

**BEFORE THE PRINCIPAL LABOUR COURT, VELLORE,
VELLORE DISTRICT.**

**PRESENT : Tmt. A.Packia Jothi, M.L.,
Presiding Officer.**

Tuesday, the 07th day of July, 2026

**I.D. No.13 of 2025
(CNR No.TNVL02-000059-2025)**

North Arcot General Labour Federation,
Regn.No.285/NAT/1980,
No.27, Padmanaban Complex,
Arni Road,
Dinakaran Bus Stop,
Vellore – 632 001.

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Petitioner

Versus

The Chief Engineer,
Tamil Nadu Electricity Board,
TANGEDCO/TNPDGL,
Vellore Region,
Gandhi Nagar,
Vellore – 6.

. . .

Respondent

The above reference came up for final hearing on 03.07.2026 in the presence of Thiru.A.Suresh Babu, the Authorized Representative for the Petitioner and Thiru.M.Kulothungan, the Advocate for the Respondent, upon hearing the arguments of both side and upon perusing the entire material case records and having stood over for consideration till this date, this Court delivered the following:-

AWARD

The Government reference made under Section 10(1)(c) and 10(1)(d) of Industrial Disputes Act 1947 as given in G.O. (D).No.124, Labour and Employment (B2) Department, dated 05.03.2025.

The Government by the above order has requested the court to decide the validity of the demand of the Union. Whether the demand of the petitioner Union that one Mr.N.Anandan, being an Administrative Supervisor of the respondent board is entitled to relief of cancellation of the final order issued by the Chief Engineer in Memorandum No.13284/Nir.A/O.3/2018-3, dated 03.05.2019, suspending his next annual increment for a period of one year including the leave period benefits is valid or not?

The petitioner's union had raised an Industrial Dispute before the Assistant Commissioner of Labour, regarding stoppage of increment for its member by name Mr.N.Anandan employed in the respondent board. In the conciliation proceedings no settlement was arrived, hence the Assistant Commissioner of Labour recorded a failure report and sent the report to the Government. In continuation of the same, The Labour and Employment (B2) Department by its G.O. (D). No.124, dated 05.03.2025 referred the issue for adjudication by this court.

On receipt of the Government Order this court issued notices to both the parties. Both the parties filed their claim petition and written statement respectively.

1. Claim Statement averments in brief:-

The petitioner union has filed this petition stating that one of its member Mr.N.Anandan joined duty on 12.02.1996 as Junior Assistant in the Tamil Nadu Electricity Board at the Vellore Power Distribution Circle and after getting promotions finally he worked as Administrative Supervisor and rendered his unblemished services. During his service, he was charged with 3 charges through memorandum dated 28.06.2018 and explanation was called for. The claimant requested the management to provide documents mentioned in the charge sheet through his letter dated 07.07.2018.

In this regard, the respondent issued a reply letter dated 17.07.2018 and stated that the letter dated 05.10.2018 could not be provided. Then the claimant submitted his detailed explanation letter on 26.07.2018 by denying all the charges. The respondent did not accept the explanation given by the claimant and conducted internal enquiry. The claimant participated in the enquiry and denied the charges levelled against him. The Enquiry Officer submitted his report stating that all the charges levelled against the claimant were proved. Based on the enquiry report the respondent asked explanation from the claimant for the enquiry report in memorandum dated 15.11.2018. The claimant filed his detailed explanation dated 10.12.2018. The respondent was not accepting the reason submitted by the claimant on 04.03.2019 and issued a show cause notice stating that the proposed punishment of stoppage of annual increment for a period of two years with cumulative effect including leave period.

On 18.03.2019 the claimant requested the respondent to drop the proposed punishment. The respondent not accepting the explanation of the claimant and passed the final order reducing the punishment of stoppage of annual increment for one year with cumulative effect including leave period on 02.04.2019 and 03.05.2019 respectively. Further on 31.08.2018 the claimant attained the age of superannuation. In the final order it is ordered that the punishment amount to be deducted in the retirement benefits and as if amount was deducted.

