

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

**PRESENT : Tmt.S.Uma Maheswari, M.L.,  
The Presiding Officer.**

**Thursday, the 2<sup>nd</sup> day of July, 2026**

**I.D. No.1 of 2025  
(CNR No.TNVL02-000010-2025)**

The General Secretary,  
M/s. International Bakery Products,  
Staff and Workers Union,  
No: 7-F, North Mada Street,  
Thiruvotriyur,  
Chennai – 600 019.

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Petitioner

Versus

The Management,  
M/s. International Bakery Products Ltd.,  
Pondicherry – Tindivanam Highways,  
Post T.C.Balam – 605 111,  
Vanur Taluk,  
Villupuram District.

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Respondent

This reference came up for final hearing on 10.06.2026 in the presence of Tmt.R.Rajilasree, the Advocate for the Petitioner and M/s. M.R.Ramanan and Associates for the Respondent. Upon hearing the arguments of both sides, 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 is made for adjudication of this court under Section 10(1)(c) & 10(1)(d) of Industrial Disputes Act 1947 as cited in G.O.(D) No.863 by The Labour Welfare and Skill Development (B2) Department, dated 13.12.2024.

The petitioner union raised an Industrial Dispute before the Assistant Commissioner of Labour, regarding the Charter of Demands made by it. In the conciliation proceedings no settlement was arrived, hence the Assistant Commissioner of Labour recorded a Failure Report on 03.04.2024 and submitted the same to the Government. In continuation of the same, The Labour Welfare and Skill Development (B2) Department by its G.O.(D). No.863, dated 13.12.2024, referred the issues for adjudication of this court.

**The issues referred is mentioned below:-**

The petitioner union made a Charter of Demands, but the Government has selected the following demands 1. Dearness Allowance at the rate of Rs.5/- per point shall be paid to all workers on the basis of 2001 All India Consumer Price Index, 2. Increase of wages at the rate of 30% per month, 3. Weightage – one increment for every completed three years of service, 4. House Rent Allowance shall be paid Rs.1,500/- per month, 5. Transport Allowance at the rate of Rs.800/- per month, 6. Night Shift Allowance at the rate of Rs.150/- per day, 7. All the workers shall be issued with three sets of uniforms per year, 8. All the workers shall be issued with two sets of rain coats per year, 9. Washing Allowance shall be paid with Rs.100/- per month, 10. Bonus shall be paid at the rate of 20% per year and referred the above demands to this court to decide the fairness of the demands of the union and to pass appropriate orders to that effect.

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

**1. Claim Statement averments in-brief:-**

The case of the petitioner union is that their union is a non-political union and the same was registered under the Trade Union Act 1926. The majority members of staff and workers are enrolled themselves as members of their union. The respondent management did not implement the basic structure of wages on the basis of seniority and grade and thereby, they violated the provisions of The Factory Act 1948. The management fixed the wages as Rs.20,000/- to the employees, so the senior staff who are working for more than 20 years are getting very low salary and thereby, the management violated the provisions of payment of minimum Wages Act.

The petitioner union further alleges the management failed to follow the Government order issued by the Labour and Employment Department and also failed to fix the minimum wages to its employees. Whereas, similar industries like, 1. Britannia, 2. ITC, 3.Parle-G, 4.Horlicks, 5.Amul and 6.Mondelux have fixed the monthly salary of Rs.60,000/- as minimum and maximum of Rs.80,000/- per month. The management also failed to observe holidays during National and Festival days and the workers were forced to work on these days with single day wages. Thereby the management violated the National and Festival Holidays Act.

Therefore, the union on 18.06.2023 in the General Body Meeting unanimously resolved to submit the Charter of Demands to the respondent company. Accordingly, they submitted the Charter of Demands to the management on 12.07.2023, but the management did not give heed to those demands.

Hence the union against the inaction of the management decided to raise an Industrial Dispute against the management and accordingly filed a petition under Section 2K of the Act, before the Assistant Commissioner of Labour, Vellore. The conciliation talks initiated by the Assistant Commissioner of Labour ended in a failure and as such he recorded a failure report on 03.04.2024 and submitted the same to the Government. The Government in turn by considering the demands of the union referred some of the demands to this court for its adjudication. The petitioner union which filed the claim statement before this court requested this court to consider their demands as mentioned in the reference and to pass orders in their favour.

**2. Written Statement averments in-brief:-**

This respondent apart from denying all the allegations states that the G.O.No.863, dated 13.12.2024 with the reference to this court to adjudicate the issues as stated in the annexure, is wholly without jurisdiction and hence liable to be rejected on this ground.

