



W.P(MD)No.9924 of 2025

WEB COPY BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 25.06.2025

CORAM

THE HONOURABLE MR.JUSTICE R.VIJAYAKUMAR

W.P(MD)No.9924 of 2025

K.Ramachandran

... Petitioner

Vs.

- 1.The State of Tamil Nadu,
Represented by its Secretary to Government,
Department of Labour and Employment,
Fort St. George,
Chennai.
- 2.The Commissioner of Labour,
Department of Labour and Employment,
Teynampet, Annasalai,
Chennai.
- 3.The Joint Commissioner of Labour,
Office of Joint Commissioner of Labour,
Dindigul.
- 4.Sri Krishnakanth Textiles Private Limited,
Through its Managing Director,
Adiyanooth Villages, Sirumalai Road,
Dindigul Taluk,
Dindigul.



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5.The Principal Regional Manager,
Indian Overseas Bank,
Regional Office,
Plot No.40, 80 ft Road,
Annanagar,
Madurai.

6.M.Gunaseelan

7.K.Raja

8.M.Sakthivel

9.K.Shanmugasundaram

10.The District Collector,
Dindigul District.

... Respondents

*(R-10 is suo motu impleaded vide Court order, dated
25.06.2025 in W.P(MD)No.9924 of 2025)*

Prayer : Writ Petition filed under Article 226 of the Constitution of India, praying this Court to issue a Writ of Mandamus, directing the respondents 1 to 3 to take necessary steps to collect the action sale amount of the fourth respondent's assets from the fifth respondent for disbursing the pending salary, provident fund, gratuity, bonus, settlement and etc., to the laborers of the fourth respondent based on the petitioner's representation, dated 12.03.2024 within time limit as prescribed by this Court and pass such further or other orders as this Court.

For Petitioner : Mr.S.Vellaichamy



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For R-1 to R-3
& R-10

: M/s.D.Farjana Ghoushia
Special Government Pleader

For R-5

: Mr.N.Dilip Kumar

For R-6 to R-9

: Mr.Ananda Gomathy Murugesan

ORDER

The District Collector, Dindigul District is suo motu impleaded as the tenth respondent in the writ petition.

2. The present writ petition has been filed by the General Secretary of a Labour Association seeking a Mandamus as against the respondents 1 to 3 to initiate necessary action to collect the auction sale amount of the fourth respondent's assets from the fifth respondent Bank so as to disburse the dues of the laborers of the fourth respondent Mill based upon the representation of the petitioner, dated 12.03.2024.

3. The assets of the fourth respondent Mill were sold under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, by the fifth respondent Bank on 29.02.2024. The



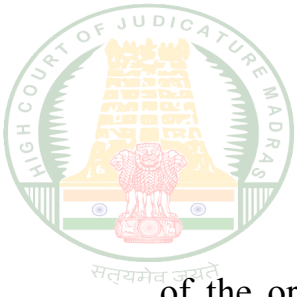
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sale certificate was issued on 07.03.2024 and the same was registered on 12.03.2025. It is the grievance of the writ petitioner Sangam that, the fourth respondent Mill was closed on 02.08.2015 abruptly without disbursing the monetary benefits to the members of the petitioner Sangam. It is further submitted that, the third respondent in the writ petition, who is the Controlling Authority under the Payment of Gratuity Act, 1972, has passed an order on 15.12.2023 directing the fourth respondent Mill to pay gratuity to 38 employees. However, the said order has not been complied with so far. In fact, the third respondent has addressed a communication to the tenth respondent for initiating action under the Revenue Recovery Act for collecting the dues from the fourth respondent Mill.

4. Only when the fourth respondent Company is wound up, the dues of the laborers would get a priority. Otherwise, the sale effected by the fifth respondent Bank of the assets of the fourth respondent Mill in favour of the respondents 6 to 9 cannot be put to challenge in the present writ petition.

5. The dues, as far as the gratuity of the members of the petitioner Sangam are concerned, the rights of the workman have got crystalised by way



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of the order passed by the third respondent, dated 15.12.2023. As far as the other dues of the petitioner are concerned, the rights are yet to be crystalised and they have to approach the appropriate authorities.

6. In view of the above said deliberations, this writ petition stands partly allowed directing the respondents 3 and 10 to initiate appropriate proceedings under the Revenue Recovery Act to implement the order passed by the third respondent, dated 15.12.2023, against the fourth respondent Mill. As far as the prayer as against the respondents 5 to 9 is concerned, it is hereby rejected.

7. With the above said observation, this writ petition stands partly allowed. There shall be no order as to costs.

25.06.2025

NCC : Yes / No
Index : Yes / No
Internet : Yes
BTR



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