Then the claimant raised an Industrial Dispute Petition under Section 2(K) of the Industrial Disputes Act, 1947, before the Assistant Commissioner of Labour, Vellore. The respondent has participated in the conciliation proceedings before the Assistant Labour Commissioner, no amicable settlement has been arrived. The Assistant Commissioner of Labour has recorded failure report and sent the same to the Government of Tamil Nadu. Subsequently the Government passed an order through the Labour and Employment (B2) Department by its G.O. (D). No.124, dated 05.03.2025 and referred the issue for adjudication by this court.

Hence, the petitioner prays to adjudicate the matter and pass an order that the claimant is entitled to relief of cancelling the final order issued by the Chief Engineer in Memorandum No.13284/Nir.A/O.3/2018-3, dated 03.05.2019, suspending his next annual increment for a period of one year including leave period.

2. Written Statement averments in brief:-

This respondent has filed written statement stating that the petition filed by the petitioner is not maintainable either in law or in the facts of the case and to be dismissed in limine.

The respondent admits the averments mentioned in para 1 of the petition that the petitioner joined in the respondent board on 12.02.1996 as Junior Assistant after getting promotions finally worked as Administrative Supervisor. Further the respondent admits the averments contained in para 2 and 3 of the claim petition.

When the claimant was working as Administrative Supervisor, Munusamy and 8 others have raised a dispute in their claim to make them as permanent employees. The claimant has participated in the dispute as Administrative Supervisor and has received the copies of the dispute. But has inspite of repeated adjournments failed to file the counter. The above said dispute was adjourned to various dates on 25.04.2016, 09.05.2016, 23.05.2016, 13.06.2016, 27.06.2016, 14.07.2016, 08.08.2016, 22.08.2016, 12.09.2016 and 29.06.2016. Finally on 03.10.2016 the respondent has not filed the counter and so it has been decided exparte. Then the petitioner has filed petition to set aside the exparte order dated 07.10.2016. The petition has dismissed and on 05.10.2017 and respondent decided to conduct departmental proceedings against the claimant as per memo dated 28.06.2018. The claimant had filed his reply, enquiry has been ordered and the Enquiry Officer found that the charges against the claimant has been proved. Then the respondent decided for stoppage the claimant's annual

increment for a period of two years with cumulative effect including leave period. In respect of this a Notice has been sent on 04.03.2019 to the claimant calling for an explanation and he has received the show cause notice on 09.03.2019 and on 18.03.2019 the claimant has submitted his reply. Then the respondent altered the order by stoppage of increment for a period of one year with cumulative effect including leave period, if any spent. Aggrieved by the final order the claimant has appealed before the Chief Manager and it has been rejected on 30.12.2021. The findings are not perverse and the enquiry has been conducted by following the principles of natural justice. Hence, the respondent requests this court to dismiss the claim petition.

3. On the side of Petitioner, the claimant examined himself as WW1 and through him Ex.W1 to W22 were marked. On the side of respondent, Mr.K.Prabakaran, Senior Administrative Officer of the respondent board examined as MW1 and through him Ex.M1 to M3 were marked with consent.

4. The issue to be decided as stated in the government reference is as follows:

Whether the demand of the petitioner union that Mr.N.Anandan, Administrative Supervisor of the respondent board is entitled to relief of cancellation of the final order issued by the Chief Engineer by stoppage of his next annual increment for a period of one year and leave benefits?

5. Issue :-

It is the case of the petitioner union that the claimant Anandan joined service in the Tamil Nadu Electricity Board, Vellore Distribution Circle as Junior Assistant on 12.02.1996. He has been promoted and lastly he has been working as Administrative Supervisor. He has been doing his work without any fault and On 28.06.2018 through memorandum he has been charged for three misconduct. On 07.07.2018 the claimant Anandan requested the respondent to furnish the copies mentioned in the memorandum and by reply dated 05.10.2018 the respondent refused to furnish the copies. On 26.07.2018 the claimant has given a reply which was not accepted by the respondent and domestic enquiry has been ordered. The Enquiry Officer has given a report that the charges have been proved and the claimant has been called upon to offer his explanation by memorandum dated 15.11.2018. Reply was given and on 04.03.2019 the respondent not accepting the reply has issued show cause notice and he was punished with stoppage of annual increment for a period of two years with cumulative effect including leave period spent. Considering the representation of the claimant, he was punished for one year alone. The final order has been passed on 03.05.2019. In the meantime, on 31.08.2018 Anandan retired from service and in the final benefits awarded the amount has been deducted as punishment. He has disputed the order of the Enquiry Officer stating that one single incident has been shown as three charges, standing instruction No.19 (9) is not connected with the case, the memorandum has been issued by the Chief Engineer instead of Superintending Engineer. The other two employees Nagabooshanam, Assistant Administrative Supervisor and Tmt.Vatsala, Administrative Supervisor were punished by warning. For the occurrence which has taken

