



W.P.No.1049 of 2022

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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 10.06.2025

CORAM

THE HONOURABLE MR. JUSTICE P.DHANABAL

W.P.No.1049 of 2022

R.Ravichandran

... Petitioner

Vs.

1.The Secretary,
Industries and Commerce,
Government of Puducherry,
Puducherry.

2.The Secretary (Labour),
Government of Puducherry,
Puducherry.

3.The Managing Director,
Anglo French Textiles,
A unit of Pondicherry Textile Corporation Ltd.,
Cuddalore Road, Mudaliarpeta,
Puducherry – 605 004.

... Respondents

PRAYER : Writ Petition filed under Article 226 of the Constitution of India, praying for the issuance of a direction in the nature of Writ of Declaration, declaring the closure of the third respondent Mill with effect from 30.04.2020 pursuant to Form QA dated 21.01.2020 issued by the third respondent under Section 25(O) of the Industrial Disputes Act, 1947 as illegal and pass such further orders.



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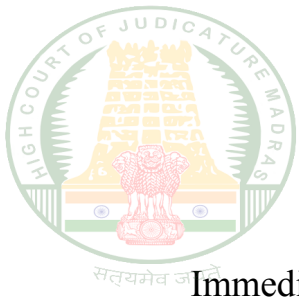
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For Petitioner : Mr.Anil Relwani
For Respondents : Mr.A.Tamilvanan,
Additional Government Pleader
(Pondy)

ORDER

This writ petition is filed to declare the closure of the third respondent Mill with effect from 30.04.2020 pursuant to Form QA dated 21.01.2020 issued by the third respondent under Section 25(O) of the Industrial Disputes Act, 1947 as illegal.

2. Learned counsel appearing for the petitioner would submit that the petitioner was working as a Fitter in the third respondent's Mill and joined the duty on 01.04.1992 and the date of retirement is on 06.06.2030. While so, the third respondent served upon all the trade unions a notice dated 21.01.2020 under Section 25(O) of the Industrial Disputes Act, 1947, thereby indicating that the third respondent proposed to close down the third respondent Mill with effect from 30.04.2020. In the notice, Form 'QA' was also annexed, and Column 24 of Form 'QA' indicates that the Government of Puducherry has decided to propose 'VRS or Settlement'.

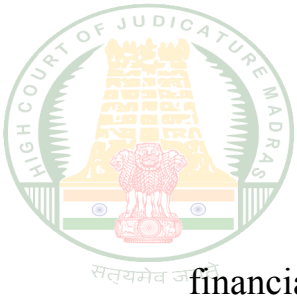


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Immediately, the petitioner, along with other workmen, approached the office of the third respondent, and they requested the workmen not to approach the Tribunal or challenge the closure since all the interests of the workmen would be taken care of by the third respondent. The petitioner did not opt for the VRS scheme and requested the office of the third respondent to invite the petitioner and other similarly placed workmen for mutual 'Settlement'.

3. Learned counsel further submits that the second respondent, vide Government Order dated 02.03.2020 bearing No.553/AIL/LAB/T/2020, appointed one Mr.D.Ramabathiran, District Judge (Retired) to conduct an enquiry under Section 25(O) of the Industrial Disputes Act, 1947, and no enquiry was conducted and no such enquiry report was furnished to the Government. The office of the third respondent kept depositing monies under various heads for a sum of Rs.6,55,083/- in the bank account of the petitioner. The petitioner approached the third respondent and requested clarification in respect of the deposited amounts. The office of the third respondent stated that the said amount deposited is only a temporary arrangement so that the workmen may not suffer



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financially, therefore, the amount was deposited. Admittedly, the third respondent has violated Section 25(O) of the Industrial Disputes Act, 1947. Therefore, the closure of the third respondent Mill on 30.04.2020 is illegal. Neither the mandatory order under Section 25(O) of the Industrial Disputes Act was passed nor granting permission for closure of the third respondent Mill was communicated to the trade unions. The third respondent promised the petitioner and other similarly placed workmen that they would be offered Settlement. Further, the promise made in the Form 'QA' has been violated by the third respondent, and therefore, when the very basis of closure is on VRS or Settlement and when the same has not been granted, the closure ought to be declared as illegal. The workmen have not been paid wages from 2019 onwards. Hence the petitioner filed this writ petition, and the same has to be allowed.

4. Learned counsel for the petitioner would then place reliance on the order passed by this Court in W.P.Nos.5360 & 5365 of 2021 (Swadeshi Panchalai Thozilalar Urimai Padukappu Sangam, No.23, 1st Floor, Middle Street, Veeman Nagar, Thilaspeth, Puducherry – 606 009. Rep. by its President, Mr.K.Mohandass Vs. The Secretary, Industries and Commerce,



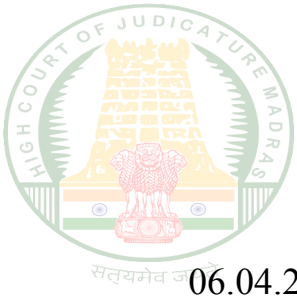
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Government of Puducherry, Puducherry and 5 others).

