

S.A. Manjunath and ors. Vs. the Management of Cross-lands Research Lab Limited and anr.

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Court : Karnataka

Decided On : Apr-05-2005

Reported in : 2005(4)KarLJ425

Judge : R. Gururajan, J.

Acts : [Industrial Disputes Act, 1947](#) - Sections 33C and 33C(2); [Bombay Industrial Relations Act, 1946](#) - Sections 10; [Contract Act, 1872](#) - Sections 28; [Code of Civil Procedure \(CPC\) , 1908](#) - Sections 20

Appeal No. : Writ Petition Nos. 21442 to 21444 of 2000

Appellant : S.A. Manjunath and ors.

Respondent : The Management of Cross-lands Research Lab Limited and anr.

Advocate for Def. : B.S. Shankar Narayan, Adv. for Respondent-1

Advocate for Pet/Ap. : V.S. Naik, Adv.

Judgement :

ORDER

R. Gururajan, J.

1. These petitions are filed challenging the order dated 22-4-2000 passed in Application No. 47 of 1994 on the file of the Labour Court, Bangalore.
2. Petitioner-workmen filed an application under Section 33-C(2) of the [Industrial Disputes Act, 1947](#), claiming monetary benefits in terms of the service conditions. According to them, they are entitled to incentives in terms of the Scheme provided by the management from time to time. Incentive for the year 1991-92 and from 1-4-1992 till the acceptance of resignation was not paid to the petitioners. They are entitled to receive the said amount in terms of the service conditions. Hence they filed an application before the Labour Court. The said application was contested by the respondent-management. Respondent-management, apart from denying the right with regard to payment, disputed with regard to jurisdiction of 'Courts at Bangalore' in the light of Clause 17 of the appointment orders issued to the workmen. According to management, any dispute arising out of or related to employment shall be subject to Bombay jurisdiction only. Labour Court framed two issues. Evidence was recorded. Matter was heard. After hearing, Labour Court in the impugned order ruled that it has to jurisdiction to entertain the claim of the applicant in the light of Clause 17 of the appointment order. This order is challenged in these petitions.
3. Notice was issued. Respondents entered appearance. Matter is listed for final disposal.
4. Sri Naik, learned Counsel for the petitioners would argue that the Labour Court is wrong in rejecting the application on the ground of 'want of jurisdiction'. According to him, Industrial Disputes Act stands on a different footing and a right granted under the said Act do provide for a remedy and that remedy cannot be taken away by the management. He relies on several judgments.
5. Per contra, learned Counsel for the management would say that in the light of Clause 17, the Labour Court has no jurisdiction to decide the matter. He relies on several judgments.
6. After hearing, I have perused the material on record. Admittedly, Labour Court was considering an application filed under Section 33-C(2) of the Industrial

Disputes Act. Section 33-C provides for a claimant to recover money from an employer. Sub-clause (2) thereof provides for computation in terms of money where any workman is entitled to receive from the employer. It further provides that, if any question arises as to the amount of money due as to the amount at which such benefit should be computed, then the question may, subject to any rules that may be made under the said Act, be decided by such Labour Court as may be specified in this behalf by the appropriate Government within a period not exceeding three months. Section 33-C(2) is thus a remedy provided by the statute for the purpose of recovery of money due from an employer to a workman. In the case on hand, admitted facts would reveal that the respondent-management has an office at Bangalore and the petitioner is working at Bangalore Office. He therefore filed an application before Labour Court at Bangalore. That application was rejected in the light of Clause 17 of the appointment order. Let me see as to whether Clause 17 would deny jurisdiction to Labour Courts at Bangalore as held by the Labour Court. As I mentioned earlier, Section 33-C(2) is a statutory- remedy given to an employee in the matter of recovery of money. Statutory remedy cannot be scuttled by way of contract between the parties. Any contract contrary to a statute remedy would be opposed to public policy in the matter. Industrial Disputes Act is a special Act providing for settlement and adjudication with regard to a claim by a workman against the employer. Several Statutory remedial measures are provided under the Industrial Disputes Act. They are conciliation, adjudication and arbitration. Social welfare legislation providing for a remedy cannot be curtailed or taken away by way of a clause in the appointment order. The said clause in the appointment order, in my opinion, cannot be a bar for enforcing a statutory remedy by a workman before a statutory Court. Even if there is any clause, such clause has to pave way for statutory remedy to the authority to decide a statutory application in terms of provisions of the Industrial Disputes Act. Therefore, Labour Court in my view is not right in rejecting the application by relying on Clause 17 of the appointment order in the case on hand.

