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MADRAS HIGH COURT ON PUNISHMENT FOR EMPLOYEE MISCONDUCT

A. Introduction

The Madras High Court (“**HC**”), in the *TTK Prestige* case,¹ held that a labour court must not interfere with an order of internal inquiry punishing an employee for misconduct if due process and principles of natural justice was followed.

B. Brief Facts

1. In April 1989, an employee (“**Employee**”) had joined TTK Prestige Limited (“**TTKP**”) after being a trainee for 3 years.
2. In 2005, TTKP issued show cause notice (“**SCN**”) against him for misconduct of habitual absence for 34 days.
3. Upon receipt of SCN, he did not offer any explanation and hence TTKP issued notice of inquiry. During the inquiry proceedings, the Employee accepted the charges.
4. TTKP dismissed the Employee from service in 2006. He raised an industrial dispute against this order before the Labour Court, Salem (“**LC**”).
5. The LC:
 - a. On an appreciation of the evidence on record found that the termination of the Employee was proper and valid.
 - b. Found that the quantum of punishment imposed was disproportionate to the misconduct and therefore modified the punishment to reinstatement, but without back wages.
6. Aggrieved by the modification of the punishment, TTKP approached the HC by a writ petition (“**WP**”).

C. HC’s Judgement and Reasoning

1. The HC observed that:
 - a. TTKP had followed the process of natural justice and had provided sufficient notice and a chance of hearing to the Employee before issuing order of dismissal.
 - b. LC interfered with the quantum of punishment on the ground that as the misconduct was for unauthorised absence and was only for 34 days.
 - c. LC erred in interfering with the quantum of punishment.
2. The HC also:
 - a. Relied on the *Kerala Solvent Extraction* case of 2006 of the Supreme Court² and reiterated: “*We are inclined to agree with these submissions. In recent times, there is an increasing evidence of this, perhaps well mean but wholly unsustainable tendency towards a denudation of the legitimacy of judicial reasoning and process. The reliefs granted by the Courts must be seen to be logical and tenable within the framework of the*”

¹*The Management of TTK Prestige Limited. v. The Presiding Officer, Labour Court, Salem & Anr.*, 2024 LLR WEB 9.

² *Kerala Solvent Extractions Ltd. v A.Unnikrishnan & Anr.*, (2006) 13 SCC 619.

law and should not incur and justify the criticism that the jurisdiction of the Courts tends to degenerate into misplaced sympathy, generosity and private benevolence. It is essential to maintain the integrity of legal reasoning and the legitimacy of the conclusions. They must emanate logically from the legal findings and the judicial results must be seen to be principled and supportable on those findings. Expansive judicial mood of mistaken and misplaced compassion at the expense of the legitimacy of the process will eventually lead to mutually irreconcilable situations and denude the judicial process of its dignity, authority, predictability and respectability.”³

- b. Allowed the WP and set aside the LC order due to its unsustainability.⁴

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³ Paragraph 10 of the Judgement.

⁴ Paragraph 11 of the Judgement.