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BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 01.07.2025

CORAM

THE HON'BLE MR.JUSTICE R.VIJAYAKUMAR

W.P.(MD)Nos.25220, 25284 to 25287 of 2018

W.P(MD)No.25220 of 2018:-

T.A.Ramesh Babu

... Petitioner

Vs

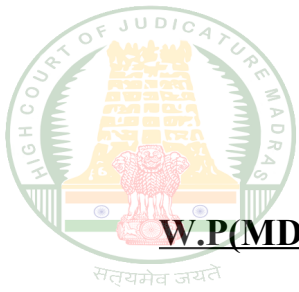
The Management,
The Sourashtra Cooperative Bank Limited A-336,
155, South Masi Street, Madurai - 1. ...Respondent

PRAYER: Writ Petition is filed under Article 226 of the Constitution of India, to issue a **Writ of Certiorarified Mandamus**, to call for the records pertaining to the order of the Labour Court, Madurai, dated 30.11.2015, passed in I.D.No. 33 of 2012, and quash the same and in consequence thereof directing the respondent to reinstate the petitioner with continuity of service, back wages and other monetary benefits immediately.

For Petitioner : M/s.J.Mathesh

For Respondent : Mr.B.Sekar

* * * * *



W.P(MD)No.25284 of 2018:-

T.M.Krishnamoorthy

... Petitioner

Vs

The Management,
The Sourashtra Cooperative Bank Limited A-336,
155, South Masi Street, Madurai - 1. ...Respondent

PRAYER: Writ Petition is filed under Article 226 of the Constitution of India, to issue a **Writ of Certiorarified Mandamus**, to call for the records pertaining to the order of the Labour Court, Madurai, dated 30.11.2015, passed in I.D.No. 34 of 2012, and quash the same and in consequence thereof directing the respondent to reinstate the petitioner with continuity of service, back wages and other monetary benefits immediately.

For Petitioner : M/s.J.Mathesh

For Respondent : Mr.B.Sekar

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W.P(MD)No.25285 of 2018:-

P.R.Rajan

... Petitioner

Vs

The Management,
The Sourashtra Cooperative Bank Limited A-336,
155, South Masi Street, Madurai - 1. ...Respondent

PRAYER: Writ Petition is filed under Article 226 of the Constitution of India, to issue a **Writ of Certiorarified Mandamus**, to call for the records pertaining to the order of the Labour Court, Madurai, dated 30.11.2015, passed in I.D.No.



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35 of 2012, and quash the same and in consequence thereof directing the respondent to reinstate the petitioner with continuity of service, back wages and other monetary benefits immediately.

For Petitioner : M/s.J.Mathesh

For Respondent : Mr.B.Sekar

* * * * *

W.P(MD)No.25286 of 2018:-

K.R.Sekar

... Petitioner

Vs

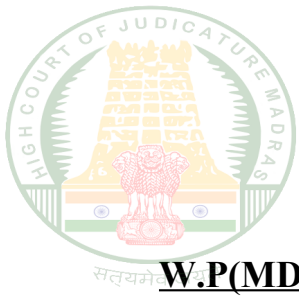
The Management,
The Sourashtra Cooperative Bank Limited A-336,
155, South Masi Street, Madurai - 1. ...Respondent

PRAYER: Writ Petition is filed under Article 226 of the Constitution of India, to issue a **Writ of Certiorarified Mandamus**, to call for the records pertaining to the order of the Labour Court, Madurai, dated 30.11.2015, passed in I.D.No. 38 of 2012, and quash the same and in consequence thereof directing the respondent to reinstate the petitioner with continuity of service, back wages and other monetary benefits immediately.

For Petitioner : M/s.J.Mathesh

For Respondent : Mr.B.Sekar

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W.P(MD)No.25287 of 2018:-

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O.S.Chandran

... Petitioner

Vs

The Management,
The Sourashtra Cooperative Bank Limited A-336,
155, South Masi Street, Madurai - 1. ...Respondent

PRAYER: Writ Petition is filed under Article 226 of the Constitution of India, to issue a **Writ of Certiorarified Mandamus**, to call for the records pertaining to the order of the Labour Court, Madurai, dated 30.11.2015, passed in I.D.No. 39 of 2012, and quash the same and in consequence thereof directing the respondent to reinstate the petitioner with continuity of service, back wages and other monetary benefits immediately.

For Petitioner : M/s.J.Mathesh

For Respondent : Mr.B.Sekar

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COMMON ORDER

These Writ Petitions have been filed by the workmen challenging the award of the labour Court in I.D.Nos.33, 34, 35, 38 and 39 of 2012, wherein the labour Court was pleased to confirm the order of retrenchment passed by the respondent Co-operative Bank.



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2.The petitioners herein who were employed as Office Assistants in the respondent Bank from the year 1986, onwards, were issued with a notice under Section 25F of the Industrial Disputes Act, 1947, proposing to retrench them. After considering their explanation, retrenchment orders were passed. It is not in dispute that they were issued with one month notice and retrenchment compensation was paid. The notice was also issued to the appropriate Government touching upon the retrenchment of the Office Assistants. This order of retrenchment was challenged before the labour Court.

