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IN THE HIGH COURT OF JUDICATURE AT MADRAS

Reserved on : 24.08.2026

Pronounced on : 03.09.2026

CORAM

THE HON'BLE DR JUSTICE G. JAYACHANDRAN

AND

THE HON'BLE MR.JUSTICE E.MANOHARAN

WA No. 469 of 2020

AND

WA No. 875 of 2021, WA No. 2545 of 2021,

WA No. 472 of 2020, WA No. 471 of 2020

D.Ravi

(Employee No.225)

S/o.M.Durai,

No.1/1A, Gejaraj Mudaliar Back St.,

Tharapadvedu, Katpadi Po.,

Vellore District -634 007.

..Appellant(s)

Vs

1. The Lok Adalat-II

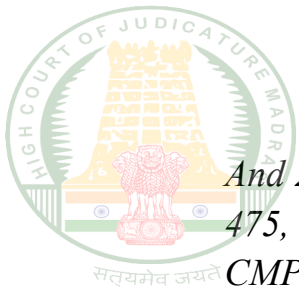
Organised by High Court-Legal Services

Committee on Wednesday 17th June 2015

Under Sec.19 of Legal Services Auth. Act

1987

*(R1 Is Deleted, Vide Order Of Court Dated
07/12/2021 made In W.A.Nos.2545, 868, 872,
875, 877, 878, 2559, 2562, 874, 2546, 2555*



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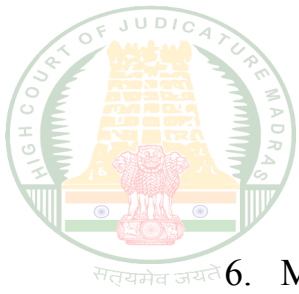
*And 2556 Of 2021 And 478, 479, 471, 472,
475, 476, 469 And 470 Of 2020 And
CMP.Nos.5123, 5104, 5111, 5112 And 5120
Of 2021 (PUJ & SSKJ)*

2. The Presiding Officer
Principal Labour Court, Chennai-600 104.

3. The Management of Bharat
Technologies Auto Components Ltd.,
Rep. by its Managing Director,
Regd. Off Unit No.708 Beta Wing,
7th floor, Raheja Towers,
177, Anna Salai, Chennai-2.

4. Hosur Bharat Technologies Auto
Components Employees Union
(regd.No.5/kri)
Rep By Its Secretary,
No.3, Kamaraj Colony, 3rd Cross,
Hosur 635109,
Krishnagiri District.

5. Mr.G.Mukesh
President, Hosur Bharat Technologies
Auto Components, Employees Union
(regd.No.5/kri) No.3, Kamaraj Colony,
3rd Cross,
Hosur 635109,
Krishnagiri District.



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6. Mr.A.K.Udayakumar

Secretary,
Hosur Bharat Technologies
Auto Components Employees
Union (regd No.5/kri),
3/98, Udayagiri, Navathi Road,
Hcf Post, Hosur 635110.

7. Mr.R.Ramakrishnan

Treasurer,
Hosur Bharat Technologies
Auto Components, Employees
Union (regd.No.5/kri),
No.3, Kamaraj Colony, 3rd Cross,
Hosur 635109, Krishnagiri District.

..Respondent(s)

WA No. 875 of 2021

M.Sadasivam
S/o Meiyyan,
Maravamadurai Post,
Pon Amaravathi Tk,
Thirukokarnam Via, Pudukottai District,
Pin code 622 002

..Appellant(s)

Vs

1. The Lok Adalat -II
Organized By High Court Legal Services



Committee On Wednesday The 17th Day
of June 2015, Under Section 19 Of The
Legal Services Authorities Act 1987.

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2. The Presiding Officer
Principal Labour Court,
Chennai 600104.
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Bharat Technologies Auto Components
Ltd, Rep By Its Managing Director,
Regd Office Unit No.708, Beta Wing,
7th Floor, Raheja Towers,
177 Anna Salai, Ch 02.
4. Hosur Bharat Technologies Auto
Components Employees Union (regd
No.5/kri)
Rep By Its Secretary,
No.3 Kamaraj Colony, 3rd Cross,
Hosur 635109
Krishnagiri District.



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5. Mr.G.Mukesh
President,
Hosur Bharat Technologies
Auto Components Employees Union
(regd No.5/kri)
No.3 Kamaraj Colony, 3rd Cross,
Hosur 635109 Krishnagiri Dist.