place in the year 2016 after two years in the year 2018, when the claimant was due for retirement he has been temporarily suspended on 31.08.2018 on the day of his retirement. He has been denied of the retirement benefits and he is put to untold hardship. The claimant has approached the Hon'ble High Court in W.P.No.22254/2018 and the enquiry proceedings were speeded and final order has been passed. The claimant has approached the Assistant Commissioner of Labour and no settlement was reached, conciliation failed and so the case was referred to the Government.

The issue before this court is whether the memorandum of the Chief Engineer dated 03.05.2019 and the order of stoppage of increment for one year with cumulative effect including leave period passed by the Enquiry Officer is valid or not and the final order has to be set aside?

It is the case of the respondent that when the claimant was working as Administrative Supervisor, Munusamy and 8 others have raised the dispute in their claim for permanent employee. The claimant as Administrative Supervisor participated in the dispute and has received the copies of the dispute. But has inspite of repeated adjournments failed to file the counter. The case has been adjourned from 25.04.2016, 09.05.2016, 23.05.2016, 13.06.2016, 27.06.2016, 14.07.2016, 08.08.2016, 22.08.2016, 12.09.2016 and 29.06.2016. And on 03.10.2016 the respondent has not filed the counter and so has been set exparte. Then petition has been filed to set aside the exparte order dated 07.10.2016. The petition has been dismissed and on 05.10.2017 the departmental proceedings has been initiated against Anandan as Administrative Supervisor and as against Administrative Officer in-charge by memo dated

28.06.2018. The claimant has replied. Enquiry has been ordered and the Enquiry Officer found that the claimant's annual increment has been stopped for a period of two years with cumulative effect including leave period. Notice has been served on 04.03.2019 calling for explanation and he has received the show cause notice on 09.03.2019 and on 18.03.2019 he has submitted his reply and stoppage of increment for a period of one year with cumulative effect including leave period, if any spent has been ordered. The claimant has appealed before the Chief Manager and the Managing Director and it has been rejected on 30.12.2021. The findings are not perverse and the enquiry has been conducted under the principles of natural justice. The claimant is not entitled to the relief claimed by him.

On 28.06.2018 the Chief Engineer has given a memorandum to Thiru.Anandan stating that firstly Munusamy and 8 others have claimed permanent employment before the Labour Inspector, Vellore and the claimant has not monitored the same. Secondly, the case particulars has not been properly maintained by him and thirdly the Inspector of Labour has granted adjournments on 25.04.2016, 09.05.2016, 23.05.2016, 13.06.2016, 27.06.2016, 14.07.2016, 08.08.2016, 22.08.2016, 12.09.2016 and 29.06.2016 and on 03.10.2016 the respondent has not filed the counter and so has been set exparte. The memorandum is marked as Ex.W1. The claimant has given the reply stating that he is due for retirement within 40 days and the charges framed as against him causes him mental agony and it is against the principles of natural justice he has claimed 9 documents for submitting his reply. This letter is marked as Ex.W2. The Chief Engineer has given a reply that documents are not available by communication Ex.W3. On 26.07.2018 Thiru.Anandan has given reply.

On 13.06.2016 Chandrababu has given a petition and it was adjourned to 27.06.2016. On 27.06.2016 Babu and Jayakumar's petition dated 27.06.2016 was furnished and on 14.07.2016 the petition of Saravanan dated 10.07.2016 was furnished. The Labour Inspector has adjourned the case for 8 petitions on 25.07.2016 and case was adjourned to 08.08.2016 and the documents pertaining to the work was furnished to him. The documents filed by the petitioners were sent to the concerned departments and explanation was asked. On 26.09.2016 the Labour Inspector had gone for camp. The letter dated 03.10.2016 was received by the Supervising Engineer only on 15.10.2016. They have been set exparte and he has filed a petition to set aside the exparte order through registered post. After receiving it on 08.10.2016 exparte order has been passed on 07.10.2016. And exparte order has been received. The management has filed petition to set aside the exparte order on 06.10.2016 itself, but it was stated that petition to set aside the exparte order was received on 19.10.2016 and on 23.01.2017 counter has been filed. Order has been passed by the Labour Inspector and Chief Engineer has filed an appeal in W.P.No.10616/2018 which is the basis for the case of the respondent and when he was due to retire on 31.08.2018 charges has been framed against him. He is a third level employee and the Supervising Engineer could have recommended for taking action as against him. Only for major punishments for charges under 8(b) the Chief Engineer can take action. Against the principles of natural justice he has been punished. The reply sent by him is marked as Ex.W4. The proceedings of the Enquiry Officer is marked as Ex.W5. The claimant has been called for to offer his explanation through Ex.W6. He has offered his explanation through