3.The labour Court after considering the submissions made on either side has arrived at a finding that all ingredients under Section 25F of the Industrial Disputes Act, 1947, have been complied with. The grounds raised opposing retrenchment are not legal in nature. But they are based on certain factual dispute. Based upon the above said finding, the labour Court was pleased to confirm the order of retrenchment passed by the Management. Challenging the same, these writ petitions have been filed.

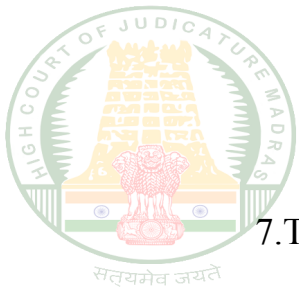
4.According to the learned Counsel appearing for the writ petitioners, the labour Court has arrived at a specific finding that, so far, cadre strength has not



been fixed to the respondent Bank. In such circumstances, it is not known how the excess employees were identified by the respondent Bank and retrenchment notice was issued to them. He has further contended that the allegation that the Bank was continuously functioning in loss, is a false statement. On the other hand, the Bank was running in profit.

5.The learned Counsel appearing for the petitioners has further submitted that retrenchment has been restricted to the case of the Office Assistants alone which is not legally sustainable. He has further pointed out that the principle of 'last come, first go' has not been followed and therefore, there is violation of Section 25-G of the Industrial Disputes Act, 1947.

6.The learned Counsel appearing for the petitioners has further submitted that the respondent Bank has not passed any proper resolution as contemplated under the statutory provisions for retrenchment of their employees and they have not furnished a copy of the resolution for their employees and therefore, such a resolution cannot be relied upon for retrenching their employees.



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7.The learned Counsel appearing for the petitioners has further contended that notice period pay as contemplated under Section 25F(a) or compensation contemplated under Section 25F(b) of the Industrial Disputes Act, 1947, have not been paid in cash. On the other hand, these amounts have been adjusted towards alleged loan amounts said to have been borrowed by the employees concerned. In such circumstances, it cannot be contended that the conditions laid down under Section 25F of the Industrial Disputes Act, 1947, have been strictly complied with.

8.The learned Counsel appearing for the petitioners has further submitted that notice as contemplated under Section 25F(c) of the Industrial Disputes Act, 1947, has not been issued to the appropriate authority. Unless the authorities is put on notice about the retrenchment, the order of retrenchment is bad in the eye of law.

9.Per contra, the learned Counsel appearing for the respondent Bank has submitted that the petitioners cannot have any grievance over the payment made to them. In fact, one month notice pay was paid to them. Apart from that compensation amount was calculated and it was adjusted towards the loan that were taken by the employees concerned. In case, if the loan amount has not



been recovered from the compensation amount, it would be difficult for the Bank to recover the same.

10.The learned Counsel appearing for the respondent Bank has further submitted that the Bank has incurred huge loss and under the direction of the Reserve Bank of India, they have to retrench the employees in order to save the Co-operative Bank. He has further submitted that when the conditions laid down under Section 25F of the Act, has been strictly complied with, the other factual dispute cannot be raised by the employees. He has further submitted that after retrenchment, only two employees are working in the Co-operative Bank and therefore, the question of re-appointing the petitioners as Office Assistants does not arise.

11.The learned Counsel appearing for the respondent Bank has further submitted that at one point of time, 60 Office Assistants were working in the Head office which was quite in excess of the required strength for the managerial cadre. In such circumstances, the Bank has incurred huge loss and therefore, the Bank was constrained to invoke Section 25F of the Industrial Disputes Act, 1947.



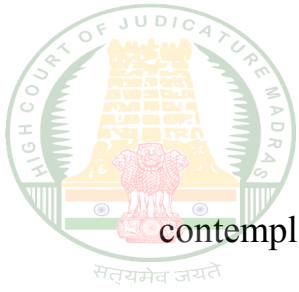
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12. I have considered the submissions made on either side and perused the materials available on record.

13. The primary contention of the learned Counsel appearing for the petitioners is, that the condition laid down under Section 25F of the Act has not been complied with and the allegation that the Bank has incurred huge loss is not factually correct. It was further contended that since no cadre strength has been fixed for the Bank, the allegation that there are excess staff is not true.

14. As far as condition for invoking Section 25F is concerned, one month notice pay has to be paid, compensation has to be paid as contemplated under Section 25F(b) of the Act and the authorities has to be put on notice about the proposed retrenchment. The Question of cadre strength has no relevance, whatsoever, for invoking Section 25F of the Act. In such circumstances, this Court is not in a position to accept the contention of the learned Counsel appearing for the petitioners.

15. The Labour Court after going through all the submissions made on either side has arrived at a specific finding that all the conditions



contemplated under Section 25F of the Act have been complied with and any breach of violation could not be pointed out in the present writ petitions. In such circumstances, there are no merits in these Writ Petitions.

16. Accordingly, these Writ Petitions stand dismissed. No costs.

01.07.2025

NCC : Yes/No
Index : Yes/No
Internet: Yes/No
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R.VIJAYAKUMAR, J.

RJR

To

The learned Judge,
Labour Court, Madurai.

W.P.(MD)Nos.25220, 25284 to 25287 of 2018

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