6. Mr.A.K.Udayakumar
Secretary,
Hosur Bharat Technologies
Auto Components Employees Union
(regd No.5/kri)
3/98, Udayagiri, Navathi Road,
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Treasurer,
Hosur Bharat Technologies
Auto Components Employees
Union (regd No.5/kri)
No.3 Kamaraj Colony, 3rd Cross,
Hosur 635109, Krishnagiri District.

..Respondent(s)

WA No. 2545 of 2021

M.Thirupathi
(employee No.094),
S/o.Murugan,
Avalnaickenpatti Amman Vattam,



Kakangarai Post,
Thirupattur Taluk,
Vellore District 635 654.



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..Appellant(s)

Vs

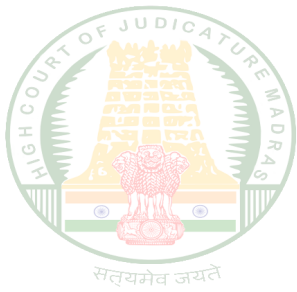
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Auto Components Ltd.,
Rep. By Its Managing Director,
Regd. Office, Unit No.708, Beta Wing,
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4. Hosur Bharat Technologies Auto
Components,



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Employees Union(regd.No.5/kri)
Rep. By Its Secretary,
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WA No. 472 of 2020

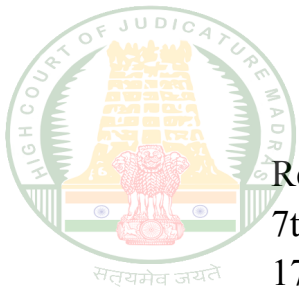
..Respondent(s)

C.Chandiragiri
S/o. Chinnasamy,
(Old Emp.No.124, New Emp.No.055),
Seeriyampatti Village, Seeriyampatti Post,
Palacode Tk,
Dharamapuri Dist.

..Appellant(s)

Vs

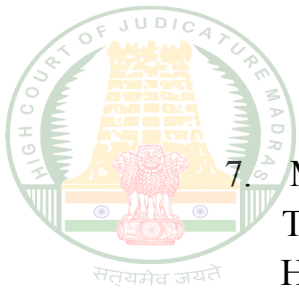
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..Respondent(s)

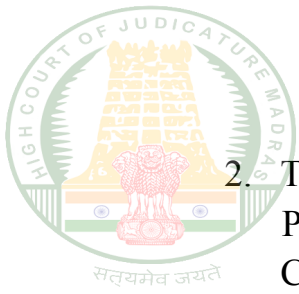
WA No. 471 of 2020

M.Thalavai Mandhiramurthy
S/o. Maharajan,
(Old Emp No.093, New Emp No.054),
No.Lig, Old Hudco,
Thangam Nursing Home Back Side,
Krishnagiri District, Hosur 635109.

..Appellant(s)

Vs

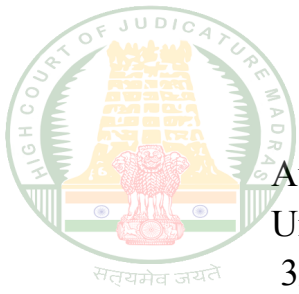
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Union (regd.No.5/kri),
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Hosur 635109, Krishnagiri District.

..Respondent(s)

WA No. 469 of 2020

Prayer: Appeal filed under clause 15 of the Letters Patent Act, to set aside the order dated 23.10.2019 made in WP No.11218 of 2017 and allow the above Writ Appeal.

WA No. 875 of 2021

Prayer: Appeal filed under clause 15 of the Letters Patent Act to set aside the order dated 23.10.2019 made in WP No.11206 of 2017 and allow the above Writ Appeal.

WA No. 2545 of 2021

Prayer: Appeal filed under clause 15 of the Letters Patent Act to set aside the order dated 23.10.2019 made in W.P.No.11208 of 2017.

WA No. 472 of 2020

Prayer: Appeal filed under clause 15 of the Letters Patent Act to set aside the order dated 23.10.2019 made in W.P.No.11220 of 2017 and allow the above Writ Appeal.



WA No. 471 of 2020

Prayer: Appeal filed under clause 15 of the Letters Patent Act to set aside the order dated 23.10.2019 made in W.P No.11223 of 2017 and allow the above Writ Appeal.