The respondent further states that the petitioner union claims to represent the staff and workers of this respondent establishment, but several workers have submitted letters to the Conciliation Officer stating that they are not represented by the petitioner union. The petitioner union has not disclosed as to who are the workers at they represent and despite specific claims to establish their bonafides during conciliation, the petitioner union has not disclosed as yet.

The respondent further states that all the employees of their establishment align themselves to four different unions namely, 1. Viduthalai Munnani Thozhilalar Sangam, 2. IBPL Pattali Thozhilalar Sangam, 3. IBPL Anna Thozhilalargal Sangam and 4. IBPL Thozhilalar Munnetra Sangam. Each of these trade unions have claimed to be affiliated to different political parties and have always represented the cause of these workers with this respondent in the previous years. As such the petitioner union is not the representative of any staff or workers of this respondent and has no locus standi to initiate this dispute.

The respondent also states that in the past several years the above said four trade unions have represented the cause of the workers and on 28.08.2023 have entered into a valid settlement under Section 12(3) of the I.D.Act. The said settlement is valid for the period from 01.09.2023 to 31.03.2026 and the settlement is binding on all the workers and the benefits therein have been extended to all the workers irrespective of their cadre or their union affiliation. Thus during the period of validity of the settlement a new set of claims cannot be laid for the purpose of any negotiation by another trade union, namely the petitioner union, which does not represent any workers or majority of workers.

The respondent submits that the above settlement covers all the demands presently referred for adjudication and each of them have been agreed upon by the parties to the settlement, and as such any further adjudication into the present claims in the Government Order will in effect only nullify the above settlement, and such a procedure is not provided for either in law nor is there any claims that the said settlement is not valid in

the eye of law. The respondent submits that the petitioner union, only with the sole purpose to establish themselves among the workers has raised this present claim with ulterior motives.

The respondent also submits that the Conciliation Officer recorded failure report in File No.536/2023 on 03.04.2024. Before the very same officer previously in File No.457/2023, the above said 12(3) settlement dated 28.08.2023 was entered. During the conciliation in this dispute she was made aware of the existence of the settlement and despite this she has failed to bring this to the notice of the Government which has now chosen to refer the matters for adjudication.

The respondent further states that each of the benefits claimed in the disputes have been agreed upon and are availed by all the workers of the establishment and therefore there cannot be a secondary claim for the same subject matter. The claims are wholly unjustified and lack merits. Further all the matters in the claim statement are within the exclusive jurisdiction of the Industrial Tribunal as provided for under Schedule III of the I.D.Act and thus, they are beyond the scope of adjudication of this court. Further if at all any adjudication is to be made in this dispute the proper and necessary parties are the above said four trade unions which represented all the workers and have entered into a valid settlement. Thus this dispute suffers from non-joinder of necessary parties. There are no merits in the petition and the respondent requests for the dismissal of the same.

3. On the side of the Petitioner Union, one Mr.R.Gunasekaran, the General Secretary of the petitioner union examined himself as WW1 and through him Ex.W1 to W8 were marked. During his cross-examination Ex.M1 to M3 were marked. Subsequently, one Mr.T.Iyyappan, the Joint Secretary of the petitioner union examined himself as WW2 and through him no documents were marked. On the respondent side, no oral evidence was endorsed.

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

1. Whether this court has jurisdiction to adjudicate the reference made under G.O.No.863, dated 13.12.2024 or not?

2. Whether the demands made by the petitioner union as mentioned in the Government Reference are bonafide or not?

5. **Issue No.1:-**

After hearing both the counsels, after perusing the claim, written statement and the written argument filed by the respective parties, this court comes to know that the respondent management is engaged in manufacturing bakery products.

The petitioner union alleged that the management has failed to implement labour welfare laws and chosen to pay minimum wages and also failed to implement the basic structure of wages as per seniority and grade. Thereby, the petitioner alleged that the management has violated the provisions of The Factory Act and The Payment of Minimum Wages Act. Hence there existed a need for formation of a union and accordingly the petitioner union has been formed and

registered under The Trade Union Act 1926 on 23.02.2023. The registration copy of the petitioner union and its by-laws has been marked as Ex.W1.

The petitioner union alleged that after formation of the union the majority members of staff and workers had enrolled themselves as members of the petitioner union. The union has convened a General Body Meeting on 18.06.2023. In the said meeting it has unanimously been resolved to submit a Charter of Demands to the management. Accordingly, the petitioner union has submitted a Charter of Demands to the management under Ex.W2.

