



W.P.No.15034 of 2018

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 15.04.2025

CORAM :

THE HONOURABLE MR. JUSTICE M. DHANDAPANI

W.P.No.15034 of 2018

and

W.M.P.No.17802 of 2018

The Management,
Sundram Fasteners Limited,
Metal Forms Division,
Harita, Hosur – 635 110.
Rep. by its Chief Financial Officer

... Petitioner

Vs.

1. The Presiding Officer,
Labour Court,
Salem.

2. R.Rajendran

... 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 1st Respondent in I.D.No.172 of 2006, quash its Award dated 13.07.2017.

For Petitioner : Mr.S.Haroon-AL-Rasheed

For Respondents : Labour Court [R1]
No appearance [R2]



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ORDER

WEB COPY Aggrieved by the award dated 13.07.2017 passed by the 1st respondent/Labour Court in I.D.No.172 of 2006, the petitioner-management has filed the present writ petition.

2. The case of the petitioner is that it is company engaged in the business of manufacture and sale of automotive and engineering components. It supplies to leading customers in automotive and industrial establishments. It has factories situated in various locations in India and one of its factory is at Hosur in Tamil Nadu. The 2nd respondent was initially appointed as a trainee and after completion of training period, he was made a permanent employee of the petitioner factory at Hosur. The 2nd respondent was working in the Production, Planning and Control Area (PPC) of the petitioner. The 2nd respondent held a position of trust and confidence as his primary responsibility was to ensure that outgoing materials and the incoming materials tallied without discrepancy. If any discrepancy, the 2nd respondent is responsible for that. The petitioner contracted certain activities to various contractors. These third party contractors would receive semi processed materials from the factory of the petitioner, carry out further processed and send them back



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to the factory of the petitioner to complete the manufacturing process. On 01.10.2004, an executive of the petitioner factory Senthilraja inspected the factory premises of M/s.P.J.Engineering, a Sub Contractor of the petitioner. At the time of inspection, it came to the light that certain products of the petitioner which were in no way connected with the business of the sub-contractor were present in the sub-contractor's factory. Upon verification and enquiry, it was learnt that the 2nd respondent has sent these items to the sub-contractor. The proprietor of M/s.P.J.Engineering (Sub Contractor) confirmed that there were malpractices occurring in connivance with 2nd respondent. Thereby, disciplinary proceeding was initiated against him and the same ended in dismissal. Aggrieved by the same, the 2nd respondent has raised an industrial dispute before the labour court in I.D.No.172 of 2006 and the labour court has partly allowed the dispute vide impugned order dated 13.07.2017 awarding compensation of Rs.4,72,080/- in addition to the gratuity amount available in his credit as on 7.11.2005. Challenging the same, the present writ petition has been filed.

3. Learned counsel appearing for the petitioner submitted that beneficiary of the 2nd respondent's activities and the 2nd respondent have



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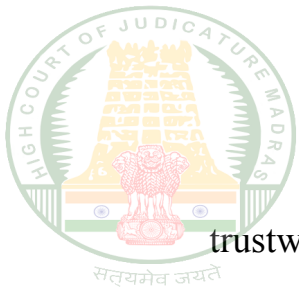
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made confession before the petitioner and on the basis of the said confession, order of dismissal is passed. However, even after satisfaction of the 2nd respondent, the labour court ordered compensation of Rs.4,72,080/- in favour of the 2nd respondent, which is wholly unsustainable. Accordingly, he prays for allowing the writ petition.

4. Though name of the 2nd respondent has been printed in the cause list, none appeared on behalf of the 2nd respondent. Considering the pendency of this writ petition, this Court is inclined to dispose of this writ petition based on the materials available on record.

5. Admittedly, the 2nd respondent was an employee of the petitioner and for loss of confidence in the service rendered by him, he was dismissed from service, against which, he raised an industrial dispute and the labour court ordered compensation in favour of the 2nd respondent, assailing which, the present writ petition has been filed.

6. Based on the oral and documentary evidence adduced by the parties, the Labour Court had arrived at a conclusion that the management has dismissed the 2nd respondent on the ground of



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trustworthy loss of confidence and since the management has lost confidence on the 2nd respondent, ordering reinstatement in favour of the workman is not possible. Therefore, the Labour Court has ordered compensation of Rs.4,72,080/- in addition to the gratuity amount in favour of the 2nd respondent in lieu of reinstatement and backwages, which cannot be said to be perverse, illegal or unreasonable. Therefore, this Court is not inclined to interfere with same.

7. Accordingly, this Writ Petition is dismissed and the petitioner is directed to honour the impugned order dated 13.07.2017 passed by the 1st respondent/labour court in I.D.No.172 of 2006, within a period of four weeks from the date of receipt of a copy of this order, if not, already done by the petitioner. No costs. Consequently, the connected writ miscellaneous petition is closed.

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Index : Yes / No
Speaking order / Non-speaking order
Neutral Citation Case : Yes / No
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To
The Presiding Officer, Labour Court, Salem.



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M.DHANDAPANI, J.

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