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For Appellant(s): Ms.N.Kavitha Rameshwar
in all cases

For Respondent(s): M/s.A.L.Gandhimathi, Sr. Counsel
for Mr.A. Saravanan for R3 in all cases

No Appearance for R4 to R7

COMMON JUDGMENT

(Judgment of the Court was delivered by **E.Manoharan J.**)

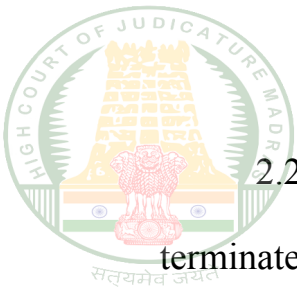
Being aggrieved by the order of the Learned Single Judge passed in W.P. Nos.11218, 11206, 11208, 11220 & 11223 of 2017 dated 23.10.2019, the above Appeals have been preferred by the Workmen, who are the former employees of the Third Respondent herein/ the Management of the Bharat Technologies Auto Components Limited, [For brevity, hereinafter referred to as “BTACL”], whereby the Appellants seek to declare that the Award dated 17.06.2015 passed by the Lok Adalat II (the First Respondent herein) would not bind on them and consequently, to restore the industrial disputes in I.D.No.9 of 2007 and I.D.No.279 of 2009 and



also the Claim Petitions in C.P.No.445 of 2013 and C.P.No.446 of 2013 on the file of the second respondent herein (i.e.) the Principal Labour Court, Chennai insofar as the appellants herein are concerned.

2. The brief facts surrounding the case at hand is as follows:

2.1. The Third Respondent Company / BTACL had a factory, manufacturing various kinds of auto components for two wheelers and was acting as an ancillary unit for TVS Motor Co. Ltd., (Formerly called as TVS Suzuki Ltd.,) which was the manufacturer of two wheelers. In the Third Respondent Company, about 160 permanent workers were employed in the factory apart from 50 contract labourers and trainees. The workers of the Third Respondent Company had started a Union under the name of BTACL Employees Krishnagiri District Moopanar Trade Union Congress [KDMTUC] and formation of the Union was communicated to the Third Respondent Management vide letter dated 02.02.2005. In the year 2005, the Hosur Unit run by the Third Respondent was taken over by the Management of Sundaram Auto Components Ltd., with a condition that they would be taking over the unit without the employees.

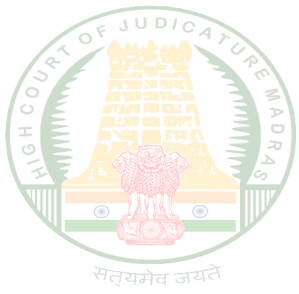


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2.2. It is seen that thereafter the Third Respondent Management had terminated the services of the 37 Workmen in the Hosur Unit and then, on administrative grounds, transferred 12 Workmen to their Maraimalai Nagar Unit. The 37 Workmen were paid compensation as per Section 25FF of the Industrial Disputes Act, 1947 [hereinafter referred to as “1947 Act”]. It is to noted that as per the statement of the Third Respondent before the Principal Labour Court, Chennai, the services of the 12 workmen were also terminated on 06.10.2005.

2.3. In light of the above issues/disputes that had risen, the Fourth Respondent Union on behalf of the Appellants/ Workmen filed the industrial disputes in I.D.No.279 of 2009 (37 workmen) and I.D.No.9 of 2007 (12 workmen) before the Principal Labour Court, Chennai. The Principal Labour Court, Chennai / second respondent herein while hearing both the industrial disputes together, had framed the following points for consideration:

- 1. Whether the termination of services of 37 workers is justified? If not, to what relief they are entitled?*
- 2. Whether the transfer of 12 workmen is justified? If not, to what relief these workers are entitled?*



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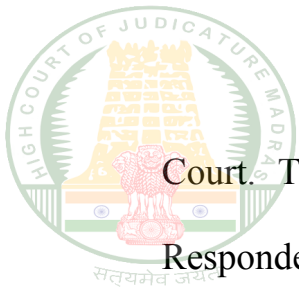


*3. Whether the non-employment of 12 workers due to the refusal of the management to provide work with effect from 06.10.2005 is justified?
If not, to what relief the workers are entitled?*

2.4. By a Common Award dated 27.06.2013, the Principal Labour Court, Chennai / the Second Respondent herein held that the termination of the services of the 37 workmen in I.D.No.279 of 2009 and non-employment of 12 workmen in I.D.No.9 of 2007 as unjustified and directed the Third Respondent to reinstate all the workmen i.e., 37 in I.D.No.279 of 2009 and 12 in I.D.No.9 of 2007 with back wages, continuity of service and all other attendant benefits.