5. A counter affidavit was filed by the respondents dated 07.06.2025.

6. Learned Additional Government Pleader appearing for the respondents would submit that the Ministry of Home Affairs, vide letter dated 19.03.2020, stated that the matter has been considered in view of the fact that the Management of Anglo French Textiles Mills has passed a resolution to close down the operation of the Mill and file statutory notice of closure under Section 25(O) of the Industrial Disputes Act, 1947, before the Competent Authority, Puducherry. The Government has appointed Mr.D.Ramabathiran, District Judge (Retired), as Enquiry Authority under the Industrial Disputes Act, 1947, to examine the applications filed by the Mill, and the Enquiry Authority has submitted his report recommending closure of the Mills, and the report was submitted to the Government for approval for notifying the closure of the Mills. The closure application was filed with the Competent Authority under Section 25(O), Sub Section (1) of the Industrial Disputes Act 1947 on 21.01.2020, and the closure application was resubmitted on 06.02.2020. The deemed period of 60 days expired on



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06.04.2020. As per Section 25(O), subsection (3), since no communication refusing the closure has been received by the Anglo French Textiles Management from the Competent Authority within 60 days, the date of closure takes effect from 30.04.2020, as in the closure application. The closure notice dated 13.08.2020 was exhibited, stating that the Mill was closed with effect from 30.04.2020 as per the direction of the Hon'ble Lt.Governor, Puducherry. Further, the terminal benefits amounts were already settled to all the employees including the petitioner, and the petitioner has received a sum of Rs.10,92,682/- and the same was acknowledged by the stamp receipt. Therefore, there is no procedural violation under Section 25(O) of the Industrial Disputes Act, and the petitioner after receipt of the entire terminal benefits, cannot file this petition. Therefore, the writ petition filed by the petitioner is liable to be dismissed.

7. This Court heard the learned counsels on either side and perused the materials available on record.

8. The main contention raised by the petitioner is that there are procedural violations under Section 25(O) of the Industrial Disputes Act,



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and no report was submitted to the Government and the Government has not passed any closure order under Section 25(O) of the Industrial Disputes Act. As per the counter filed by the respondents, the retired District Judge, namely, D.Ramabathiram, was appointed as an Enquiry Authority to examine the application filed by the Mill under Section 25(O) of the Industrial Disputes Act. He has also submitted the report before the Government recommending closure of the Mill for approval, and the same was approved by the Government. The petitioner also admitted the receipt of the terminal benefits through his bank account. According to the petitioner, the same was credited without knowledge of the petitioner. Even assuming that the amount was credited without knowledge of the petitioner, he has not taken steps with regard to the deposited amount. Since the statutory procedure under Section 25(O) of the Industrial Disputes Act was followed by the Government and the deemed period of 60 days expired on 06.04.2020, and the petitioner also received the entire terminal benefits and the respondents have paid a sum of Rs.10,92,682/- including pending wages from 2019-2020 and 2012-2013, and after accepting the terminal benefits, the petitioner cannot raise objection for the closure of the Mill.



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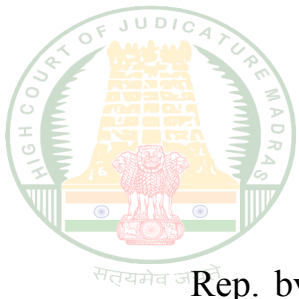
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9. The terminal benefits settled to the petitioner as per the respondents stated in the counter affidavits are as follows:

Sl. No.	Particulars	Amount Rs.
1	Closure Compensation	3,95,018
2	Gratuity	4,00,100
3	Interest on Gratuity	57,916
4	Leave Salary	23,687
5	Retirement Benefit Fund	25,000
6	Family Welfare Fund	1,575
7	IDA Arrears	37,812
8	Pending Wages – 2019-20	1,28,300
9	Pending Wages – 2012-13	23,274
Total		10,92,682

10. In order to prove the same, the respondents also produced a copy of the payments settled to the petitioner.

11. The petitioner also did not dispute the same. After receipt of the terminal benefits, the petitioner cannot raise any objection with regard to the closure of the third respondent's Mill. At this juncture, the petitioner also produced the judgment of this Court in W.P.Nos.5360 & 5365 of 2021 (Swadeshi Panchalai Thozilalar Urimai Padukappu Sangam, No.23, 1st Floor, Middle Street, Veeman Nagar, Thilaspeth, Puducherry – 606 009.



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Rep. by its President, Mr.K.Mohandass Vs. The Secretary, Industries and Commerce, Government of Puducherry, Puducherry and 5 others).

12. Even as per the aforesaid judgment, the workmen will not be entitled to any relief; when he already accepted the monetary benefits and the money was settled. In the case at hand also, after accepting the monetary benefits on 09.08.2021, the petitioner filed this writ petition on 03.01.2022. Therefore, the petitioner is not entitled to any relief, and this writ petition is devoid of merits and is liable to be dismissed.

13. Accordingly, the **writ petition stands dismissed**. No costs.

10.06.2025

cda

Index : Yes / No

Speaking / Non-Speaking Order



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P.DHANABAL, J.

cda

To

- 1.The Secretary,
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