



W.P(MD)No.26128 of 2022

WEB COPY **BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT**

DATED: 08.07.2026

CORAM

THE HONOURABLE MR.JUSTICE M.DHANDAPANI

W.P(MD)No.26128 of 2022

and

W.M.P.(MD).No.20288 of 2022

The Management,
Tamil Nadu Mercantile Bank Limited,
57, V.E. Road,
Tuticorin-628 002,
represented by its General Manager,
HRD Department

... Petitioner

Vs

1.The Appellate Authority under
the Tamil Nadu Shops and Establishments Act,
(Joint Commissioner of Labour),
Bharathi Ula Road,
Race Course,
Madurai.

2.A.S.Thalapathy

... Respondents

PRAYER: Writ Petition filed under Article 226 of Constitution of India, to issue a Writ of Certiorari, calling for the records relating to the impugned



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WEB COPY order dated 11.07.2022 (received as on 28.07.22) passed by the first respondent / Appellate Authority under the Tamil Nadu Shops and Establishments Act, 1947, Madurai in Case No. TNSE-07/2020 and quash the same as illegal.

For Petitioner : Mr. M.E.Ilango

For Respondents : Mrs. K.R.Shivashankari,
Counsel for the State
for R-1

Mr.R.Karunanidhi for R-2

ORDER

This Writ Petition has been filed challenging the impugned order dated 11.07.2022 (received on 28.07.2022) passed by the first respondent/Appellate Authority under the Tamil Nadu Shops and Establishments Act, 1947, Madurai, in Case No.TNSE-07/2020.

2. Heard the learned counsel on either side.



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WEB COPY 3. The learned counsel appearing for the petitioner submitted that the petitioner is a reputed private sector scheduled bank. The second respondent was appointed as Sub Staff in the petitioner's Rasipuram Branch on 21.01.2013 and joined service on 07.02.2013. On 24.08.2016, the second respondent sought leave for 26.08.2016 stating that he was proceeding to Chennai. The leave was sanctioned and he was expected to report for duty on 29.08.2016. However, he neither reported for duty nor informed the Bank regarding his absence.

4. It is further submitted that the petitioner came to know through another employee that the second respondent, along with his friends, had gone to Munnar, Kerala, where they were taken into police custody in connection with the alleged theft of a printer and an FIR was registered against them. The second respondent was remanded to judicial custody and was subsequently released. Considering the serious nature of the allegations, the petitioner placed the second respondent under suspension by proceedings dated 21.10.2016 and, after conducting disciplinary proceedings, dismissed him from service.



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5. Aggrieved by the order of dismissal, the second respondent preferred an appeal under Section 41 of the Tamil Nadu Shops and Establishments Act, 1947, before the first respondent/Appellate Authority. The Appellate Authority allowed the appeal, setting aside the order of dismissal. Challenging the said order, the present writ petition has been filed.

6. During the course of hearing, the learned counsel appearing for the petitioner submitted that although the criminal proceedings against the second respondent ultimately ended in acquittal on account of compromise, the petitioner, being a scheduled private sector bank dealing with the confidence of its customers and the general public, has lost confidence in the second respondent and is, therefore, not inclined to reinstate him into service. However, in order to bring an end to the dispute, the petitioner is willing to pay a lump sum compensation in lieu of reinstatement and all consequential service benefits.



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WEB COPY 7. The second respondent is present before this Court. On instructions, he submitted that he is willing to accept a lump sum compensation in full and final settlement of all his claims, subject to the petitioner issuing the necessary service and experience certificates, thereby enabling him to secure alternative employment.

8. Recording the fair stand taken by both parties and with a view to putting a quietus to the dispute, this Court is inclined to dispose of the writ petition on the following terms:

(i) The petitioner shall pay a sum of Rs.4,00,000/- (Rupees Four Lakhs only) to the second respondent as full and final settlement of all his claims arising out of his employment, including the order of dismissal and the impugned proceedings.

(ii) The said amount shall be paid either by Demand Draft in favour of the second respondent or by RTGS/NEFT transfer to his bank account within a period of two weeks from the date of receipt of a copy of this order.



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WEB COPY (iii) Upon receipt of the said amount, the second respondent shall not make any further claim against the petitioner in respect of his employment, dismissal or the proceedings that are the subject matter of this writ petition.

(iv) The petitioner shall issue to the second respondent a Service Certificate within the same period of two weeks, so as to enable him to seek suitable alternative employment.

9. In view of the above settlement, the impugned order is set aside and the writ petition is allowed in terms of the above directions. No costs. Consequently, connected miscellaneous petition is closed.

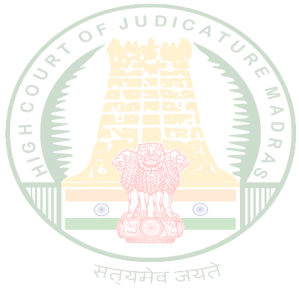
08.07.2026

NCC : Yes / No

Index : Yes / No

TSG

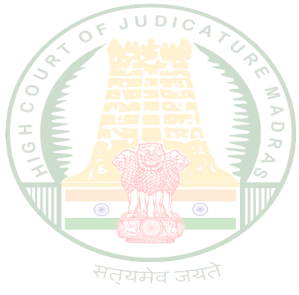
Note : Issue Order Copy by 09.07.2026



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M.DHANDAPANI, J.

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