2.5. Subsequent to the passing of the Common Award of the Principal Labour Court, Chennai, the Fourth Respondent Union again on behalf of the above-mentioned workmen, filed the Claim Petitions in C.P.No.445 of 2013 in I.D No.9 of 2007 and in C.P.No.446 of 2013 in I.D.No.279 of 2009 before the learned Principal Labour Court, Chennai.

2.6. From the narration of facts, it is seen that it was the Fourth Respondent Union which has espouse the cause of the Appellants/Workmen before the Labour

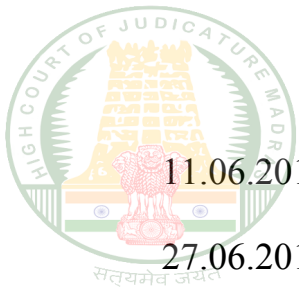


Court. There was no objection from the workmen to be represented by the Fourth Respondent Union.

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2.7. In the year 2014, the Third Respondent Management had also filed the Writ Petitions in W.P.Nos.12191 & 12192 of 2014 challenging the Common Award passed by the Principal Labour Court, Chennai dated 27.06.2013.

2.8. It is seen that while the above petitions filed against the Impugned Award passed by the Principal Labour Court, Chennai in I.D.Nos.9 of 2007 and 279 of 2009 were pending, a 18(1) Settlement was signed between the parties i.e., between the Third Respondent Management of BTACL and the Fourth Respondent Union. A perusal of the 18(1) Settlement would show that the agreement was signed on 11.06.2015 between the Third Respondent Management and the Fourth Respondent Union which represented the 12 workmen in I.D.No.9 of 2007 and 37 workmen in I.D.No.279 of 2009. In the Settlement, it was agreed that all the workmen will receive the full and final settlement of the compensation to the tune of Rs.3 Lakhs each. Based on the same, the matter was referred to Lok Adalat and the Award was passed on 17.06.2015 under Section 21 of the Legal Services Authorities Act, 1987, whereby they took on record the above Settlement dated



11.06.2015 and the Common Award of the Principal Labour Court, Chennai dated 27.06.2013 was substituted by the 18(1) Settlement and filed a joint memo of compromise to that effect and in view of the same, the Writ Petitions filed in W.P.Nos.12191 and 12192 of 2014 were disposed of accordingly.

2.9. Subsequently, in the year 2016, 20 workmen had addressed a letter to the Third Respondent stating that they have not received the full and final settlement and that they have no interest and are unwilling to the agreement arrived under 18(1) Settlement and therefore, aggrieved over the same, 20 workmen had sought for reinstatement with benefits as per the Principal Labour Court Common Award mentioned above.

2.10. Thereafter, the above mentioned 20 workmen had filed the Writ Petitions viz., W.P.Nos.11205 to 11224 of 2017 to declare the aforesaid Lok Adalat Award dated 17.06.2015 is not binding on them and consequently to restore the I.D.No.9 of 2007 and I.D.No.279 of 2009 dated 27.06.2013 and also C.P.Nos.445 and 446 of 2013 on the file of the Principal Labour Court, Chennai insofar the appellants are concerned. The above said Writ Petitions were dismissed by the



learned Single Judge as devoid as merits by way of a common order dated 23.10.2019.

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2.11. Aggrieved by the common order of the learned Single Judge dated 23.10.2019, the present Writ Appeals were filed by the 20 Workmen. During the course of hearing, it has been brought to the attention of this Court that 15 out of 20 workmen had accepted Rs.8 Lakhs each as full and final settlement from the Third Respondent and their respective Writ Appeals were closed. All that remains now are the current five Writ Appeals before this Court filed by the remaining 5 workmen.

