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W.P.No.4624 of 2023

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 07.07.2025

CORAM:

THE HONOURABLE MS. JUSTICE P.T. ASHA

**W.P.No.4624 of 2023
and
W.M.P.No.4624 of 2023**

The Management of Sundaram Clayton Limited,
Hosur to Thally Road,
Belagondapalli,
Hosur-635 109,
Represented by its Senior Vice President-IR

.. Petitioner

Vs.

P.Kalanthar Shabi

.. Respondent

PRAYER: Writ Petition filed under Article 226 of the Constitution of India praying for issuance of writ of Certiorarified Mandamus, to call for the records from the Labour Court, Hosur, in I.A.No.1 of 2022 in I.D.No.2 of 2022, quash its order dated 11.01.2023 in I.A.No.1 of 2022 and direct the respondent to deposit only a sum of Rs.6,35,930/- before proceeding further with the dispute.



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For Petitioner : Mr.Anand Gopalan
for M/s.T.S.Gopalan and Co

For Respondent : Not served

ORDER

Aggrieved by the order dated 11.01.2023 passed by the Labour Court, Hosur, in I.A.No.1 of 2022 in I.D.No.2 of 2022, the petitioner/ Management of Sundaram Clayton Limited has filed this writ petition.

2. The brief facts leading to filing of this writ petition are as follows:-

(a) The petitioner claims to be one of the largest Auto-components Manufacturing and Distribution Group in India. The petitioner Factory engaged more than 500 persons and they are represented by a Union. Due to adverse business and economic conditions, the Company announced a Voluntary Retirement Scheme for all the eligible employees.



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(b) The respondent joined the services of the petitioner Factory initially as a Trainee and his services were confirmed with effect from 07.10.2013. The respondent applied for retirement under the Voluntary Retirement Scheme. However, since he had put in less than 10 years of service, he was not eligible under the Voluntary Retirement Scheme. However, the respondent pressed the petitioner Management to allow him to avail the said benefit as he had some financial needs to meet out the medical emergency of his aged parents. The petitioner took a humanitarian view of the matter and allowed the respondent to submit his resignation and promised to pay a sum of Rs.5,00,000/- in full and final quit and accordingly, the respondent submitted his resignation on 10.03.2020. According to the petitioner, on 28.04.2020, a sum of Rs.6,35,930/- was credited to the bank account of the respondent towards full and final settlement.

(c) However, after a lapse of one year, after receiving the amount, the respondent raised an Industrial Dispute before the Conciliation Officer alleging that his resignation was obtained under threat and



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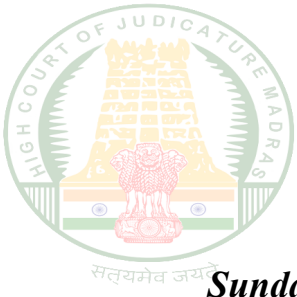
coercion. Efforts to resolve the issues ended in failure which gave rise to filing of the Industrial Dispute before the Labour Court.

(d) The Labour Court took the dispute on file in I.D.No.2 of 2022.

The petitioner appeared on notice and filed an interlocutory application in I.A.No.1 of 2022 pointing out the fact that the respondent had received a sum of Rs.6,35,930/-. Therefore, the petitioner prayed the Labour Court to direct the respondent to deposit a sum of Rs.6,35,930/- received by him as full and final settlement from the petitioner Management pursuant to his resignation. However, the Labour Court had directed the respondent to deposit only a sum of Rs.83,319/- within a period of six weeks.

(e) Aggrieved over the same, the present writ petition has been filed.

3. The learned counsel appearing for the petitioner Management invited the attention of this Court to a similar order passed by this Court in W.P.No.3245 of 2024 (*N.Saravanan vs. The Management of*



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Sundaram Clayton Limited), wherein, the similar issue was raised by the another workman employed under the petitioner Management. The learned Single Judge of this Court had relied upon the decision of the Hon'ble Supreme Court of India in the case of **Ramesh Chandra Sankla and Others vs. Vikram Cement and others** reported in **(2008) 14 SCC 58**, and rejected the writ petition. The facts of the case in W.P.No.3245 of 2024 would squarely apply to the case on hand.

4. In the result, the order passed by the Labour Court, Hosur, in I.A.No.1 of 202 in I.D.No.2 of 2022 is set aside. The respondent herein is directed to deposit the entire amount of Rs.6,35,930/- received from the petitioner Management within a period of one month from the date of receipt of a copy of this order.

5. Accordingly, this Writ Petition is allowed. There shall be no order as to costs. Connected miscellaneous petition is closed.



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Index:Yes / No

Speaking Order :Yes / No

Neutral Citation:Yes / No

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To

The Labour Court, Hosur.



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