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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 01.04.2025

CORAM

THE HONOURABLE MR.JUSTICE M.DHANDAPANI

**W.P.Nos.26499 of 2018, 5769 and 5770 of 2019
and W.M.P.No.30820 of 2018**

W.P.No.26499 of 2018

1.R.Easan (Deceased)

2.E.Vinothkumar

3.Saroja

4.E.Nithya

5.E.Nisha

...Petitioners

*(*P2 to P5 are substituted as LRs of the deceased first petitioner vide order dated 10.04.2019, made in W.M.P.No.10493 of 2019 in W.P.No.26499 of 2018*)*

Vs.

The Management of
Niligiris District Central Co-operative Bank,
Charing Cross,
Udagamanadalam,
The Niligiris.

... Respondents



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PRAYER : Writ Petition filed under Article 226 of the Constitution of India praying for issuance of a Writ of Certiorarified Mandamus, to call for the records of the Labour Court, Coimbatore, pertaining to his proceedings in I.D.No.81 of 2005 and quash that portion of the award dated 17.07.2017 denying the reinstatement to the petitioner and consequentially order for notional reinstatement of the petitioner with all consequential benefits including continuity of service, backwages, payment of retirement benefits, pension etc.,

For Petitioners : Mr.R.Sivakumar

For Respondent : Mr.M.Velmurugan

W.P.No.5769 of 2019

M/s.Nilgiris District Central Co-operative Bank,
Charging Cross, Udhagamandalam,
The Nilgiris,
Rep.by its Managing Director,
Mrs.J.Neela

...Petitioner

Vs.

R.Easan

... Respondents



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PRAYER : Writ Petition filed under Article 226 of the Constitution of India praying for issuance of a Writ of Certiorari, to call for the records of the Presiding Officer, Labour Court, Coimbatore, pertaining to the proceedings in I.D.No.81 of 2005 dated 17.07.2017 and quash the same.

For Petitioner : Mr.M.Velmurugan

For Respondent : Mr.R.Sivakumar

W.P.No.5770 of 2019

M/s.Nilgiris District Central Co-operative Bank,
Charging Cross, Udthagamandalam,
The Nilgiris,
Rep.by its Managing Director,
Mrs.J.Neela

...Petitioner

Vs.

A.K.Chandran

...Respondent

PRAYER : Writ Petition filed under Article 226 of the Constitution of India praying for issuance of a Writ of Certiorari, to call for the records of the Presiding Officer, Labour Court, Coimbatore, pertaining to the proceedings in I.D.No.82 of 2005 dated 17.07.2017 and quash the same.



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For Petitioner : Mr.M.Velmurugan

For Respondent : Mr.R.Sivakumar

COMMON ORDER

The Management has filed W.P.Nos.5769 and 5770 of 2019 challenging the compensation awarded by the Labour Court vide awards dated 17.07.2017 passed in I.D.Nos.81 and 82 of 2005 by the Labour Court, Coimbatore, whereas, one of the employees has filed W.P.No.26499 of 2018 challenging the quantum of compensation awarded by the Labour Court in I.D.No.81 of 2005.

2. For the sake of convenience and clarity, the petitioner in W.P.Nos.5769 and 5770 of 2019 is referred to as the Management/Bank and the petitioner in W.P.No.26499 of 2018/respondent in W.P.No.5769 of 2019 and the respondent in W.P.No.5770 of 2019 are referred to as the employees.

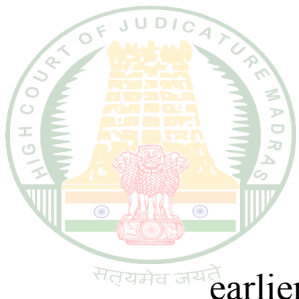
3. The brief facts of the case required for disposal of these writ petitions are that the employees worked as Assistant in the Bank and for



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certain delinquencies, namely, preparation of bogus challans, misappropriation of amounts and causing financial loss to the Bank, enquiry was conducted against them and upon the charges having been proved, they were dismissed from service. Challenging the dismissal, the employees have filed I.D.Nos.81 and 82 of 2005 before the Labour Court and before the Labour Court, the employees did not file any documents, whereas, the Management has filed certain documents. The Labour Court took into consideration the gravity of the offence and the malpractices committed by the employees and in wilfully acting negligently, thereby, causing loss to the Bank, held that though the order of dismissal is excessive punishment, considering the age of the delinquents, reinstatement cannot be ordered and awarded a lumpsum compensation of Rs.2,50,000/- each to the employees. The present writ petitions are filed as against the said awards.