The union further alleged that after the submission of the charter of demands, the management has failed to consider their demands. Therefore, the union had chosen to approach the Assistant Commissioner of Labour, Vellore and has raised a 2K dispute under Ex.W3. In the said 2K dispute, the management has not come forward to settle the issues amicably and therefore the Conciliation Officer with no other option has recorded a failure report under Ex.W4 and submitted the same to the Government.

The union further alleged that the management had chosen to adopt unfair labour practices and therefore the petitioner union has chosen to indulge in strike, and thereby they issued a strike notice under Ex.W5 to the management. The union further alleged that since the management has failed to implement the Factories Act, the Joint Director of Industries Safety and Health has preferred a criminal complaint against the respondent management before the Chief Judicial Magistrate Court at Villupuram. The said complaint has been disposed-off by imposing a fine

of Rs.55,000/- to the respondent and the downloaded copy of the said order has been marked as Ex.W6.

Further the union alleged that the respondent had also failed to take safety measures in their factory and resultantly two of the employees by name one Mr.Venkatesh and one Mrs.Kaveri suffered fractures. Hence, the Joint Director of Industries Safety and Health has preferred a criminal complaint against the respondent management before the Chief Judicial Magistrate Court at Villupuram. The said complaint has been disposed-off by imposing a fine of Rs.10,000/- to the respondent and its downloaded copy of the said order has been marked as Ex.W7. Further the General Secretary of The Dhesiya Murpokku IBPL Thozhilalar Sangam has submitted an application under Right to Information Act before the Joint Director of Industries Safety and Health, Cuddalore. He in-turn has provided the information to him and the copy of the said information has been marked as Ex.W8.

Based on these documents the union alleged that the respondent company had failed to implement the labour welfare measures to its employees and for that reason alone they have approached the Assistant Commissioner of Labour and raised a 2K dispute, but it had ended in a failure and lead to recording of failure report. On the basis of the failure report submitted by the Assistant Commissioner of Labour, the Government in turn has referred this dispute to decide the fairness of some of the demands made by the petitioner union. The union also has filed claim statement and requested to answer the reference in their favour.

On the other hand, the respondent management alleged that in their factory, all the workers have aligned themselves to four different unions

namely 1. Viduthalai Munnani Thozhilalar Sangam, 2. IBPL Pattali Thozhilalar Sangam, 3. IBPL Anna Thozhilalargal Sangam and 4. IBPL Thozhilalar Munnetra Sangam. These trade unions have claimed to be affiliated to different political parties. These unions have always represented the cause of workers with the respondent management. In these circumstances, the petitioner union, which is not the representative of any staff or workers of this respondent factory, has no locus standi to file this claim petition.

The respondent further alleged that the petitioner union has failed to disclose before the conciliation officer as well as before this court, as to which workers do they represent. Further as mentioned earlier the trade unions which represented the workers have entered into a valid settlement under Section 12(3) of the I.D.Act on 28.08.2023 and the same is valid for the period from 01.09.2023 to 31.08.2026. The said settlement is binding on all the workers irrespective of their union affiliation. Hence during the period of validity of the said settlement, a new set of claims cannot be raised by the petitioner union, which does not represent any of their workers. The respondent also contended that the present petitioner union with the sole purpose of establishing themselves among the workers, has raised this present claim with ulterior motives.

The respondent further alleged that the General Secretary of the union one Mr.Gunasekaran examined himself as WW1 and during his cross-examination he has admitted the wages increments ordered to him by the respondent company for the years 2023 to 2025. The said increment letters have been marked as Ex.M1 series. Further the wages slips of the WW1 have been marked as Ex.M2 series. Based on these documents the

respondent contended that they are providing proper increments to the employees based on their cadre and seniority. Further the respondent contended that the Ex.M1 series related to the General Secretary of the union clearly proves the same and thus, the management never indulged in any violation as mentioned in the claim petition.

The respondent further contended that this present petitioner union is attached with a political party by name Pattali Makkal Katchi and the same has been admitted by the WW1 during his cross-examination. To strengthen the same the respondent has marked the letter head of the petitioner union as Ex.M3 through WW1. The learned respondent counsel based on these documents argued that in the respondent factory already there exists four different unions and each of these trade unions are affiliated to different political parties, and now the present petitioner union which is affiliated with Pattali Makkal Katchi with the sole purpose of establishing themselves among the workers have raised this present claim with ulterior motives, knowing full well that already a 12(3) settlement had been signed and the validity period of the same is not yet over. The demands made by the petitioner under Ex.W2 have already been addressed by the management in the 12(3) settlement. Under such circumstances, demanding further reliefs before the end of the validity period of the 12(3) settlement is not valid. Further without impleading the above mentioned four unions, which had signed in the 12(3) settlement the present demands made by the petitioner union are not valid.

