

GRC BULLETIN

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Case Law

Supreme Court of India clarifies the jurisdiction of high court in industrial dispute

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JUDICIAL INSIGHT

Case Title

THE VVF LTD.
EMPLOYEES UNION
Vs. M/S. VVF INDIA
LIMITED (C.A. No.-
002744-002745 /
2023)

“SUPREME COURT OF INDIA CLARIFIES THE JURISDICTION OF HIGH COURT IN INDUSTRIAL DISPUTE ”

FACTS OF THE CASE:

- The case revolves around a longstanding dispute concerning wage revisions and benefits for the workmen of VVF India Limited, initiated through a charter of demand raised by the union in 2008.
- The demands primarily focus on wage revisions, allowances, and benefits for the workmen at two units Sewree and Sion located in Mumbai
- Corporate restructuring occurs during the dispute, with VVF Ltd., the original corporate entity, undergoing a demerger process, resulting in the transfer of units to VVF India Ltd.
- The Tribunal issues its award on March 29, 2014, partially granting relief to the employees under specific heads such as house rent allowance, shift allowance, traveling conveyance allowance, medical allowance, education allowance, and leave travel allowance.
- Challenges to the Tribunal's award are filed in the High Court of Bombay by both the employer and the union.
- The High Court issues a single judgment, upholding certain aspects of the Tribunal's award while setting aside others.
- This prompted further appeal to the Supreme Court of India.

ISSUE:

Whether the High Court exceeded its jurisdiction by conducting fact-finding and substituting its findings for those of the Tribunal?

SUPREME COURT'S VERDICT:

The bench, consisting of Justice Aniruddha Bose and Justice Sanjay Kumar, clarified regarding the High Courts power to review decisions from industrial tribunals and highlighted that it should also consider things like industry standards and the financial situation of the companies involved.

- The Supreme Court overturned the High Court's judgment and set aside the Tribunal's award, ordering a fresh examination by the Tribunal.



JUDICIAL INSIGHT

- Emphasis was placed on considering the employer's financial capacity and conducting a thorough analysis of evidence.
- While acknowledging the High Court's authority to review facts, it highlighted the importance of remitting matters to the Tribunal when the employer contests comparability and presents financial difficulties.
- The Tribunal was instructed to conclude the reference within six months.
- The pending applications to be disposed of.
- No order as to cost.

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