Ex.W7. By orders dated 04.03.2019 stoppage of next annual increment for a period of two years with cumulative effect including leave period has been passed. The order has been marked as Ex.W8. The claimant has submitted written explanation through Ex.W9. On 02.04.2019 final order has been passed and stoppage of annual increment for a period of one year with cumulative effect including leave period if any spent. Thiru.Nagabooshanam and Vatsala have faced charges under Section 8 of Tamil Nadu Electricity Board Employees Disciplinary and Appeal Regulations. Nagabooshanam has been warned and Anandan has approached the Hon'ble High Court in W.P.No.22254/2018 claiming to issue writ of certiorari calling upon for entire records connected with the memo passed by the Chief Engineer and quash the same. The Chief Engineer has been directed to pass final order in the disciplinary proceedings within a period of 8 weeks. The claimant has been placed on suspension from 31.08.2018. In the W.P.No.10616/2018 the Superintending Engineer has filed writ of certiorari and the Hon'ble High Court has decided that the orders passed by the Inspector of Labour need not be given effect to. This order of the Hon'ble High Court is dated 29.06.2018. Even after the orders in favour of the electricity board the claimant has been suspended from 31.08.2018 and the Administrative Supervisor, Vellore has passed an order that Rs.2,16,000/- has to be recovered from his DCRG benefits.

WW1 in the evidence before this court has admitted that he is responsible for monitoring the cases filed against the respondent. He has stated that he has requested the higher officials to file the reply and he has given a written request which has not been placed before the court. He

admits that he had to file the counter on 03.10.2016, but the counter has not been filed. Hence, time has been extended till 07.10.2016 and they have been set exparte on that day. WW1 admits that he has been given sufficient time to submit the reply for the charges and he admits that one document was not given to him. He admits that the enquiry was conducted in a fair manner. He admits that he has not protested for not giving him sufficient opportunity during enquiry. He has participated in the enquiry. The findings of the Enquiry Officer has not been proved to be perverse.

MW1 has admitted that the petitions were filed on different days and so they were not able to file the counter for the hearing on 03.10.2016, notice was received only on 15.10.2016. He admits that the claimant has appeared in more than hundreds of cases and only in this case they have been set exparte. He admits that the Labour Inspector has held that the employees should be made permanent and they have approached the Hon'ble High Court and the case was decided in favour of them. He admits that Vatsala and Nagabooshanam have also been charged and Nagabooshanam has been warned and Vatsala has been relieved of the charges and only the claimant has been punished by imposing stoppage of increment for a period of one year with cumulative effect. Exparte order has been passed by the Labour Inspector on 07.10.2016. And only on 28.06.2018 memorandum has been issued. They have filed the writ petition which was decided in their favour on 29.06.2018. Initially he has admitted that the petitions were given on different days and so they were not able to file the counter, but during the final stages of the evidence he had denied the same.

For the occurrence which has taken place on 07.10.2016 the claimant who was due to retire on 31.08.2018 and he has been placed under suspension on 31.08.2018 and final order has been passed on 04.02.2020 and stoppage of increment for the period of one year with cumulative effect including leave period if any spent, punishment of stoppage of next increment for a period of two years with cumulative effect excluding if any spent on leave. The punishments could not be imposed prior to his retirement on 31.08.2018. Therefore, monetary equivalent for the punishment is to be recovered from the claimant and Rs.216000/- has to be recovered from his DCRG Benefits.

