

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

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

**Monday, the 27<sup>th</sup> day of July, 2026**

**I.D. No.53 of 2025  
(CNR No.TNVL02-000225-2025)**

INTUC North Arcot General Labour Federation,  
Regn.No.285/NAT,1980T,  
No.5(18), Amirthalinga Swamy Sannathi Street,  
Kosapet,  
Vellore – 632 001. . . . . Petitioner

Versus

The Management / General Manager,  
Tamilnadu Government Transport  
Corporation (Villupuram) Limited,  
Cheyyar Depot,  
Tiruvannamalai,  
Tiruvannamalai District. . . . . Respondent

This above reference came up for final hearing on 23.07.2026 in the presence of Thiru.A.Suresh Babu, the Authorized Representative for the Petitioner and Thiru.Dr.G.Devaraj, 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 was made under Section 10(1)(c) and 10(1)(d) of Industrial Disputes Act 1947 as given in G.O. (D).No.581, Labour and Employment (B2) Department, dated 07.10.2025.

The Union raised the Industrial Dispute before the Assistant Commissioner of Labour. In the conciliation proceedings no settlement was arrived, hence the Assistant Commissioner of Labour, Vellore recorded a failure report and sent the report to the Government. In continuation of the same, The Labour Welfare and Skill Development (B2) Department by its G.O.(D). No.581, dated 07.10.2025, referred the issue for adjudication by this court.

The Government by the above order has requested the court to decide the validity of the five demands of the Union. The five demands of the petitioner Union was that one Mr.S.Srinivasan being a Conductor of the respondent corporation had been imposed with the punishment of postponement of annual increment for six months for five times by the orders of the respondent corporation dated 30.08.2010, 16.08.2010, 27.08.2011, 14.05.2014 and 14.05.2014 respectively which are valid or not?

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.S.Srinivasan has joined duty in the Tamil Nadu Government State Transport Corporation at Ponneri Depot as Daily Wage Conductor and his job was made permanent on 21.11.1986 and lastly he worked at Cheyyar Depot. While on 10.01.2008 at 11.00 a.m. when the workman was on duty in the Koyambedu to Cheyyar route he had sudden heart attack, after coming to know about the same the workman was taken to Sridevi Hospital with the help of Koyambedu Depot Branch Manager and other workers, first aid was given with ventilation and he had been shifted and admitted at Bilroth Hospital for further treatment for 21 days and discharged on 31.01.2008. Due to sudden heart attack his brain and nervous system was affected. He had taken further treatment for next 6 months at Bilroth Hospital. After realizing the health position the workman approached the hospital to issue medical fitness certificate and Dr.K.Damodharan issued a medical certificate to issue light work to the workman at Cheyyar Depot.

Then on 23.10.2009 at 07.30 a.m. the workman tried to climb the bus to go to depot, the front wheel of the bus ran over on his foot and crushed his entire foot. He was admitted in the Government General Hospital, Chennai as inpatient surgery has taken place on 13.10.2009 and he has taken treatment till 12.11.2009 and was discharged on 13.11.2009. The workman by mentioning two accidents and his treatment he has sent letter to the respondent corporation to allot light work to him as per the medical certificate of the doctor. But the respondent has not come forward to allot light work to him and disciplinary action taken five times against him is as follows:

1. The respondent corporation passed a final order dated 30.08.2010 by imposing punishment of postponement of the annual increment for six months for the unauthorized absenc from 01.03.2009 to 31.03.2009.

2. The respondent corporation passed a final order dated 16.08.2010 by imposing punishment of postponement of the annual increment for six months for the unauthorized absence from 21.11.2009 to 18.12.2009.

3. The respondent corporation passed a final order dated 27.08.2011 by imposing punishment of postponement of the annual increment for six months for the unauthorized absence from 24.04.2011 to 25.05.2011.

4. The respondent corporation passed a final order dated 20.12.2013 by imposing punishment of postponement of the annual increment for six months for the unauthorized absence from 21.12.2012 to 20.12.2012 and then the same has been modified as postponement of the annual increment for three months as per the order dated 14.05.2014.

5. The respondent corporation passed a final order dated 28.01.2014 by imposing punishment of postponement of the annual increment for six months for the unauthorized absence from 21.06.2013 to 20.07.2013 and then the same has been modified as postponement of the annual increment for three months as per the order dated 14.05.2014.

