

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 18-02-2026

CORAM

THE HONOURABLE MR.JUSTICE D.BHARATHA CHAKRAVARTHY

W.P.No.345 of 2024

&

W.M.P.No.404 of 2024, W.M.P.No.9162 OF 2024

The Management of Jaigopal Garodia,
Vivekanda Vidyalaya,
Vivekananda Nagar,
Poonamallee High Road,
Avadi, Chennai – 600 054,
Represented By its Correspondent. ... Petitioner
vs.

Mrs.Siranjeevi
W/o. Late.Daniel,
No.5, First Street, Sabi Nagar, (Extension)
Muthapudupet, Avadi,
IAF Post,
Chennai – 600 055. ... Respondent

Prayer: Writ Petition has been filed under Article 226 of Constitution of India, to issue a Writ of Certiorari, calling for the records of the Principal Labour Court, Chennai in ID No.330 of 2014 and quash its award dated 18.02.2023.

For Petitioner:	Mr.Haroon AL Rasheed, for Agam Legal Advocates
For Respondent:	Mr.P.R.Krishnaraj for Mr.C. Sundaramurthy



ORDER

This Writ Petition is filed challenging the award passed by the Labour Court dated 18.02.2023 in I.D.No.330 of 2014. By the said award, upholding the claim made by the Workman that the termination in service was illegal and unjustified, in lieu of reinstatement with backwages, awarded compensation of Rs.12,00,000/-. Aggrieved by the same, the petitioner-Management is before this Court.

2. Upon hearing the learned counsel for the petitioner and perusing the affidavit filed in support of the writ petition and the other material records of the case, it can be seen that the worker, namely, Mrs.Siranjeevi, was working as an Aaya in the petitioner school. At the relevant point of time, she had put in more than 27 years of service. However, without any enquiry whatsoever, she was suddenly terminated from service on 17.03.2014. The order states that she has been warned of using filthy language against the other staff and, in spite of the warning, she did not correct herself and therefore, she was terminated from service. Aggrieved by the same, the above claim petition was filed.

3. The claim petition was resisted by the Management on the ground that the award was passed after due enquiry and, therefore, it need not be interfered with by the Labour Court. Originally, an award was passed on 11.06.2015,



whereby the claim was allowed and the Management was directed to reinstate the petitioner with full back wages. The same was challenged by the petitioner-Management before this Court. Pending the final hearing, this Court, by an interim order dated 18.07.2022, directed the Management to deposit a sum of Rs.5,50,000/- in an interest fetching deposit and directed reporting of compliance of the same. Finally, the writ petition was disposed of on the following terms:

“4. Having regard to the said concordance arrived between the parties and to shorten the litigation, the impugned award dated 11.06.2015 in I.D. No. 330 of 2014 passed by the First Respondent is set aside and that the industrial dispute in I.D. No. 330 of 2014 shall be restored to the file of the First Respondent and listed for next hearing on 07.12.2022. The parties or their respective Counsel shall attend the hearing on the said date as well as on the subsequent dates to which it is adjourned and extend their co-operation for the early disposal of the matter. The Petitioner shall be cross-examined and both parties are not precluded from examining other witnesses and producing documents in respect of their respective contentions. After affording full opportunity of hearing to all parties concerned following the prescribed procedure in consonance with the principles of natural justice, the First Respondent shall deal with each of the contentions raised and pass reasoned orders on merits and in accordance with law and communicate the decision taken to the concerned parties under written



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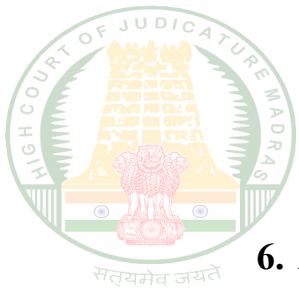


acknowledgment and depending upon its outcome, the First Respondent shall decide as to the manner in which the remaining sum of Rs. 5,50,000/- in Fixed Deposit would have to be dealt by the parties. It shall be ensured that there is atleast one effective hearing every week showing progress of the case and monthly reports in that regard shall be sent to the Registrar (Judicial) of the Court till the matter is finally disposed.

In fine, the Writ Petition is disposed on the aforesaid terms. No costs.”