The Hon'ble High Court of Madras (Madurai Bench) in W.P.No.c and W.M.P.(MD).No.10659 / 2024 A.Manikand Narayanan Vs. The Chairman cum Managing Director, TANGEDCO Department, N.P.K.R.R. Maligai, Anna Salai, Chennai and the Administrative Supervisor, Chief Engineer / Distribution, Trichy Officer, TANGEDCO, Thennur, Tiruchirappalli in para 7 and 8.

7. In this regard, it is relevant to refer to the order of this Court in W.P.(MD)No.26571/2022, vide order dated 26.04.2024 (K.Saravan Vs. The Joint Director of School Education (Personnel), Chennai and another, wherein after referring the judgment of the Hon'ble Supreme Court of India in P.V.Mahadevan Vs. Managing Director, Tamil Nadu Housing Board reported in 2005(4) CTC 4.3, this Court has held that placing an employee under suspension on the date of his retirement is violative of the orders of the Government.

8. In view of the settled position of law that an employee shall be suspended at a verge of his

retirement and that, the disciplinary proceedings if any to be initiated and completed on a war-footing basis, if an irregularity or lapse came to the notice of the Department within three months prior to retirement, the impugned orders are liable to be set aside.

As admitted by MW1 the claimant has admitted that the petitions have been filed on different days and so they were not able to file the counter and the case was posted to 03.10.2016, but notice was served only on 15.10.2016 and they have affixed the seal in the notice and received. He admits that the claimant has appeared on behalf of the management for hundreds of cases and only in this case there has been misconduct on his part. So when the claimant has not been wantonly evading his duty a person who has worked for 20 years 6 months cannot be terminated on the date of retirement causing him immense mental agony.

Thiru.R.Nagabooshanam, Assistant Administrative Officer and Tmt.V.M.Vatchala, Administrative Officer have also been called upon to offer the explanation for the very same incident by memo dated 28.06.2018 and 10.10.2017. Thiru.R.Nagabooshanam on 27.02.2019 has been imposed penalty of administrative warning and Tmt.V.M.Vatchala has been relieved of the charges accepting the explanation offered by her. MW1 admits that the claimant has appeared on behalf of the management for hundreds of cases and only in this case there has been misconduct on his part. But he has been placed under suspension on the date of retirement and stoppage of increment has been ordered for one year with cumulative effect including leave period if any spent and Rs.2,16,000/- has to be recovered from his DCRG benefits. Three persons who have been charged for the same

misconduct have been awarded different punishments. The co-delinquents have been imposed lighter punishment and the claimant has been imposed harsher punishment which is not permitted in law. Since, they are all involved in the same incident.

The Hon'ble Supreme Court of India in Anand Regional Co-op Oil S. Union Ltd. Vs. Shaileshkumar Harshadbhai Shah. AIR ONLINE 2006 SC 234 has held

“There is, however, another aspect of the matter which cannot be lost sight of. Identical allegations were made against seven persons. The Management did not take serious note of misconduct committed by six others although they were similarly situated. They were allowed to take the benefit of the voluntary retirement scheme.

The First Respondent might not have opted therefor. However, having regard to the peculiar facts and circumstances of this case, he should be, in our opinion, treated on a similar footing. In view of the fact that the First Respondent has succeeded in the Labour Court and the learned Single Judge as also the Division Bench; we are of the opinion that having regard to the overall situation, the interest of justice would be subserved if the award of the Labour Court dated 31.1.2003 as affirmed by the High Court is substituted by a direction that the First Respondent shall also be given the benefit of voluntary retirement scheme from the month in which the other workmen were given the benefit thereof.”

This decision squarely applies to the case on hand.

For the incident which has been taken place on 03.10.2016, memorandum has been issued to the claimant only on 28.06.2018, knowing that he is due retire on 31.08.2018, even though memorandum has been issued as against Tmt.V.M.Vatchala for the very same incident on 10.10.2017 itself. If the allegations levelled as against the claimant is true at that time of framing charges for V.M.Vatchala on 10.10.2017 charges could have been framed as against the claimant also which has not been done. The claimant has been suspended on the day of retirement and he has been subjected to mental agony and monetary loss without any fault on his part.