Apart from these aspects the learned respondent counsel also argued that the demands made by the petitioner union exclusively fall under the Schedule III of the I.D.Act, and therefore the

Industrial Tribunal alone has the jurisdiction to decide the above reference and thus, requested for the dismissal of the same.

The learned counsel for the respondent firstly has attacked the case on the point of jurisdiction. He argued that the demands made by the petitioner union exclusively fall within the jurisdiction of the Industrial Tribunal and thus this court does not have jurisdiction to adjudicate this reference. This court on this point of submission made by the respondent counsel has perused Section 10(1)(c) of the I.D.Act. Under this Section, it is mentioned that the appropriate Government can refer the dispute to a labour court if it relates to any matters specified in the Schedule II. The proviso of this Section further reads that where the dispute relates to any matter specified in the Schedule III and is not likely to affect more than 100 workmen. The appropriate Government may if it thinks fit, make a reference to a Labour Court under Clause “C”.

This court perused the Notice of Strike, the Ex.W5 submitted by the petitioner union, in which it has been mentioned that the estimate of number of persons affected is 100. Hence the appropriate Government can very well refer the dispute before this court. Therefore, as per the proviso to Section 10(1)(c) of the I.D.Act, this court has jurisdiction to adjudicate the above reference. The Government after careful consideration only has referred the demands made by the union to this court for adjudication. In view of the above discussion, this court comes to a conclusion that this court is having jurisdiction to adjudicate the reference.

**Issue No.1 is answered accordingly.**

**6. Issue No.2:-**

The petitioner union which claimed itself as a non-political union first has to establish the same, but failed to establish that their union is an independent union and not supported by any political party. The letter head of the petitioner union has been marked as Ex.M3 through WW1 during his cross examination. In that letter head, under the name of Honorary President Mr.M.Jayaraj it has been mentioned as PMK, Villupuram District Secretary – East. The General Secretary of the petitioner union who examined himself as WW1 has admitted the same during his cross examination. Hence it is clear that the petitioner union is a political supported union.

Apart from this aspect the petitioner union as alleged by them must prove before this court that their union is representing the majority of the workers working in the respondent management. The union has also failed to furnish the list of its members. The union without the members list cannot claim that they are representing the majority of workers.

Further one Mr.R.Gunasekaran claiming himself as a General Secretary of the union has been examined as WW1. He was not able to furnish the list of member before this court. Subsequently, one Mr.Iyyappan who is the Joint Secretary of the petitioner union was examined as WW2. The Joint Secretary in his cross examination has stated that he had filed the case for 65 members but has failed to mention their particulars in his proof affidavit. Both the WW1 and WW2 were not able to submit the correct particulars of their members before this court.

Hence, this court finds that the union has miserably failed to prove that their union is representing the majority of workers. Further the respondent alleged that several workers of their establishment have submitted letters to the Conciliation Officer stating that they were not represented by the petitioner union. To deny and disprove this averment the petitioner union ought to have produced the list of members but as already mentioned they have failed to submit the list. The union's failure to submit the list of members is affecting their case and also it paves way for this court to accept the contention of the respondent that the union does not represent any of the workers working in the respondent company.

Further it is also not denied by the petitioner union that there were four other unions existed in the respondent factory and the same were recognized by the respondent management. Further it is also not denied by them that the above said four unions have entered into a 12(3) settlement on 28.08.2023 with the management and before signing the settlement this petitioner union has also participated in the settlement talks. Further the WW1 has also admitted the period of validity, which is commencing from 01.09.2023 to 31.08.2026. The General Secretary of the union who was examined as WW1 has admitted this fact during his cross-examination. His admission during his cross examination is typed as below:

"எங்கள் தொழிற் சங்கம் தொடங்கப்பட்டு 2 வருடம் ஆகிறது. தொழிலாளர் உதவி ஆணையர் முன்பு நடைபெற்ற பேச்சு வார்த்தையில் நான் பங்கு கொண்டேன் என்றால் சரிதான். எனது தொழிற் சங்கம் அல்லாத மற்ற 4 தொழிற் சங்கங்கள் தொழிலாளர் உதவி ஆணையர்

முன்பு 28.08.2023 அன்று எதிர்மனுதாரர் நிறுவனத்துடன் ஊதிய உயர்வு குறித்து ஒரு ஒப்பந்தம் ஏற்படுத்திக்கொண்டனர் என்றால் சரிதான். அந்த ஒப்பந்தம் தற்போது நடைமுறையில் உள்ளது என்றால் சரிதான்."

