

(2026) 03 GUJ CK 0595

In the Gujarat High Court

Case No : R/Special Civil Application No. 15873 Of 2024

Rahul Yogeshchandra Dalal

APPELLANT

Vs

M/S Styrolution(Abs) India Ltd & Anr

RESPONDENT

Date of Decision : 03-03-2026

Acts Referred:

Constitution Of India, 1950 — Article 226, 227

Citation : (2026) 03 GUJ CK 0595

Hon'ble Judges : Hemant M. Prachchhak, J

Bench : Single Bench

Advocate : Aakash D Modi, Varun K.Patel

Final Decision : Disposed Of

Judgement

Hemant M. Prachchhak, J

1. Present petition is filed by the petitioner - employee under Articles 226 & 227 of the Constitution of India read with the provisions of the Industrial Disputes Act, 1947 (hereinafter be referred to as "the Act") challenging the order dated 06.07.2023 passed by the learned Judge, Labour Court, Vadodara (hereinafter be referred to as "the Labour Court") in Reference (LCV) No. 167 of 2014 below Exh.-17 whereby, the learned Judge has held and declared that the departmental inquiry initiated by the present respondent is legal and proper and in compliance of the principles of natural justice.

2. At the outset, learned counsel Mr. Varun K. Patel has submitted that the writ petition is not maintainable as the preliminary issue which is decided by the Labour Court with regard to determining the legality and validity of the departmental proceedings can always be challenged after final award is passed. In support of his submissions, learned counsel Mr. Patel has referred to and relied upon the judgment of the Hon'ble Apex Court in the case of Cooper Engineering Limited vs. P.P. Mundhe, AIR 1975 SC 1900 and the judgment dated 04.08.2004 passed in Special Civil Application No. 8754 of 2003 with allied matters by the

Coordinate Bench of this Court.

3. Learned counsel Mr. Aakash Modi, appearing for the petitioner has submitted that in fact, the Labour Court has passed the impugned order without appreciating the legal aspect. He has submitted that in fact, the departmental proceedings can be held to be illegal, since the petitioner was not paid the subsistence allowance and such allowance has been set off against the loan given by the respondent. It is further submitted that the departmental proceedings in fact, were not held legally without appreciating the documentary evidences. Finally, it is submitted by the learned counsel Mr. Modi, that the Labour Court may be directed to decide the reference as expeditiously as possible, since the reference is of the year 2014.

4. I have heard the learned counsel appearing for the respective parties and perused the material placed on record.

5. In the present writ petition, the petitioner has challenged the order dated 06.07.2023 passed by the Labour Court, Vadodara, below Exh.17 declaring such departmental proceedings as valid and legal and in compliance with the principles of natural justice.

6. At this stage, it would be apposite to incorporate the observations made in the case of Cooper Engineering (supra) :-

"22. We are, therefore, clearly of opinion that when a case of dismissal or discharge of an employee is referred for industrial adjudication the labour court should first decide as a preliminary issue whether the domestic enquiry has violated the principles of natural justice. When there is no domestic enquiry or defective enquiry is admitted by the employer, there will be no difficulty. But when the matter is in controversy between the parties that question must be decided as a preliminary issue. On that decision being pronounced it will be for the management to decide whether it will adduce any evidence before the labour court. If it chooses not to adduce any evidence, it will not be thereafter permissible in any proceeding to raise the issue. We should also make it clear that there will be no justification for any party to stall the final adjudication of the dispute by the labour court by questioning its decision with regard to the preliminary issue when the matter, if worthy, can be agitated even after the final award. It will be also legitimate for the High Court to refuse to intervene at this stage. We are making these observations in our anxiety that there is no undue delay in industrial adjudication."

Thus, the Hon'ble Apex Court has clarified that the preliminary issue with regard to questioning the domestic inquiry can also be agitated even after the final award and it will be also legitimate for the High Court to refuse to intervene at this stage so that there may not be any delay in industrial adjudication.

7. In the judgment dated 04.08.2004 passed in Special Civil Application No.8754 of 2003, the Coordinate Bench of this Court on a similar issue, after considering

the judgment of the Hon'ble Apex Court in the case of Cooper Engineering (supra), has observed thus:-

"9. From the above decisions and in particular from the decision of the Hon'ble Supreme Court in Cooper Engineering (supra), one thing is clear that whenever the Labour Court or the Industrial Tribunal decides the validity of the departmental inquiry conducted by the employer at the interlocutory stage, writ petition challenging the said order would not be maintainable. The Hon'ble Supreme Court in Cooper Engineering (supra) observed that there will be no justification for any party to stall the final adjudication of the dispute by the Labour Court by questioning its decision which is at a preliminary issue and the same can be agitated even after the final award. The Hon'ble Supreme Court had also observed that it will be legitimate for the High Court to refuse to intervene at that stage. The Hon'ble Supreme Court had also observed that the above observations are made to ensure that there is no undue delay in industrial adjudication."

8. Thus, it is well established proposition of law that whenever the Labour Court or Industrial Tribunal decides the validity of the departmental inquiry conducted by the employer at an interlocutory stage, a writ petition challenging the said order would not be maintainable.

9. In view of above, the present petition is disposed of with a clarification that it will be open for the petitioner to challenge the legality, validity and findings of domestic inquiry after the final award is passed before the appropriate forum by filing appropriate proceedings, in case the award is passed against him. However, since the reference is of the year 2014, the Labour Court shall decide the same, preferably within a period of eight months from the date of receipt of writ of this order. Notice is discharged. There shall be no order as to costs.