



W.A(MD) No.407 of 2021

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

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Date : 02.02.2026

CORAM

**THE HONOURABLE MR.JUSTICE G.R.SWAMINATHAN
AND
THE HONOURABLE MRS.JUSTICE R.KALAIMATHI**

**W.A(MD) No.407 of 2021
&
C.M.P.(MD)No.1499 of 2021**

M/s.Aruna Steel Rolling Mills,
Ulaganeri, Othakadai,
Madurai,
through its
Partner SV.Pethaperuma

... Appellant / Writ Petitioner

Vs.

1.The Presiding Officer,
Labour Court,
District Court Complex,
Mellur Road,
Madurai.

2.M.Ramamoorthy

... Respondents / Respondents

PRAYER: Writ Appeal filed under Clause 15 of the Letters Patent against the order passed by this Court dated 07.01.2021 in W.P.(MD)No. 3970 of 2011.



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For Appellants : Mr.T.Ravichandran

For Respondents : Mr.R.J.Karthick
for R2

JUDGMENT

(Judgment of the Court was made by **G.R.SWAMINATHAN, J.**)

The unsuccessful writ petitioner is the appellant before us. One M.Ramamoorthy was employed in the appellant company. He was terminated from service vide order dated 12.03.1999 on the ground that he was engaged in money lending and that disturbed the industrial peace. Challenging the termination order, Ramamoorthy raised industrial dispute and the same was taken on file by the Labour Court, Madurai in I.D.No.141 of 1999. The workman examined himself as P.W.1 and marked Ex.P1 to Ex.P19. On the side of the management, two witnesses were examined as R.W.1 & R.W.2. Ex.R1 to Ex.R21 were also marked. After considering the evidence on record, the Labour Court vide order dated 12.01.2009 even while upholding the finding of guilt, modified the punishment as excessive. Since in the meanwhile industrial establishment itself was closed, the management was directed to pay



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gratuity to the workman by treating him on par with the other workmen.

Challenging the said award, the management filed W.P.(MD)No.3970 of 2011. The learned single Judge dismissed the writ petition vide order dated 07.01.2021. Assailing the same, this writ appeal has been filed by the management.

2. It is seen that the workman joined the appellant company way back on 03.01.1976. He had served the company for over 23 years. The charge against the workman was that he had lent money to the other workers and was collecting interest by employing strong-arm methods. This according to the management seriously vitiated the industrial atmosphere.

3. The learned single Judge has given the finding that the private transactions among the workmen cannot be taken as having affected the industrial peace of the company. We cannot sustain this finding. This is because, the Labour Court had specifically upheld the finding of guilt and also the stand of the management that industrial peace was affected on account of money lending activity on the workmen. The workman did



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not choose to challenge the award. Therefore, the question of the learned single Judge interfering with the findings in the writ petition filed by the management does not arise at all. Be that as it may, the Labour Court eventually had modified the punishment. The Labour Court had jurisdiction to do so in view of the statutory power conferred under Section 11A of the Industrial Disputes Act. Since the Labour Court did not even order reinstatement or backwages, considering the fact that the Unit itself was closed, gratuity alone was ordered to be paid. Taking into account the fact that the workman had served for 23 years, grant of such relief cannot be said to be incorrect by any standard. The learned single Judge rightly declined to interfere with the impugned award of the Labour Court. We do not find any merit in this writ appeal. The writ appeal stands dismissed. No costs. Consequently, connected miscellaneous petition is closed.

(G.R.S., J.) (R.K.M., J.)
02.02.2026

Index : Yes / No
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G.R.SWAMINATHAN, J.
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R.KALAIMATHI, J.

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