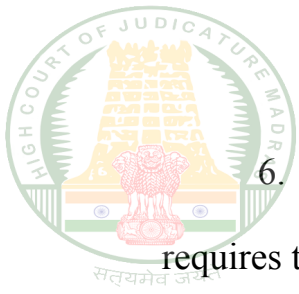
3. Before proceeding further, it is to be noted that out of the 5 workmen, the Appellants in W.A.No.469 of 2020, 875 of 2021 and 2545 of 2021 belong to the category of 37 terminated workmen, who are the subject matter of I.D. No. 279 of 2009 and the Appellants in W.A.Nos.471 and 472 of 2020 belongs to 12 workmen, who were the subject matter of the I.D.No.9 of 2007. The learned counsel appearing for the Appellants has challenged the Lok Adalat Award dated 17.06.2015 and the order of the learned Single Judge dated 23.10.2019 on the ground that the tenure of the office bearers of the Fourth Respondent Union had already expired at that time of the Union entering into the Settlement with the Third Respondent Management



and therefore, they lacked authority to represent the Appellants. The Appellants had also stated in their appeals that they are entitled, under the Labour Court Award, to receive more than Rs.3 Lakhs and that they neither accepted the 18(1) Settlement nor expressed their consent for the same and therefore, the 18(1) Settlement dated 11.06.2015 and the Lok Adalat Award dated 17.06.2015 were not binding on them.

4. The learned Senior Counsel appearing for the Third Respondent had submitted that the Management had arrived at the Settlement with the registered Union and that the workmen involved were well aware of the exercise undertaken and in fact, many of the workmen had received the settled amount. She also went on to submit that it was the Fourth Respondent Union that has been consistently representing the workmen at various levels and there was no objection. Also that, subsequently 15 workmen have received a sum of Rs.8 Lakhs each and settled their dues with the Management and therefore in light of the same, on behalf of the Third Respondent, it is submitted that the current Writ Appeals lack merit.

5. Heard the learned counsels appearing on either side and also perused the materials placed on record.



6. The pertinent question that arises in this batch of Writ Appeals is that requires to be decided by this Court are as follows:

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(i) *Whether 18(1) Settlement dated 11.06.2015 and the consequent Lok Adalat Award dated 17.06.2015 are valid and binding on the Appellants?*

(ii) *If not, what reliefs are the Appellants entitled to?*

7. Before we decide on the above issues raised, it is necessary to keep in mind that the Industrial Disputes Act, 1947 is a beneficial legislation enacted to provide a frame work to address the concerns of workmen. It also provides for a structured resolution mechanism to resolve the industrial disputes and balance the interest of employer and workmen. One of the key aspects of the 1947 Act is providing a platform for settlement of industrial disputes.

8. The most relevant provisions under the 1947 Act pertaining to arriving at a settlement, keeping in mind the facts of the case herein, are extracted below: -

Section 2(p)

“[(p) "settlement" means a settlement arrived at in the course of conciliation proceeding and includes a written agreement between the employer and



workmen arrived at otherwise than in the course of conciliation proceeding where such agreement has been signed by the parties thereto in such manner as may be prescribed and a copy thereof has been sent to [an officer authorised in this behalf by] the appropriate Government and the conciliation officer;]”

And;

Section 18. Persons on whom settlements and awards are binding

[(1) A settlement arrived at by agreement between the employer and workman otherwise than in the course of conciliation proceeding shall be binding on the parties to the agreement.]

...

9. Yet another key aspect of the 1947 Act is that it promotes “collective bargaining”, whereby a substantial group or a registered valid Union can espouse the cause of the workmen giving significant weight and leverage to negotiate and contest the disputes affecting the labourers, rather than the workmen being left to defend for themselves individually. It is to be noted that in light of the same, normally settlements arrived by the Union with the Management is given considerable importance.

10. As seen above, under Section 18 of the 1947 Act, more specifically 18(1), it permits Settlement by an agreement to be entered between the employer



and the workmen. As per the Trade Unions Act, 1926, a registered Trade Union is considered as a juristic / legal entity that can enter into contracts and also argue before any Labour Court or Authority in its own name or on behalf of its members.

The Fourth Respondent Union being the only registered Trade Union, and the Appellants being its Member, is therefore capable of representing its workmen before the appropriate Forums and also can enter into a Settlement under Section 18(1) of the ID Act on behalf of its members / Workmen. In fact, in ***JK Jute Mill Mazdoor Morcha Vs. Juggilal Kamlapat Jute Mills Company Ltd – (2019) 11 SCC 332***, the Hon'ble Apex Court has held that a Trade Union can even be treated as an operational creditor for the purpose of the Insolvency and Bankruptcy Code 2016. In the said Judgment the Hon'ble Apex Court had held as follows:

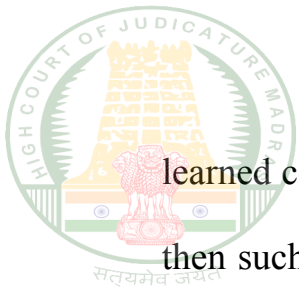
“16. ... Looked at from any angle, there is no doubt that a registered trade union which is formed for the purpose of regulating the relations between workmen and their employer can maintain a petition as an operational creditor on behalf of its members.”