The annual increments were postponed for six month for five times out of which two times it was altered to postponed for three months. In the meantime, as per the direction of the respondent corporation the claimant appeared before the Medical Team of Tiruvannamalai District Hospital on 22.03.2012. Again through letters dated 08.12.2013 and 09.12.2013 the respondent corporation directed the claimant to appear before the medical team on 11.12.2013 and the claimant appeared before the medical team on 11.12.2013. After testing the claimant the medical team directed the

claimant to appear before the Government Vellore Medical College Hospital for Master Health Checkup, Cardiologist Opinion and Neurologist Opinion. The claimant appeared before the medical team at Government Vellore Medical College Hospital for checkup and the doctors of neurology reported that the claimant was not fit for the conductor duty and referred to allot light work to him. Without considering the doctors advice the respondent corporation postponed the annual increment. Aggrieved by the order of the respondent corporation the petitioner union raised an industrial dispute before the Assistant Commissioner of Labour, Vellore. The respondent has participated in the conciliation before the Assistant Labour Commissioner, no settlement has been arrived and the Assistant Labour Commissioner directed the claimant to approach the labour court. Hence, the petitioner union has filed this petition to set aside the orders dated 30.08.2010, 16.08.2010, 27.08.2011, 14.05.2014 and 14.05.2014 and direct the respondent corporation to disburse all the monetary benefits to the claimant.

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

The respondent has filed the written statement stating that the claimant was the Conductor of the respondent corporation and he was charged with six times and after proving the charges only he had been punished one time for fare not collected and punished five times for his unauthorized absence. The claimant retired on 31.05.2014 without raising any objection to the punishments imposed on him and he received all the monetary benefits without any objection and the claim is untrue. Further the claimant retired four years before, there is no employer and employee relationship and there is no way to file this

industrial dispute against the respondent corporation. The petition filed under Section 2(K) of the Industrial Disputes Act, 1947 is barred by limitation and to be dismissed. Further after completion of claimant's Master Health Checkup, Cardiologist Opinion and Neurologist Opinion, the medical team has given certificate that he is "Fit for Duty". The claimant had sufficient time to file appeal against the order passed by this respondent corporation. The claimant has been the reason for loss of revenue to the Tamil Nadu State Transport Corporation. This petition is not maintainable and has to be dismissed.

3. On the side of Petitioner, petitioner examined himself as WW1 and through him Ex.W1 to W11 were marked. On the side of respondent, Mr.J.Rahiman, Superintendent of the respondent corporation examined himself as MW1 and through him no documents were marked.

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

1. The demand of the petitioner union is to set aside the orders of the respondent corporation against one Mr.S.Srinivasan by postponement of the annual increment for period of six months is valid or not?

2. The demand of the petitioner union is to set aside the orders of the respondent corporation against one Mr.S.Srinivasan by postponement the annual increment for period of six months is valid or not?

3. The demand of the petitioner union is to set aside the orders of the respondent corporation against one Mr.S.Srinivasan by postponement of the annual increment for period of six months is valid or not?

4. The demand of the petitioner union is to set aside the orders of the respondent corporation against one Mr.S.Srinivasan by postponement of the annual increment for period of three months is valid or not?

5. The demand of the petitioner union is to set aside the orders of the respondent corporation against one Mr.S.Srinivasan by postponement of the annual increment for period of three months is valid or not?

#### **5. Issue Nos.1 to 5:-**

It is the case of the petitioner that the claimant joined duty in Tamil Nadu State Transport Corporation on 01.01.1986 on daily wages as Conductor and he was made a permanent employee on 21.11.1986. On 10.01.2008 when the claimant was returning from Koyambedu to Cheyyar at 11.00 a.m. he suffered heart attack and he was taken to Sridevi Hospital, subsequently to Billoth Hospital at Chennai, he has taken treatment as inpatient and he was discharged from the hospital on 31.01.2008. He has taken treatment as out patient for six months and the doctor certified that he was eligible to do light work and he was given light work by the respondent. On 23.10.2009 at 07.30 a.m. the bus went over his foot and he was admitted in the government hospital, surgery was done, he was treated as inpatient and on 13.11.2009 he was discharged. Again he has demanded light work the management has not come forward to offer light work, but the management has given charge memo and without any domestic enquiry, the increment was stopped. The first charge is that he had been on unauthorized absence from 01.03.2009 to 31.03.2009, final order has been passed on 30.08.2010 and increment was stopped for six months.

The second charge was that claimant was on unauthorized absence from 21.11.2009 to 18.12.2009 and on 16.08.2010 stoppage of increment of six months was ordered.