It is the contention of the petitioner union that only the Superintending Engineer is the competent authority to take action as against the claimant, but MW1 states that for the Class - II employees only the Chief Engineer has right to take action at the time of issuance of the memo. On 28.06.2018, the claimant Anandan has been employed as Administrative Supervisor, Class - III employee and for the stoppage of increment immediate superior officer in Class - II or higher authority has to impose punishment so the immediate superior officer is the Chief Engineer, Officers Class - I, other than Chief Engineer, Internal Audit Officers and Assistant Audit Officers in board office Audit Branch, Section Officers in board office, Secretariat Branch, Assistant Executive Engineer, etc. Administrative Officer, etc. Assistant Engineer, etc. According to Section 6(a) of the Tamil Nadu Electricity Board Employees Discipline and Appeal Regulations, the Chief Engineer is the competent authority to initiate action

as against the claimant.

Hence, this court decides that the punishment of stoppage of increment is illegal and is set aside. The employer is directed to issue a revised order and the claimant is entitled to permanent notional refixation, revision of retirement benefits, revised pension payment order. Therefore the demand of the union is allowed by this court.

Issue is answered accordingly.

The above reference made by the Government is answered accordingly.

In the result, the demand of the petitioner's union is accepted by this court and the claimant Mr.Anandan being an Administrative Supervisor of the respondent board is entitled to the relief claimed for and the respondent is directed to issue a revised order and the claimant is entitled to permanent notional refixation, revision of retirement benefits, revised pension payment order and there is no order as to costs.

Dictated to the Steno-Typist, typed directly in the Computer, corrected and pronounced by me in the Open Court, on this the 07th day of July, 2026.

**Presiding Officer,
Principal Labour Court,
Vellore.**

1. List of Witnesses on the side of the Petitioner:-

WW1 – Thiru.N.Anandan

2. List of Exhibits on the side of the Petitioner:-

- Ex-W1 – 28.06.2018 – Copy of Charge Sheet
- Ex-W2 – 07.07.2018 – Copy of Letter submitted by Anandan to the respondent requesting copies of documents
- Ex-W3 – 17.07.2018 – Copy of Letter issued to Anandan by the respondent
- Ex-W4 – 26.07.2018 – Copy of Explanation Letter of Anandan
- Ex-W5 – ---- – Copy of Enquiry Proceedings
- Ex-W6 – 15.11.2018 – Copy of Letter sent by the respondent call for explanation from Anandan
- Ex-W7 – 10.12.2018 – Copy of Explanation Letter of Anandan
- Ex-W8 – 04.03.2019 – Copy of Letter sent by the respondent
- Ex-W9 – 18.03.2019 – Copy of reply submitted by Anandan
- Ex-W10 – 02.04.2019 – Copy of Final Order
- Ex-W11 – ---- – Copy of Disciplinary and Appeal Procedures of Tamil Nadu Electricity Board
- Ex-W12 – ---- – Copy of Section 8(a) of Disciplinary and Appeal Procedures of Tamil Nadu Electricity Board
- Ex-W13 – 13.04.1987 – Copy of Proceedings No.142 of Tamil Nadu Electricity Board
- Ex-W14 – 27.02.2019 – Copy of Order passed in W.P.No.22254/2018 of the Hon'ble High Court of Madras
- Ex-W15 – 08.06.2007 – Copy of G.O.No.144
- Ex-W16 – 11.10.2021 – Copy of G.O.No.111
- Ex-W17 – 14.12.2021 – Copy of Circular of the Secretary
- Ex-W18 – 31.08.2018 – Copy of Temporary suspension order issued to Anandan
- Ex-W19 – ---- – Copy of Notice issued by the Labour Officer, Vellore.

- Ex-W20 – 29.06.2018 – Copy of Order passed in W.P.No.10616/2018 of the Hon'ble High Court of Madras
- Ex-W21 – 01.09.2020 – Copy of Order issued to Anandan by the respondent in respect of payment of pension
- Ex-W22 – 28.06.2024 – Copy of Order passed by the respondent permitting to retire Mr.G.S.Moorthy

3. List of Witnesses on the side of the Respondent:-

MW1 – Thiru.K.Prabakaran

4. List of Exhibits on the side of the Respondent:

- Ex-M1 – ---- – Copy of Authorization Letter
- Ex-M2 – ---- – Copy of Aadhar Card of MW1
- Ex-M3 – ---- – Copy of Final Order issued to N.Anandan

**Presiding Officer,
Principal Labour Court,
Vellore.**