Therefore, it is clear that the Fourth Respondent Union was eligible to represent the workmen/Appellants herein before the Labour Court as well as before the Lok Adalat for the purpose of the Industrial Dispute.



11. Now comes the question as to whether the Fourth Respondent Union was authorized by the workmen of BTACL, especially the 49 workmen which includes the 5 Appellants herein to represent them before various forums. As stated above and upon perusal of the various pleadings and documents filed before us, it is admitted that the Fourth Respondent Union had represented the Appellants / Workmen not only before the Labour Court but also in the 18(1) Settlement and the Lok Adalat proceedings. It is clear from the conduct of the workmen that they had accepted the representation of the Fourth Respondent Union on their behalf. Therefore, it would be appropriate to state that the Fourth Respondent Union did represent the workmen with full knowledge and consent of the workmen before the various forums for the purpose of addressing the industrial dispute and for its resolution.

12. Keeping in mind the above facts and legal position, this Court is in agreement with the order of the learned Single Judge in regard to the context that having been registered with the Union, the Appellants cannot file a separate claim before the Authorities stating that the Lok Adalat Award is not binding on them or the agreement was signed without their consent. We also agree with the findings of the learned Single Judge that once the parties to litigations as well as the respective



learned counsels appearing for the parties signed the Award before the Lok Adalat, then such award is undoubtedly binding on parties and now they cannot come out with the Writ Petitions stating that such Award is not binding on certain members of the Union. At this juncture it is relevant to note Section 21 of the Legal Services Authorities Act, 1987, wherein the nature of a Lok Adalat Award is stated. Under the said provision, every award of the Lok Adalat shall be deemed to be a decree of a Civil Court or, as the case may be, an order of any other Court. Every Award made by the Lok Adalat shall be final and binding on all the parties to the dispute and no appeal shall lie before any Court as against the Award.

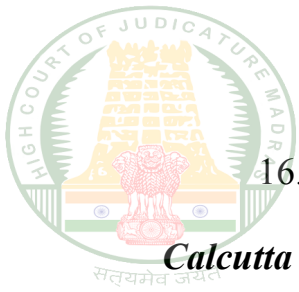
13. The Hon'ble Supreme Court in ***P.T.Thomas Vs. Thomas Job*** reported in **2005 (6) SCC 478** has observed that the endeavour is only to seek that the disputes are narrow down and make a final settlement so that the parties are not again defend to any other litigation. Though the Award of the Lok Adalat is not a result of a contest on merits, just it is a regular suit by a Court in a regular trial, is however, it is as equal and on par with a decree on compromise and will have the same binding effect and be conclusive. Just as a decree passed on compromise cannot be challenged in a regular appeal, the Award of the Lok Adalat, being akin to the same, cannot be challenged by any of regular remedies available under law, including by



invoking Article 226 of the Constitution of India and challenging the correctness of the Award, on any ground. The Court has further observed that the Award of the Lok Adalat is final, permanent which is equivalent to a decree executable and the same is ending to the litigation among the parties. Thus, the Appellants herein cannot challenge the Lok Adalat Award and seek to reopen the dispute at this stage of time.

14. The Appellants have also relied on judgments of the Hon'ble Apex Court to substantiate their Appeal including ***Tata Chemicals Ltd., Vs. The Workmen rep. By Chemical's Kamdar Sangh*** reported in ***1978 (3) SCC 42*** and ***Indian Oxygen Ltd., Vs. Workmen as rep. By Indian Oxygen Karamchari Union*** reported in ***1979 (3) SCC 291***.

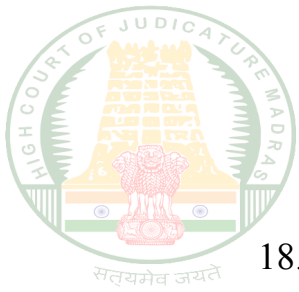
15. While the above-mentioned cases have dealt with the issue regarding the Settlement under Section 18 and it is an application on a non-signatory minority Union / workmen and their right to raise their own distinct demand, it is also pertinent to note that the facts in the present case on hand are unique to itself and the above judgments cannot be considered by ignoring the same.