4. Heard the learned counsel appearing for the Management/Bank, who would contend that the employees were not first time offenders and they were punished for their delinquency in discharging their duties on



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earlier occasions also. That apart, for having caused deficiency of the funds of the Bank and for having abetted the passing of payment to unauthorised persons, the punishment imposed upon the delinquents was just and necessary and therefore, the Labour Court, after going through the Enquiry Officers' report was satisfied that the charges were proved beyond reasonable doubt and therefore, though the punishment was upheld by the Labour Court, there was no necessity to award any compensation to the delinquents as it may cause fearlessness in the minds of the working staff of the Bank as it would cause a presumption that even after failing in discharging their duties, they may get away with compensation. Therefore, the Management has challenged the awards of the compensation by the Labour Court in these writ petitions.

5. The learned counsel appearing for the contesting employees challenges the award on the ground that no opportunity was given and the principles of natural justice were not followed before imposing the punishment and that apart, the Labour Court has erred in denying the



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reinstatement and ought to have ordered notional reinstatement with all consequential benefits, thereby, the employees were denied their entire retiral benefits, though they had put in long years of service. Therefore, the learned counsel pleads that the awards of the Labour Court be set aside.

6. This Court has gone through the submissions made by both sides and the materials placed on record.

7. It is needless to mention that the employees were entrusted with discharging of duties which involved monetary transactions in the Bank. Therefore, the integrity of the staff is the essential part of their daily performing of duties. They cannot simply take away others' money into their own pocket and siphon off the same for their own benefits. The Enquiry Officers' report categorically states that the bogus challans were prepared and loans were sanctioned and credited in third parties Savings Bank account and the delinquent employees in collusion with the other staff members have misappropriated the funds running into Lakhs. Such types of



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dishonest acts including fabrication of documents thereby causing financial loss to the Bank has to be dealt with seriously. Therefore, this Court is of the view that the punishment imposed by the Bank, namely, dismissal from service was just and proper, considering the gravity of the offence committed by the erring employees. With respect to the compensation awarded by the Labour Court, this Court is of the view that considering the long years of service put in by the delinquent employees and after effects of non-employment on the family of the delinquent employees, the Labour Court was fair enough in awarding the compensation to the same. This Court is not inclined to interfere with the same.

8. Accordingly, these Writ Petitions are dismissed. No costs.

Connected miscellaneous petition is closed.

01.04.2025

NCC: Yes / No
Index : Yes / No
Speaking Order : Yes / No
ssb



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To
The Labour Court,
Coimbatore.



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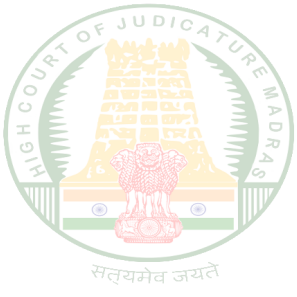


M.DHANDAPANI, J.

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W.P.Nos.26499 of 2018, 5769 and 5770 of 2019

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W.P.Nos.26499 of 2018, 5769 and 5770 of 2019

M.DHANDAPANI, J.

The matters are listed today under the caption “for being mentioned”.

2. It is brought to the notice of this Court that in W.P.No.5770 of 2019, Mr.V.Ajoykhose, learned counsel has appeared for the respondent. However, in the common order dated 01.04.2025, the name of the respondent's counsel has been wrongly mentioned as Mr.R.Sivakumar, instead of Mr.V.Ajoykhose.

3. Registry is directed to carry out necessary correction in the common order dated 01.04.2025 and issue fresh order copy to the parties.

29.07.2025

ssb

M.DHANDAPANI, J.



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W.P.Nos.26499 of 2018, 5769 and 5770 of 2019

29.07.2025