4. Thereafter, the matter proceeded before the Labour Court and the proceedings continued. Thereafter, the Management examined M.W.1 to M.W.3 and Ex.M1 to Ex.M7 were marked on behalf of the Management. Subsequently, the present award was passed by the Labour Court.

5. The Labour Court held that the proceedings against the Workman were unfair because not even a charge-sheet was issued to the Workman. No enquiry was conducted and even though the Labour Court found from the evidence adduced by the Management that the behaviour of the Workman in using inappropriate language was brusque in nature, still it went ahead to hold that the non-employment as unjustified. However, instead of ordering reinstatement with backwages, a total sum of Rs.12,00,000/- was awarded as the compensation.



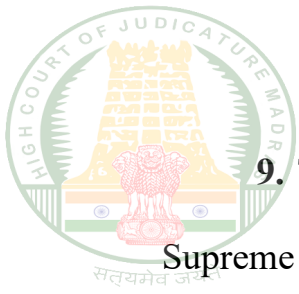
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Court.

6. Aggrieved by the same, the present writ petition is filed before this

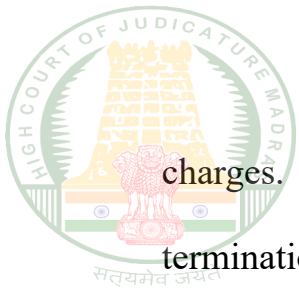
7. The first contention on behalf of the Management is that when evidence has been adduced on the merits of the charge and the same having been proved, the Labour Court ought not to have interfered with the punishment. When the matter has been remanded with liberty to adduce evidence, thereafter there was no question of finding about the fairness of enquiry or the documents not supplied to the petitioner. It is only the merits of the charges which has to be looked into. When the Management examined two of the co-workers against whom the word was used and the present correspondent, who spoke about the further complaints being given to the Manager, the Labour Court ought to have dismissed the claim petition.

8. Finally, making submissions on the quantum of the compensation, the Learned Counsel would submit that the total salary that was received by the worker as on date of the termination is Rs.9890/-. It is contended that the Labour Court, without any reasoning whatsoever, fixed the compensation at Rs.12,00,000/-, which is on the higher side.



9. The Learned Counsel would rely upon the judgments of the Hon'ble Supreme Court in (i) ***O.P.Bhandari vs. Indian Tourism Development Corporation Ltd*** reported in (1986) 4 SCC 337 and (ii) ***Workmen vs. Bharat Fritz Werner (P) Ltd and another*** reported in (1990) 3 SCC 565.

10. Per contra, the Learned Counsel appearing on behalf of Workman would submit that the earlier remand order is not as if holding the procedure as fair and thereafter remanding the matter to decide on the merits of the charges. When the Management neither conducted the enquiry nor sought for permission to adduce evidence with respect to the charges, the finding of the Labour Court that the non-employment is unjustified cannot be interfered with. As far as the compensation is concerned, the Learned Counsel would submit that, taking into account the present-day interest that is given by the Banks and the long-drawn proceedings starting from the year 2014, it must be held that the quantum is adequate and the award need not be interfered with by this Court. Even considering the further evidence that is let in by the Management, it can be seen that, in spite of receiving so many complaints and stating in the impugned order that the petitioner was warned in writing, no such evidence was produced by the Management. Moreover, the witnesses M.W.1 is related to the Correspondent, M.W.2 was also working for the long time and her husband was also working directly under M.W.3 and M.W.3 does not have personal knowledge about the



charges. In view thereof, there is absolutely nothing on record to justify the termination of employment.

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11. I have considered the rival submissions on either side and perused the material records of this case.

12. Firstly, it is a case where not even a charge-memorandum was issued and no enquiry whatsoever has been conducted. However, the Management chose to file a counter to the claim statement as if the Workman was dismissed after proper enquiry. It must be noted that the Management did not plead that, in the event that the Labour Court finds the procedure as unfair, it was willing to adduce evidence on record. In that view of the matter, no right whatsoever can be claimed by the Management to adduce evidence on the merits of the charges before the Labour Court.