16. The Hon'ble Apex Court in the case of *Collector of Central Excise, Calcutta Vs. Alnoori Tobacco Products and another* reported in **2004 (6) SCC 186**

has noted that circumstantial flexibility, one additional or different fact may make a world of difference in conclusion of the case. The Appellants cannot place their reliance on the facts and circumstances of a particular precedent without examining the factual distinction. The Hon'ble Supreme Court has observed that each case depends on its own facts and a close similarity between one case and another is not enough because even a single significant detail may alter the entire aspect. In deciding such cases, one should avoid the temptation to decide cases by matching the colour of one case against the colour of another. To decide therefore, on which side of the line a case falls, the broad resemblance to another case is not at all decisive.

17. Keeping in mind the above rational, it is pertinent to note that unlike the other case referred by the appellants, there is only a single registered Union herein and the said Union has been representing the workmen throughout before all the Forums viz., Labour Court, 18(1) Settlement and the Lok Adalat. This fact cannot be ignored and it makes a world of change in showing the intention of the parties involved and therefore, it has to be given due consideration.



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18. The Learned Counsel for the Appellants has also relied upon the case in ***Herbertsons Limited Vs. The Workmen of Herbertsons Limited and Others*** reported in **1976 (4) SCC 736**. In the said case, the Appellant's Counsel has relied on the observations of the Hon'ble Supreme Court where the Court has held that settlement normally cannot be interfered with, unless or otherwise, there is mala-fide fraud or corruption. On the other hand, it is also necessary to note that in the said decision, the Hon'ble Supreme Court in Paragraph 18 has also observed the following:

“18. When a recognised union negotiates with an employer the workers as individuals do not come into the picture. It is not necessary that each individual worker should know the implications of the settlement since a recognised union, which is expected to protect the legitimate interests of labour, enters into a settlement in the best interests of labour. This would be the normal rule.”

19. The Hon'ble Supreme Court in *Herbertsons case* as stated supra has also held that it would not be possible to scan the settlement in bits and pieces and hold some parts good and acceptable and others bad. The Hon'ble Apex Court has categorically remarked on the need for industrial peace and harmony and the



necessity for accepting the Settlement therein. We do not find this judgment in any way aiding the case of the Appellants herein. The volte-face and belated actions of the Appellants cannot be permitted to unsettle and reopen the dispute that has reached conclusion, especially, by passing of a Lok Adalat Award and the settlement having been accepted by majority of the workmen. In light of the above, this Court holds that the 18(1) Settlement dated 11.06.2015 and the consequent Lok Adalat Award dated 17.06.2015 are valid and binding on the appellants. Since the first question for determination in these Appeals have been answered in the affirmative and against the Appellants, the second question does not merit any consideration.

20. The Appellants have raised allegations against the Fourth Respondent Union, more specifically towards its erstwhile Office Bearers. The Learned Single Judge in the Order dated 23.10.2019 had observed that if at all, the office bearers of the Union have committed any irregularity or illegality, it is open to the members of the Union to sue the Union or the Office Bearers. At this juncture, this Court feels it relevant to refer to the provisions enacted under Trade Unions Act, 1926, more specifically, Sections 17 and 18 of the Trade Unions Act, 1926. The relevant sections are extracted below:



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17. Criminal conspiracy in trade disputes- No [office-bearer] or member of a registered Trade Union shall be liable to punishment under sub-section (2) of Section 120-B of the Indian Penal Code (45 of 1860), in respect of any agreement made between the members for the purpose of furthering any such object of the Trade Union as is specified in Section 15, unless the agreement is an agreement to commit an offence.

18. Immunity from civil suit in certain cases.—(1) No suit or other legal proceeding shall be maintainable in any Civil Court against any registered Trade Union or any office-bearer or member thereof in respect of any act done in contemplation or furtherance of a trade dispute to which a member of the Trade Union is a party on the ground only that such act induces some other person to break a contract of employment, or that it is in interference with the trade, business or employment of some other person or with the right of some other person to dispose of his capital or of his labour as he wills.