The third charge was that from 24.04.2011 to 25.05.2011 the claimant has been in unauthorized absence and on 27.08.2011 the increment was stopped for six months.

The fourth charge was that from 21.11.2012 to 20.12.2012 the claimant has been in unauthorized absence and the increment has been stopped for six months on 20.12.2013.

The fifth charge was that from 21.06.2013 to 20.07.2013 the claimant has been in unauthorized absence and the increment has been withheld for six months by order dated 14.05.2014.

The claimant has been directed by the respondent to appear before the medical board, the claimant appeared before the medical board on 23.12.2013 and the board opined that the claimant is not fit for the post of conductor, but the respondent has not given light work but has given five charge memo. Hence, punishment has to be set aside with full back wages during that period.

The respondent objects for the same on the ground that the claimant retired from service on 31.05.2014 and he has not objected for the punishment given. Hence his claim is not true and there is no relationship of employer and employee and this dispute has been raised after four years. The medical board has examined him on 30.08.2012 and has given an opinion that he can be put to duty. If the claimant is on unauthorized absence for 8 days, punishment has to be imposed. The respondent finds it difficult to ply buses because of the unauthorized absence of workers.

The claimant has suffered cardiac arrest as revealed from the reports of the Billoth Hospital. The Claimant has been admitted in the hospital on 10.01.2008 and he has been treated for cardiac arrest. The report is marked as Ex.W2 and the consultant interventional cardiologist has given a certificate on 21.06.2008 that he is physically fit to do light work, based on this request on 23.07.2009 the management has given him light work.

Subsequently on 23.10.2009 he had undergone a surgery, then the bus tyre went on his left foot he has been admitted for treatment on 23.10.2009, surgery has been performed on 23.10.2009 and he has been discharged on 13.11.2009. The medical records of the Government Hospital at Chennai is Ex.W5. The doctor has given medical certificate for his absence from duty from 23.10.2009 for a period of 60 days. During this period only the second charge memo has been issued to the claimant. Then he has applied medical leave from 22.04.2011 through medical certificate for 45 days and during this time the third charge memo has been issued. The claimant has been in medical treatment as revealed from the subsequent discharge summary which reveals that he has been admitted on 11.03.2013 and he has been discharged on 20.03.2013. This admission has been for his fall at home on 10.03.2013 at 05.30 p.m. He has appeared before the medical board at Tiruvannamalai on 20.12.2013 and as revealed from Ex.W9 he has been examined by the neurologist on 23.12.2013 and the neurologist has opined that the claimant is not fit for conductor duty. So the medical records of the private hospital Billoth and the government hospital reveals that the claimant is not well from the date of cardiac arrest on 10.01.2008.

The case of the respondent is that on 30.01.2006 he has been punished because fair was not collected and he was imposed postponement of increment without cumulative effect for 12 months on 10.12.2009 and he was absent for duty from 21.11.2009 to 18.12.2009 and postponement of increment without cumulative effect for six months was ordered on 16.08.2010. On 01.03.2009 the claimant has been absent for duty from 01.03.2009 to 31.03.2009 and on 30.08.2010 postponement of increment without cumulative effect was ordered for six months. On 22.04.2011 he has been charged with for absence of duty from 22.04.2011 to 25.05.2011 and postponement of increment with cumulative effect was ordered for six months from 27.08.2011. On 21.11.2012 the claimant has been absent for duty from 21.11.2012 to 20.12.2012 and postponement of increment with cumulative effect for six months has been ordered on 20.12.2013. In appeal it has been modified as postponement of increment without cumulative effect for three months. On 21.06.2013 the claimant has been charged with for absence of duty from 21.06.2013 to 20.07.2013 and postponement of increment with cumulative effect for 12 months order has been passed on 28.01.2014. In appeal the punishment has been modified as postponement of increment without cumulative effect for six months on 14.05.2014. So finally only for the charges dated 22.04.2011 the claimant has been punished with postponement of increment with cumulative effect for six months. MW1 has stated that domestic enquiry has been conducted before passing the orders. Subsequently MW1 states that the claimant has not given reply for the charges and so punishment has been imposed on him. Even if reply has not been given enquiry has to be conducted before awarding punishment. MW1 admits that he is not aware whether the claimant has given intimation to the Branch Manager about the leave. The

