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W.A.No.2919 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 18.12.2025

CORAM :

THE HONOURABLE MR. JUSTICE M.S. RAMESH

and

THE HONOURABLE MR. JUSTICE R.SAKTHIVEL

W.A.No.2919 of 2025
and C.M.P.No.23662 of 2025

MBD Bus Services Management
Represented by its Sole Proprietor
S.Y.Anver Sheriff
S/o.S.Yacub Sheriff
Having Office at
Opposite to Arcot Bus Stand
Arcot, Ranipet District 632 503

... Appellant

Vs.

M.Sundaram
S/o.Munisamy
No.4, Cotton Bazaar Street
Kaarai, Ranipet District 632 404

... Respondents

Prayer: Writ Appeal filed under Clause 15 of Letters Patent, praying to set aside the order dated 03.09.2024 in W.P.No.32169 of 2023.

For Appellant : Mr.D.Ferdinand
for M/s.BFS Legal

For Respondent : Mr.V.Prakash
Senior Counsel for Mr.S.Gokul



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JUDGMENT

(Order of the Court was made by **M.S.Ramesh, J.**)

Both the Management and the workman have amicably settled the dispute among themselves and had entered into a Memo of Compromise dated 18.12.2025. The terms of the Memo of Compromise reads as follow:

1.The Respondent herein has agreed to receive a total sum of Rs.13,00,000/- (Rupees Thirteen Lakhs only) as full and final settlement of all claims, disputes, and dues arising out of the award passed in I.D.No.20 of 2020 and the proceedings connected thereto. The said amount is inclusive of the Gratuity and other statutory dues if any payable to the Respondent by the Appellant, in respect of the alleged employment of the Respondent with the Appellant.

2.Out of the said total sum of Rs.13,00,000/-, a sum of Rs.10,00,000/- (Rupees Ten Lakhs only) has already been deposited by the Appellant before the learned Additional Labour Court, Vellore, to the credit of I.D.No.20 of 2020, which deposit is admitted and accepted by the Respondent. The Appellant do hereby does not have any objection for the Respondent to have the same withdrawn from the Additional



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Labour Court, Vellore and the Appellant shall co-operate if required to sign any documents in future.

3. With respect to the balance amount of Rs.3,00,000/- (Rupees Three Lakhs only), the Appellant has agreed as follows:

a. A sum of Rs.1,00,000/- (Rupees One Lakh only) shall be paid by way of cash today (18.12.2025) by the Appellant to the Respondent he do hereby admit and acknowledge the receipt of the same.

b. The remaining sum of Rs.2,00,000/- (Rupees Two Lakhs only) shall be paid by way of a post-dated cheque, bearing Cheque No.008224 dated 19.01.2026, drawn on The Arcot Co-operative Urban Bank Ltd, Arcot Branch, Arcot 632503, and the Respondent can deposit the same on 18.01.2026 into his Bank account.

c. If the sum of Rs. 2,00,000/- payable to the Respondent by way of post-dated cheques are dishonoured for any reason, the Respondent will be entitled to the benefit of the full award after deducting the amounts paid under this memorandum of settlement.



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4.The Respondent agrees that upon receipt and realisation of the entire settlement amount of Rs.13,00,000/-, he shall have no further claims of any nature whatsoever against the Appellant arising out of the award in I.D.No.20 of 2020, the order passed in W.P.No.32169 of 2023, or the present Writ Appeal and all the statutory or other dues whatsoever between the parties.

5.Both the parties do hereby agree and undertake that neither of them shall trouble each other in any manner whatsoever after both the parties fulfil their respective obligations under the Memorandum of Compromise.

6.The Respondent workman is terminated on 18.02.2020 and had the benefit of reinstatement and back wages and this memorandum has been entered into on 18.12.2025. Therefore, above said Rs. 13,00,000/- is payable as follows: (a) Gratuity Rs.1,50,000/- (b) Retrenchment Compensation at the rate of 15 days wages for every completed years of service Rs.1,25,000/- and (c) And the balance amount Rs. 10,25,000/- is towards Back wages spread over for the period from 18.02.2020 to 18.12.2025. As there is no taxable income in any particular financial year, there will no tax deduction at source.



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7.Both parties agree that the above settlement is voluntary, arrived at without any coercion, undue influence, or misrepresentation, and that the same may be recorded by this Hon'ble Court.

2.In view of the settlement being arrived between the parties, no further orders are required in this appeal.

3.Recording the above terms of the Memo of Compromise, dated 18.12.2025, the award passed in I.D.No.20 of 2020, as well as the order passed in W.P.No.32169 of 2023 are set aside.

4.The Writ Appeal stands disposed of accordingly. No costs. Consequently, the connected C.M.P.No.23662 of 2025 is closed.

[M.S.R, J.] [R.S.V, J.]
18.12.2025

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Index: Yes / No
Neutral Citation : Yes / No
Speaking / Non Speaking Order



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M.S.RAMESH, J.
and
R.SAKTHIVEL, J.

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