



W.P.No.9417 of 2018

IN THE HIGH COURT OF JUDICATURE AT MADRAS

**DATED : 27.03.2025**

CORAM :

THE HONOURABLE MR. JUSTICE M. DHANDAPANI

**W.P.No.9417 of 2018**

**and**

**W.M.P.No.11238 of 2018**

1.Sterling Biotech Limited,  
Rep. by its Factory Manager,  
Sandynalla,  
Sholur Town Panchayat,  
The Nilgiris.

2.Dr.Mamta Binani  
[P2 impleaded vide order dt. 19.06.2023  
made in W.P.No.9417 of 2018]

... Petitioners

Vs.

1.The Presiding Officer,  
Additional Labour Court,  
Coimbatore.

2.Sterling Biotech Thozhilalar Sangam,  
(Registered No.236/Nilgiris),  
Represented by its General Secretary,  
Sandynalla,  
The Nilgiris – 643 247.

... Respondents

**Prayer :** Writ Petition filed under Article 226 of the Constitution of India for issuance of a Writ of Certiorari, calling for the records of the 1<sup>st</sup> respondent in I.D.No.37 of 2014 and quash its award dated 10.01.2018.

For Petitioner : Mr.S.Bazeer Ahamed [P1]



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For Respondents

No appearance [P2]

: Labour Court [R1]

No appearance

M/s.S.Arunachalam Associates [R2]

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### **ORDER**

Aggrieved by the order dated 10.01.2018 passed by the 1<sup>st</sup> respondent in I.D.No.37 of 2014, the present writ petition has been filed by the petitioner.

2. This Court vide order dated 19.06.2023 has impleaded the liquidator as 2<sup>nd</sup> petitioner in this writ petition.

3. The 2<sup>nd</sup> respondent/Sangam raised an industrial dispute espousing the cause of 16 deceased employees and sought for monthly pension to their legal heirs in terms of the then existing management rules.

4. Initially, the company was owned by Rallis India Limited. In the year 1985, the said company formulated a death-in-service benefits scheme for non-management staff. Subsequently, the said scheme was improved in the year 1996 and in the year 2003, the scheme was extended to pay exgracia amount of Rs.1 lakh and monthly pension of Rs.3,000/- to a widow/legal heir of the



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worker, who died while in service. Thereafter, the 1<sup>st</sup> petitioner company acquired the company from Rallis India Limited with effect from 01.04.2004 as per Business Transfer Agreement dated 31.03.2004. The 1<sup>st</sup> petitioner company wrote a letter dated 01.04.2004 to the 2<sup>nd</sup> respondent/Sangam informing about the transfer of ownership and assured the Sangam and the workers that all terms and conditions of their employees would remain the same. While that being so, as many as 16 workers lost their lives while in service. The 1<sup>st</sup> petitioner company paid a sum of Rs.1 lakh as exgracia to the legal heirs of the deceased, however, it refused to pay the monthly pension of Rs.3,000/- to the legal heirs. Aggrieved by the same, the 2<sup>nd</sup> respondent Sangam raised a dispute which was taken on file by the Additional Labour Court, Coimbatore and adjudicated upon. Each side examined one witness and the 2<sup>nd</sup> respondent/Sangam marked 13 documents while the 1<sup>st</sup> petitioner company marked 2 documents. The labour court after going through the materials available before it held the dispute in favour of the 2<sup>nd</sup> respondent/Sangam and directed the 1<sup>st</sup> petitioner company to pay the monthly pension to the legal heirs of the deceased employees. Challenging the same, the present writ petition is filed.

5. Learned counsel appearing for the 1<sup>st</sup> petitioner submitted that the



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legal heirs of the deceased cannot be termed as workmen and the 2<sup>nd</sup> respondent cannot agitate their cause. He further submitted that the issue raised before the labour court is hit by the principles of resjudicata inasmuch as the computation petitions filed by the legal heirs of the deceased five workmen was dismissed by the labour court. He also submitted that the 1<sup>st</sup> petitioner company is not bound to pay pension as per death-in-service benefits scheme formulated by the erstwhile management. Further, he submitted that the labour court was grossly erred in allowing the 2<sup>nd</sup> respondent/Sangam to raise the grievance of the legal heirs of the deceased employees, because the union can at best address only the demands of the members of its union. Therefore, he submitted that the writ petition may be allowed and the impugned order be set aside.