management has not produced the enquiry proceedings before this court. The claimant has produced the certified standing orders of the transport corporation which reveals that stoppage of increment with or without cumulative effect is punishment other than minor punishment and when the charge has not been admitted an enquiry has been conducted before awarding punishment except in case of punishment like censure and fine. The punishment imposed on the claimant is not minor punishment but it is punishment other than minor punishment. According to the management for the charge memo dated 01.03.2009, 21.11.2009, 22.04.2011, 21.11.2012, 21.06.2013, the claimant has not given reply and so punishment has been awarded. When the punishment awarded is other than minor punishment enquiry has to be conducted before awarding punishment. The **Hon'ble High Court of Madras in CDJ 2022 MHC 6722 - P.Ramadurai Vs. The General Manager, TNSTC (Kum) Limited, Trichy and Others** held in para 6, 7, 9 and 10 is as follows:

"6. The Hon'ble Supreme Court, in the case of Kulwant Singh Gill Vs. State of Punjab reported in 1991 Supp (1) SCC 504, had held that stoppage of increment with cumulative effect is deemed to be a major penalty and imposition of such a penalty without enquiry is per se illegal. The relevant portion of the order reads as follows:

4. Withholding of pay simpliciter undoubtedly is a minor penalty within the meaning of Rule 5(iv). But sub-rule (v) postulates reduction to a lower stage in the time scale of pay for a specified period with further directions as to whether or not the Government employee shall earn increments of pay during the period of such reductions and whether on the expiry of such period the reduction will or will not have the

effect of postponing the future increments of his pay. It is an independent head of penalty and it could be imposed as punishment in an appropriate case. It is one of the major penalties. The impugned order of stoppage of two increments with cumulative effect whether would fall within the meaning of Rule 5(v)? If it so falls Rules 8 and 9 of the Rules require conducting of regular enquiry. The contention of Shri Nayar, learned counsel for the State is that withholding two increments with cumulative effect is only a minor penalty as it does not amount to reduction to a lower stage in the time scale of pay. We find it extremely difficult to countenance the contention. Withholding of increments of pay simpliciter without any hedge over it certainly comes within the meaning of Rule 5(iv) of the Rules. But when penalty was imposed withholding two increments i.e. for two years with cumulative effect, it would W.P.(MD).Nos.3336 of 2019 and 14255 of 2022 indisputably mean that the two increments earned by the employee was cut off as a measure of penalty for ever in his upward march of earning higher scale of pay. In other words the clock is put back to a lower stage in the time scale of pay and on expiry of two years the clock starts working from that stage afresh. The insidious effect of the impugned order, by necessary implication, is that the appellant employee is reduced in his time-scale by two places and it is in perpetuity during the rest of the tenure of his service with a direction that two years' increments would not be counted in his time-scale of pay as a measure of penalty. The words are the skin to the language which if peeled off its true colour or its resultant effects would become apparent. When we broach the problem from this perspective the effect is as envisaged under Rule 5(v) of the Rules. It is undoubted that the Division Bench in *Sarwan Singh v. State of Punjab & Ors.*, P.C. Jain, A.C.J. speaking for the division bench, while considering similar question, in paragraph 8 held that the stoppage of increments with cumulative effect, by no stretch of imagination falls within clause (v) of

Rule 5 or in rule 4.12 of Punjab Civil Services Rules. It was further held that under clause (v) of Rule 5 there has to be a reduction to a lower stage in the time scale of pay by the competent authority as a measure of penalty and the period for which such a reduction is to be effective has to be stated and on restoration it has further to be specified whether the reduction shall operate to postpone the future increments of his pay. In such cases withholding of the W.P.(MD).Nos.3336 of 2019 and 14255 of 2022 increments without cumulative effect does not at all arise. In case where the increments are withheld with or without cumulative effect the Government employee is never reduced to a lower stage of time scale of pay. Accordingly it was held that clause (iv) of Rule 5 is applicable to the facts of that case. With respect we are unable to agree with the High Court. If the literal interpretation is adopted the learned Judges may be right to arrive at that conclusion. But if the effect is kept at the back of the mind, it would always be so, the result will be the conclusion as we have arrived at. If the reasoning of the High Court is given acceptance, it would empower the disciplinary authority to impose, under the garb of stoppage of increments, of earning future increments in the time scale of pay even permanently with expressly stating so. This preposterous consequences cannot be permitted to be permeated. Rule 5(IV) does not empower the disciplinary authority to impose penalty of withholding increments of pay with cumulative effect except after holding inquiry and following the prescribed procedure. Then the order would be without jurisdiction or authority of law, and it would be per se void. Considering from this angle we have no hesitation to hold that the impugned order would come within the meaning of Rule 5(v) of the Rules; it is a major penalty and imposition of the impugned penalty without enquiry is per se illegal.” W.P.(MD).Nos.3336 of 2019 and 14255 of 2022.

