.2012 in so far as the direction for payment of unpaid wages and illegal money recovery are concerned to the 2nd respondent made therein.

For Petitioners : Mr. S.Shivathanu Mohan

For Respondents : R1 - Court
R2 - Mr. Sunny Sheen
for Ms. V.Srimathi

ORDER

The management has assailed the order of the Labour Court passed in C.P.No.111 of 2005 dated 18.09.2012 by way of this Writ Petition.

2. The brief facts which give rise to the instant writ petition are as follows:-

The workman filed Computation Petition claiming a sum of Rs. 3,24,693/- under the following heads viz., Unpaid Wages, Leave Travel Allowances, Privilege Leave, Illegal Recovery and Housing Loan. It is the submission of the workman that he joined in the company of appellant as a Clerk on 18.07.1983, and thereafter, he resigned from service during 1997. Again rejoined on 17.09.2001. It is the submission of the workman that on rejoining, he was posted in Raipur branch. It is also the contention of the



workman that, while he was working in Pune, under the guise of being kept under suspension by coercion, he was forced to sign in some documents. It is also the contention of the workman that there was no settlement under Section 18(1) of the Industrial Disputes Act, 1947 as pleaded by the management. It is stated in the petition that such 18(1) settlement is result of fraud and coercion. Therefore, the petitioner/workman prayed to compute his claim as prayed in the petition.

3. However, the Management/writ petitioner has disputed the claim on the sole ground that there was an 18(1) settlement between the workman and management on 16.08.2003. By virtue of such settlement, there was no claim of any kind monetary or otherwise as against each other. Therefore, it is the contention of the Management that the amount claimed in the Computation Petition is erroneous and fictitious. It is also the contention of the petitioner/Management that the very challenge in respect of 18(1) settlement cannot be raised in the Computation Petition and the same could only be raised by way of an Industrial Dispute.

4. After having considered the pleadings on either side and the documents and evidence placed on record by either side, the Labour Court



arrived at a conclusion that the 2nd respondent/workman is entitled for a computation of Rs. 1,14,028/- and allowed the petition in part.

5. Assailing the order of the Labour Court, the Management preferred the instant Writ Petition.

6. The learned counsel for the Writ Petitioners/management vehemently submits that the order of the Labour Court is erroneous on the sole ground that, having given a finding that there is a valid 18(1) settlement, awarding a sum of Rs. 1,14,028/- is contrary to the finding of the Labour Court and would only manifest the dichotomy between the two findings of the Labour Court. Hence, prayed to interfere with the order of Labour Court, by assailing this Writ Petition.

7. *Per contra*, the learned counsel appearing for the 2nd respondent/workman would submit that he has categorically pleaded in his petition that the alleged 18(1) settlement is the result of duress and coercion, and that the findings recorded by the Labour Court that he is entitled for a sum of Rs. 1,14,028/- is based upon evidences available on record. Therefore, the order of the Labour Court does not require any interference. Hence, prayed



to dismiss the petition.

8. I have given my anxious consideration to either side submissions.

9. The sum and substance of the lis is only the binding nature of the 18(1) settlement dated 16.08.2003 which has been marked as Ex.P25. At this juncture, the learned counsel for the writ petitioners/management would invite the attention of this court in respect of the finding recorded by the Labour Court. The Labour Court in paragraph 11 of the judgment, has held as follows:-

" 11. Now we have to see whether the petition filed by the petitioner is maintainable u/s.33-C(2) of the I.D Act. According to the petitioner, he has worked only as a worker and though he was designated or promoted as Assistant Manager while he was working at Pune, he had no supervisory or managerial nature of duties and he was only looking after the clerical work. Further u/s. 18(1) of the I.D. Act only the Management and workmen will enter into the settlement. The petitioner disputes that he has not voluntarily signed in the settlement. However, the Management would rely on the settlement Ex.P.25 that the petitioner has voluntarily signed in the settlement and looking into signatrue of the petitioner, there is no proof filed by the petitioner to show that immediate to the entering into the settlement, he has not created any



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document to show that or he had made any complaint to anybody else or he was coerced or compelled to sign the 18(1) settlement. It is concluded that the petitioner has voluntarily signed in the 18(1) settlement and the same has been acted upon. In view of such a conclusion that the such settlement can be entered into between the Management and workmen, the petitioner as a workman can very well invoke the provisions of the I.D. Act."

(emphasis supplied by this Court)

According to the above finding, the Labour Court has succinctly arrived at a conclusion that there was a binding contract between the 2nd respondent/workman and the petitioner/Management under Section 18(1) of the Industrial Disputes Act. However, it is the contention of the learned counsel for the workman that such 18(1) settlement was obtained by way of duress and coercion.

10. As rightly contended by the learned counsel for the petitioner/Management, if 2nd respondent/workman raises any issue in respect of the validity of 18(1) settlement that cannot be adjudicated in a Computation Petition and the only available remedy for the workman is to initiate an Industrial Dispute to prove his contention are to demonstrate his entitlement. This Court is in full agreement with the submissions made by the learned



counsel for the Management. Therefore, once the Labour Court arrived at a conclusion that there is valid 18(1) settlement, any computation should be in accordance with the 18(1) settlement.

11. For ready reference, this Court deems it appropriate to extract the relevant clause of the 18(1) settlement hereunder:-

" 2. Arising out of this Voluntary Resignation of the workman from the services of the Company and its acceptance the workman shall have no claim of any kind monetary or otherwise as against the Company including any claim for re-employment, reinstatement, requirement or the like."

As per the above agreement, the 2nd respondent/workman has no claim against the petitioners/Management. Therefore, when such was the terms agreed by the 2nd respondent/workman and which factum was accepted by the Labour Court, the computation of Rs. 1,14,028/- is absolutely perverse are without any evidence. Therefore, this Court have jurisdiction to interfere with the order of the Labour Court. Thus, this Court finds that the order of the Labour Court is erroneous and is liable to be set aside.

12. In the result, the Writ Petition is allowed by setting aside the order of the Labour Court dated 18.09.2012 made in Claim Petition No. 111 of



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2005. At this juncture, the learned counsel for the petitioners/Management would submit that they have already deposited 50% of the award amount before the Labour Court. If that being the case, the Management is entitled to get back the same along with accrued interest. There shall be no order as to costs. Consequently, connected MP is also closed.

19.07.2024

Index : Yes/No
Speaking order : Yes/No
NCC : Yes/No
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To

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The Presiding Officer,
Principal Labour Court,
Chennai.



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C.KUMARAPPAN, J.

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