7. Case-laws are available with regard to remedy in such matters. The Supreme Court in *Workmen of Shri Ranga Vilas Motors (Private) Limited v. Sri Rangavilas Motors (Private.) Limited and Ors.*, : (1967)11LLJ12SC has considered the scope of remedy in para 14. The Supreme Court notices in its judgment the observations

made in Indian Cable Company Limited v. Its Workmen, 1962-1-LLJ-409 (SC). After noticing the same, the Court ruled reading as under:

'The Act contained no provisions bearing on this question, which must, consequently, be decided on the principles governing the jurisdiction of Courts to entertain actions or proceedings. Dealing with a similar question under the provisions of the [Bombay Industrial Relations Act, 1946](#), Chagla, C.J., observed in Lalbhai Tricumlal Mills Limited v. Vin, : AIR1955 Bom463 :

'But what we are concerned with to decide is, where did the dispute substantially arise? Now, the Act does not deal with the cause of action, nor does it indicate what factors will confer jurisdiction upon the Labour Court. But applying the well-known tests of jurisdiction, a Court or Tribunal would have jurisdiction if the parties reside within jurisdiction or if the subject-matter of the dispute substantially arises within jurisdiction'. In our opinion, those principles are applicable for deciding which of the States are jurisdiction to make a reference under Section 10 of the Act.

Applying the above principles to the facts of this case it is quite clear that the subject-matter of the dispute in this case substantially arose within the jurisdiction of the Mysore Government'.

8. From a reading of the judgment, what is clear to this Court is that a statutory remedy before a Labour Court is available with the test of jurisdiction as enunciated in the said judgment i.e., whether parties reside within jurisdiction or whether the subject-matter of the dispute substantially arises within its jurisdiction. Labour Courts can certainly entertain a dispute between the parties subject to the above test of jurisdiction. In the case on hand, parties reside within the jurisdiction of the Labour Court and the claim also has arisen within the jurisdiction of Labour Court, Bangalore. Therefore, notwithstanding Clause 17 of the appointment order, Labour Court has jurisdiction in terms of the law laid down by the Supreme Court.

9. Learned Counsel for the respondents relies on several judgments in support of his contention. Hakam Singh v. Gammon (India) Limited, : [1971]3SCR314 , is a case rendered by the Apex Court. In the said case, the Supreme Court was dealing with Section 20 of the CPC. The Supreme Court ruled that the parties

cannot by agreement confer jurisdiction on Court not possessed by it under the Code, but the agreement that one of the Courts having such jurisdiction along shall try dispute is not contrary to public policy and does not contravene Section 28 of the Contract Act. Hanil Era Textiles Limited v. Puromatic Filters (Private) Limited, : AIR 2004 SC2432 , is yet another judgment of the Supreme Court that is pressed into service. The Supreme Court ruled that in the matter of suiting, restriction by agreement is permissible for the purpose of adjudication. These judgments are rendered while considering Section 20 of the CPC. Those judgments have been rendered in different circumstances and they have no application to the present set of facts. Hence, these judgments do not come to the rescue of the respondents.

10. In these circumstances, I accept these petitions and rule that the Labour Court has every right and jurisdiction to decide the issues despite a clause in the appointment order as in the present case. Impugned order is set aside. Matter is remitted for re-decision on merits. Parties are to appear without waiting for any notice before the Labour Court on 21st April, 2005. Labour Court is to complete the proceedings on or before 30-10-2005. Petitioners are entitled for costs quantified at Rs. 3,000/- for these petitions. Payment is to be made within four weeks. Ordered accordingly.