7. As held by the Hon'ble Supreme Court in the aforesaid decision, the stoppage of increment with cumulative effect will have a consequential effect of reducing the petitioner's last drawn pay scale for the purpose of determining his pensionary benefits.

9. In normal circumstances, this Court would have remitted back the matter to the disciplinary authority for conducting an enquiry in accordance with the Standing Orders. However, in the instant case, the petitioner had retired from service on 31.05.2022. At this juncture, if the matter is remitted back, serious prejudice will be caused to the petitioner. Nevertheless, if the W.P.(MD).Nos.3336 of 2019 and 14255 of 2022 punishment is modified into a lesser one, without affecting the retirement and pensionary benefits of the petitioner, the ends of justice could be secured.

10. In the light of the above observations and findings, the impugned order, dated 29.08.2018, on the file of the first respondent is set aside, insofar as the imposition of the punishment of stoppage of increment for a period of one year with cumulative effect is concerned. Consequently, there shall be a direction to the first respondent herein to pass orders, modifying the punishment imposed in the impugned order, dated 29.08.2018, into one of stoppage of increment for a period of one year "without cumulative effect". The first respondent herein shall also pass consequential orders disbursing the retirement benefits, including the pensionary benefits. Such orders shall be passed at least within a period of six (6) weeks from the date of receipt of a copy of this order."

Stoppage of increment with cumulative effect will have the effect of reducing the petitioner's last drawn pay scale for the purpose of determining his pension benefits, it will give rights to pay anomaly between the employee and his juniors. Hence, this court decides to interfere with the punishment imposed by the management the petitioner has retired from service on 31.05.2014 and so this court decides that if the matter is

remanded for holding proper formal enquiry the claimant will be prejudiced. Hence, the punishment is modified into a lessor one without affecting the retirement and pensionary benefits. The order dated 27.08.2011 awarding stoppage of increment with cumulative effect for six months for absence of duty from 22.04.2011 to 25.05.2011 is set aside in so far as the cumulative effect and the punishment is modified into one of stoppage of increment for a period of six months without cumulative effect and the respondent has to pass consequential order disbursing retirement benefits and the pension benefits by taking into account the modified punishment within three months from the date of this order.

**Issue Nos.1 to 5 are answered accordingly.**

**The above references made by the Government is answered accordingly.**

In the result, the order of respondent corporation dated 27.08.2011 awarding stoppage of increment with cumulative effect for six months for absence of duty from 22.04.2011 to 25.05.2011 is set aside in so far as the cumulative effect and the punishment is modified into one of stoppage of increment for a period of six months without cumulative effect and the respondent has to pass consequential order for disbursing retirement benefits and the pension benefits by taking into account the modified punishment within three months from the date of this 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 27<sup>th</sup> day of July, 2026.

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

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

WW1 – S.Srinivasan

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

- |        |   |            |                                                                                             |
|--------|---|------------|---------------------------------------------------------------------------------------------|
| Ex-W1  | – | ----       | – Copy of Identity Card of the Claimant                                                     |
| Ex-W2  | – | 31.01.2008 | – Copy of Discharge Summary issued by Billoth Hospital                                      |
| Ex-W3  | – | ----       | – Copy of Medical Expenses at Billoth Hospital                                              |
| Ex-W4  | – | 21.06.2008 | – Copy of Medical Certificate issued at Billoth Hospital                                    |
| Ex-W5  | – | 23.07.2009 | – Copy of Letter issued by the claimant to the Cheyyar Branch Manager                       |
| Ex-W6  | – | ----       | – Copy of documents for taking treatment at Government General Hospital                     |
| Ex-W7  | – | ----       | – Copy of Medical Certificates issued by the doctors                                        |
| Ex-W8  | – | ----       | – Copy of Discharge Summary issued at Miot Hospital                                         |
| Ex-W9  | – | ----       | – Copy of Letter issued to the claimant by the medical board at Tiruvannamalai              |
| Ex-W10 | – | ----       | – Copy of Out patient slip of the claimant                                                  |
| Ex-W11 | – | 23.12.2013 | – Copy of Letter issued to the claimant by the Neurology doctor of Vellore General Hospital |

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

MW1 – J.Rahman

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

– NIL –

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