6. None appeared on behalf of the 2<sup>nd</sup> respondent.

7. Having heard the learned counsel appearing for the 1<sup>st</sup> petitioner, this Court marches to examine the worthiness of the impugned order.

8. On a bare perusal of the impugned order, this Court is impressed with the findings given by the labour court. The first contention raised by the learned counsel appearing for the 1<sup>st</sup> petitioner was that the 2<sup>nd</sup> respondent have no right

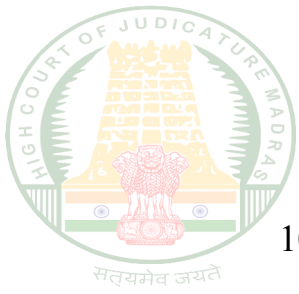


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to espouse the grievance of the family members of the deceased workmen and submitted that the very industrial dispute was not maintainable. The labour court has relied upon the expression 'any person' as defined in the Industrial Disputes Act. The word 'any person' does not have any restriction or limitation as to its scope and that a union can espouse the cause of the legal heirs of the deceased workmen. As rightly observed by the labour court even a non-workman can raise a dispute in respect of matters affecting their employment, conditions of services, etc. Therefore, the objection raised by the learned counsel appearing for the 1<sup>st</sup> petitioner with regard to maintainability of the industrial dispute is rejected.

9. As regards the question of resjudicata, the labour court has clarified that the claim petitions filed by the legal heirs of the deceased workmen were rejected only on the ground that the computation petitions were filed without a proper adjudication of the disputed claims. Moreover, in this case, the 2<sup>nd</sup> respondent/Sangam is fighting for the rights of the 16 families. Therefore, the contention of the learned counsel appearing for the 1<sup>st</sup> petitioner regarding resjudicata is rejected.

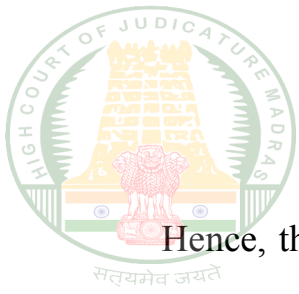


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10. As regards the binding nature of the pension scheme formulated by

the erstwhile company to the 1<sup>st</sup> petitioner company, it is clear from the letter written by the 1<sup>st</sup> petitioner company to the workers. In the letter dated 01.04.2004, the 1<sup>st</sup> petitioner company has assured its workers that all terms and conditions of their employee would remain the same and all benefits that they enjoyed with the previous owner would be extended to them. Therefore, the 1<sup>st</sup> petitioner company is bound by the pension scheme formulated by the erstwhile owner.

11. It is no doubt true that the 1<sup>st</sup> petitioner company has paid the exgracia amount of Rs.1 lakh to the legal heirs of the deceased. It has withheld the payment of pension. When the 1<sup>st</sup> petitioner company has undertaken to follow the schemes enacted by the erstwhile owner, it is not proper on their part to turn around and so that the pension would not be paid. Moreover, the pension amount is only a paltry sum of Rs.3,000/- per month, and given high raise in prices, the said sum of Rs.3,000/- is only a pittance. This Court does not find any error or illegality in the order passed by the labour court. Indeed, the labour court has refused the prayer of the 2<sup>nd</sup> respondent/Sangam to pay interest. The labour court had reasoned that only in the year 2014, after a long period, the dispute was raised and no proper explanation was given for the said period.



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Hence, the labour court has rejected awarding interest. Therefore, this Court is

not inclined to interfere with the impugned order passed by the labour court.

12. Accordingly, this Writ Petition is dismissed. The 1<sup>st</sup> petitioner company is directed to honour the impugned order dated 10.01.2018 passed by the Additional Labour Court in I.D.No.37 of 2014, within a period of four (4) weeks from the date of receipt of a copy of this order. No costs. Consequently, the connected writ miscellaneous petition is closed.

**27.03.2025**

Index : Yes / No

Speaking order / Non-speaking order

Neutral Citation Case : Yes / No

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To

The Presiding Officer, Additional Labour Court, Coimbatore.



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**M.DHANDAPANI, J.**

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