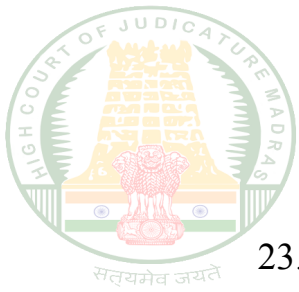
(2) A registered Trade Union shall not be liable in any suit or other legal proceeding in any Civil Court in respect of any tortious act done in contemplation or furtherance of a trade dispute by an agent of the Trade Union if it is proved that such person acted without the knowledge of, or contrary to express instructions given by, the executive of the Trade Union.



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21. A perusal of the above Sections show that while they do not grant an absolute right or immunity to the Union or its workmen for any acts done in furtherance of resolving an industrial dispute, they do indeed offer a certain level of protection, so long as the action taken is within the permitted limits of the law and is for the purpose of, or in furtherance of an industrial dispute. In the case at hand, it is seen that the office bearers of the Fourth Respondent Union had represented the grievances / disputes of the workmen before various forums, with the knowledge of the workmen. In fact, it is seen that the erstwhile office bearers against whom the Appellants have raised allegations, were the ones, who had filed the Claim Petitions before the Labour Court as early as in August 2013. Since the payment under the 18(1) Settlement was not satisfactory to the Appellants, they have now raised their objections against the Union, more specifically, its former office bearers.

22. While the Appellants can still attempt to take action against the individual erstwhile office bearers of the Union, this too may be tested keeping in mind the object and scope of Section 17 of the Trade Unions Act. However, the Fourth Respondent Union cannot be made liable, in any form, for the actions of its members or office bearers, and that it is protected, especially since the action or steps taken were in furtherance of resolving an industrial dispute.



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23. We are aware that much water has flown under the bridge at this moment. Even assuming that if this Court had agreed with the stand of the Appellants and declared that the Award was not binding on them, the logical next step would have been to reopen the Writ Petitions filed by the Management i.e., W.P.Nos.12191 & 12192 of 2014 and not to send the workmen and Management back to the Labour Court as prayed for by the Appellants in their Writ Petitions.

24. On the other hand, it has been brought to the knowledge of this Court by the learned Senior Counsel for the Third Respondent Management that 15 workmen out of the 20 workmen, who had originally filed the Writ Appeals along with the 5 Appellants herein, had received a sum of Rs.8 Lakhs as a final settlement, during the pendency of the Writ Appeals, and consequently withdrawn their respective Appeals. During the course of the hearing, when a suggestion was put forth as to whether the Appellants herein would be willing to accept the settlement amount as their peers had received pending the Writ Appeals i.e., a sum of Rs.8 lakhs, the Appellants those who were present in the Court had informed through their counsel that they were not willing to accept it. While this Court refrains from issuing a direction to the Third Respondent to pay a sum of Rs.8 Lakhs to the Appellants



herein nor can this Court direct the Appellants to receive the said sum, we would nonetheless place a suggestion to the Third Respondent Management to consider the option of paying the above compensation to the Appellants herein and we would advise the Appellants to reconsider their stand. This is a mere suggestion and left to the discretion of the parties to consider the same.

25. With the above observations and reasoning, we hold that the Writ Appeals stand dismissed as they are devoid of merits. Consequently, the 18(1) Settlement dated 11.06.2015 and the Lok Adalat Award dated 17.06.2015 are binding on the Appellants. There shall be no order as to costs.

(G.J.,J.) (E.M.,J.)

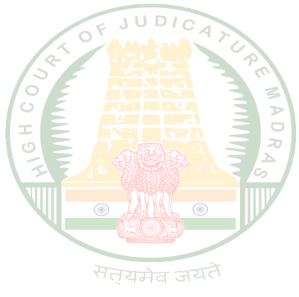
03.09.2026

Index: Yes

Speaking/Non-speaking order

Neutral Citation: Yes/No

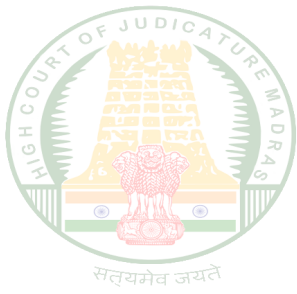
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To

1. The Presiding Officer,
Principal Labour Court,
Chennai-600 104.



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DR.G.JAYACHANDRAN J.
AND
E.MANOCHARAN J.

DP

JUDGMENT MADE IN

WA No. 469 of 2020
AND
WA NO. 875 OF 2021, WA NO. 2545 OF 2021,
WA NO. 472 OF 2020, WA NO. 471 OF 2020

03.09.2026