From the above admission, it is clear that the General Secretary of the petitioner union had the knowledge about the 12(3) settlement, which is still within its validity period. Further this court has received the copy of 12(3) settlement produced by the respondent at the time of arguments and the same has been marked as Ex.C1 for its perusal. On perusal of 12(3) settlement this court comes to know that the management has almost covered all the charter of demands claimed by the four unions as well as the petitioner union. In such circumstances, this petitioner union cannot again submit a separate charter of demands claiming the very same benefits on the footing that they are representing the majority of the respondent workers, is not acceptable.

The petitioner union can well agitate the 12(3) settlement, if it had been signed by the management with minority union, but this case is concerned, the 12(3) settlement has been signed before the Assistant Commissioner of Labour, between the four unions and the respondent management. The petitioner has also failed to prove that these four unions are the minority unions and their union is majority union with majority of workers as its members. Under such circumstances, the petitioner cannot submit charter of demands against the existing 12(3) settlement.

Further the General Secretary of the petitioner union – WW1 has filed Ex.W8, which was the reply given by the Joint Director of Industrial Safety and Health. The Joint Director has addressed this letter to the Mr.R.Gunasekaran, the General Secretary of Dhesiya Murpoku IBPL Thozhilalar Sangam. The said Mr. R.Gunasekaran and the General Secretary of Ms. International Bakery Products of Staff and Workers Union are one and the same person. From the documents and the pleadings it is clear that the WW1 is acting as a General Secretary of two unions.

The petitioner union to show that the respondent management had violated the provisions of Factories Act has submitted the judgements passed by the Chief Judicial Magistrate, Villupurm as Ex.W6 & W7. This reference is in respect of the charter of demands submitted by the union. Hence, this court is of the view that the above judgements passed by the learned Chief Judicial Magistrate against the respondent management under the Factories Act have no relevance at all.

Further the WW1 himself has admitted that one of the administrators of the union particularly the Honorary President is attached to a political party. Hence it gives a presumption that the petitioner union which was registered itself only about two years ago, in order to establish themselves as a powerful union among the workers, without any sufficient documents, without any membership particulars and with full knowledge that already there is an 12(3) settlement in operation, have submitted the charter of demands. The management by signing the 12(3) settlement has already fulfilled the cause of the workers on the basis of the demands made by the recognized four unions. Under such circumstances, this court does not find

any bonafideness or fairness in the charter of demands made by the petitioner union. In final, this court absolutely finds no merits in their demand and their claims are negated by this court.

**Issue No.2 is answered accordingly.**

**The above reference sent by the Government is answered accordingly.**

In the result, this court does not find any fairness in the demands made by the petitioner union and consequently the claim petition filed by the petitioner union is dismissed 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 2<sup>nd</sup> day of July, 2026.

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

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

WW1 – R.Gunasekaran

WW2 – T.Iyyappan

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

Ex.W1 - 23.02.2023 - Copy of Certificate of Registration of Trade Union and their Bye-law

Ex.W2 - 12.07.2023 - Copy of charter of demands submitted by the petitioner union to the respondent

Ex.W3 - 07.08.2023 - Copy of charter of demands submitted by the petitioner union before the Assistant Commissioner of Labour

- Ex.W4 - 03.04.2024 - Copy of Failure Report
- Ex.W5 - 24.04.2024 - Copy of Strike Notice submitted by the petitioner union
- Ex.W6 - 22.01.2025 - Copy of Order passed by the Chief Judicial Magistrate Court, Villupuram in C.C.No.378/2024.
- Ex.W7 - 29.07.2025 - Copy of Order passed by the Chief Judicial Magistrate Court, Villupuram in C.C.No.92/2025.
- Ex.W8 - 07.08.2025 - Copy of Reply sent by the Joint Director of Industrial Safety and Health

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

– NIL –

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

- Ex-M1 – ----- – Copy of Petitioners annual increment for the years of 2023, 2024 and 2025
- Ex-M2 – ----- – Copy of Petitioner's Salary Slip
- Ex-M3 – 12.11.2024 – Copy of Letter sent by the petitioner union to the Assistant Commissioner of Labour

**5. List of Court documents:-**

- Ex-C1 – ----- – Copy of 12(3) settlement

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