12.1. The Learned Counsel for the Management pleads that by virtue of the earlier order of this Court, the Management was permitted to adduce evidence. The operative portion of the order was extracted supra. It can be seen that this Court did not find that the enquiry was not fair and proper and therefore did not remand the matter back for the Management to adduce evidence on the merits of the charges. It was generally found that the



Management did not avail the opportunity of adducing any evidence whatsoever and therefore the award was set aside and the matter was remanded to be continued in accordance with law with due opportunity for the Management to adduce evidence. The Management at that point of time also did not file any additional affidavit to bring on record that it was adducing evidence on the merits of the charges. In that view of the matter, the finding of the Labour Court does not require any interference. Even otherwise, it can be seen that the worker was an Aaya and the allegation was that on certain occasions she used the intemperate offending words against co-employees. Though normally it need not be taken into consideration seriously, but the further allegation is that the words were used in front of the children, which aggravates the conduct.

13. Secondly, it must be seen that when it was the case of the Management that repeated complaints were being received over a period of time, absolutely no memo or communication in writing has been given to the Workman to desist or calling for her explanation instead, straightaway the termination order was issued.

14. Thirdly, it can be seen that M.W.1 admits in the cross-examination that she is related to the Correspondent. M.W.2 also admits that she and her husband are working in the Institution. Therefore, these factors shall also be



taken into account. In any event, considering only the type of behaviour that is alleged, in lieu of reinstatement with backwages, after finding that the non-employment was unjustified, only compensation has been ordered. Therefore, the finding of the Labour Court that the non-employment is unjustified and also the decision to award compensation are found to be in order.

15. The next question is with reference to the quantum of compensation. It is true that the Labour Court did not give any reasons while arriving at the compensation. As rightly contended by the Learned Counsel for the Management, the principle is laid down by the judgment of the Hon'ble Supreme Court in *O.P.Bhandari cited supra* and in the latest judgments, it has also been held that due importance should also be given for the future rise in wages. While determining the quantum of compensation, the formula of 39 months of last drawn wages was arrived at by the Hon'ble Supreme Court of India, keeping in mind, the core factor that the employee should be able to get interest atleast to that said extent. The Hon'ble Supreme Court fixed the formula taking into account the interest rate that was prevailing at that relevant point of time. Now, it is common knowledge that even with the entire amount of Rs.12,00,000/-, if invested, will not fetch the monthly interest of Rs.9,00,000/-. Be that as it may, considering the formula that is fixed by the Hon'ble Supreme Court in *O.P.Bhandari case* and the later judgments to give some allowance for



future rise in wages, in the overall facts and circumstances of the case, I am of the view that by applying the 39 months salary, last drawn wages being sum of Rs.9890/- x 39 months and giving some allowance for the future increase in wages and considering the subsequent event of the bank rates being lowered, I am of the view that by giving adequate increase to the above said sum arrived by multiplying 39 months, the compensation can be fixed at Rs.8,00,000/-. It is stated that a sum of Rs.5,50,000/- has already been deposited and the Management can directly credit the balance amount into the account number of the Workman. It is stated that the Worker has also withdrawn a sum of Rs.3,00,000/- out of the deposited amount of Rs.5,50,000/- already deposited by the Management. The balance sum of Rs.2,50,000/-, along with the accrued interest, can also be withdrawn by the worker.

16. In view thereof, this *Writ Petition is disposed of* on the following terms:

(i) The finding of the Labour Court that the non-employment of the Workman is unjustified and that the Workman is entitled for compensation is upheld.

(ii) As far as the quantum of compensation is concerned, the same is modified and reduced to a sum of Rs.8,00,000/-.



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(iii) The Management has already deposited a sum of Rs.5,50,000/- to the credit of the I.D.No.330 of 2014. The Management shall pay the balance sum of Rs.2,50,000/- to the account of the worker at Indian Bank, Avadi Branch in (S.B.A/c.No.488094629) IFSC Code No.IDIB000A079 within a period of four weeks from the date of receipt of the web copy of the order. Failing compliance of the same, the amount will be paid with further interest at the rate of 12% per annum, from today.

(iv) The worker will also be entitled to withdraw the balance sum of Rs.2,50,000/- lying to the credit of the I.D along with the accrued interest.

There shall be no order as to costs. Consequently, connected Miscellaneous Petitions are closed.

18-02-2026

Neutral Citation:Yes.
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To,
The Principal Labour Court, Chennai.



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D.BHARATHA CHAKRAVARTHY, J.
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