



LABOUR

Judicial Review of Disciplinary Punishment: Jharkhand High Court Reiterates Labour Courts' Authority under Section 11A of the Industrial Disputes Act

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In The Management of Tata Engineering & Locomotive Company Ltd. (now Tata Motors Ltd.) v. Sumitra Devi & Ors., the Jharkhand High Court reaffirmed that Labour Courts possess broad powers under Section 11A of the Industrial Disputes Act, 1947 to examine whether the punishment imposed by an employer is disproportionate, even when a domestic enquiry is otherwise valid.

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Introduction

The Jharkhand High Court recently reiterated an important principle in labour jurisprudence: even when a domestic enquiry conducted by an employer is found to be fair and proper, the Labour Court or Industrial Tribunal is not precluded from examining whether the punishment imposed on the workman is disproportionate to the alleged misconduct. Exercising its powers under Section 11A of the Industrial Disputes Act, 1947, the adjudicatory authority may interfere with the punishment and mould the relief in an appropriate manner.

The judgment was delivered by Justice Deepak Roshan while deciding a writ petition filed by the management challenging an award passed by the Labour Court in Reference Case No. 14 of 1988 dated 15 January 2008. The Labour Court had set aside the discharge of a workman and directed his reinstatement with 40 percent back wages, continuity of service, and other consequential benefits. The High Court ultimately upheld the Labour Court's intervention and even enhanced the relief in favour of the workman's legal heirs.

Background of the Case

The dispute arose from disciplinary action taken against a workman, C.K. Singh, who had been employed with the petitioner company since 14 July 1969. He initially worked as an unskilled mate and was later confirmed as a Motor Mechanic in the Auto Transport Department.

In February 1983, Singh underwent surgery at TELCO Hospital on 8 February and the stitches were removed on 15 February. He later alleged that one stitch had been left behind, causing severe pain and infection. On 22 February 1983, he approached the treating doctor Dr. N.G. Das (Senior Surgeon) seeking admission for treatment, but the doctor allegedly refused and asked him to return the next day. While protesting against the refusal in a state of pain, the workman reportedly raised his voice.

Following this incident, the doctor complained to the management alleging that Singh had used abusive language and threatened him within the hospital premises. Based on the complaint, the management issued a chargesheet on 16 March 1983 for misconduct including disorderly behavior and intimidation. A departmental enquiry was conducted, which found the charges proved, leading to Singh's discharge from service with effect from 18 June 1984.

Proceedings before the Labour Court

The dispute eventually reached the Labour Court through a reference under the Industrial Disputes Act. After examining the evidence and the circumstances surrounding the incident, the Labour Court interfered with the disciplinary action taken by the management.

The Court did not set aside the domestic enquiry but exercised its power under Section 11A to modify the punishment. Taking into account the surrounding circumstances and the nature of the alleged misconduct, the court set aside the order of discharge. As relief, the Labour Court directed reinstatement of the workman with continuity of service and consequential benefits. However, it awarded only 40 percent back wages instead of full wages. The Labour Court also imposed a minor penalty in the form of stoppage of two increments with future effect shall be withheld from 17.03.1983. Aggrieved by this award, the management approached the High Court by filing a writ petition, contending that the Labour Court had exceeded its jurisdiction.

Arguments before the High Court

The management argued that the Labour Court had acted as if it were an appellate authority over the disciplinary proceedings. According to the management, once the domestic enquiry was found to be fair and the charges were proved, the Labour Court had no authority to reassess the evidence or substitute its own decision regarding punishment.

It was contended that the workman had used abusive language and threatened the doctor, which constituted serious misconduct. Therefore, the disciplinary authority's decision to discharge him from service was justified and should not have been interfered with.

On the other hand, the workman's side defended the Labour Court's award. It was submitted that Section 11A of the Industrial Disputes Act specifically empowers the Labour Court or Industrial Tribunal to examine whether the punishment imposed by the employer is justified. Even when misconduct is proved, the adjudicatory authority can interfere if the punishment appears excessive or disproportionate. The respondents argued that the Labour Court had carefully evaluated the evidence and the circumstances of the incident and had rightly concluded that the punishment of discharge was too harsh.

Legal Principles Considered by the High Court

While examining the issue, the High Court reiterated the legal position that emerged after the introduction of Section 11A into the Industrial Disputes Act. This provision expanded the powers of Labour Courts and Industrial Tribunals in matters relating to disciplinary action against workmen.

The High Court relied on the Supreme Court decision in *Mahindra & Mahindra Ltd. v. N.B. Narawade* (2005), which outlined the "triple test" that guides the exercise of discretion under Section 11A. According to this framework, the adjudicating authority may interfere with the punishment if:

1. The punishment is shockingly disproportionate to the gravity of the misconduct.
2. There are mitigating circumstances that justify a reduction in punishment.
3. The past service record of the workman warrants a more lenient approach.

These principles allow Labour Courts to balance the employer's disciplinary authority with considerations of fairness and proportionality.

- *The Court emphasized that the introduction of **Section 11A** significantly expanded the powers of Labour Courts and Industrial Tribunals. Prior to this amendment, industrial adjudicators had limited scope to interfere with disciplinary action taken by the employer. Section 11A enables the adjudicating authority to examine not only the fairness of the enquiry but also the proportionality of the punishment imposed.*

Findings of the High Court

Applying these principles to the present case, the High Court observed that the circumstances surrounding the alleged misconduct were highly relevant. The workman had approached the hospital while suffering from severe pain caused by a septic infection following the surgery. The Court observed that the pain arose due to an unremoved stitch, indicating negligence on the part of the doctor. The Court noted that the workman had protested when the doctor refused to admit him and asked him to return the next day. In such circumstances, the Court observed that the reaction of the workman must be assessed in light of the severe pain caused by post-surgical infection.

The Court also noted significant inconsistencies in the testimonies of the witnesses examined during the enquiry. While the complainant doctor alleged that the workman had used abusive language, another doctor present during the incident did not corroborate the allegation regarding the use of specific expletives. These contradictions weakened the management's version of

events and became a key factor in evaluating the justification of the disciplinary action. The Court also noted that despite the workman's evident medical distress, the doctor refused to provide immediate treatment and asked him to return the following day. This circumstance was considered a significant mitigating factor while determining whether the punishment imposed on the workman was excessive.

Consideration of Human and Social Factors

An important aspect considered by the High Court was the prolonged nature of the litigation and its impact on the workman's family. During the pendency of the proceedings, the workman had passed away, and the case was being pursued by his legal heirs.

The Court observed that the family had suffered considerable hardship due to the long legal battle and the loss of livelihood resulting from the discharge. The Court also remarked that the situation might have been handled differently if the patient had been a senior-level employee.

It noted that in such a scenario, the doctors might have faced disciplinary action, and the patient might even have been entitled to compensation for medical negligence. Instead, the workman not only endured pain caused by the alleged negligence but also lost his job on the basis of the doctor's complaint.

Final Decision

After considering the totality of the circumstances, the High Court upheld the Labour Court's decision to interfere with the punishment imposed by the management. However, it further modified the relief granted to the workman.

The Court held that the workman was entitled to full wages along with all consequential benefits and continuity of service from the date of the Labour Court's award until the date of his death or superannuation, whichever occurred earlier. This included wage revisions and other allowances that would have been applicable during that period.

Significance of the Judgment

The decision highlights the broad powers granted to Labour Courts and Industrial Tribunals under Section 11A of the Industrial Disputes Act. It reiterates that even when a domestic enquiry is valid, the adjudicating authority retains the power to examine the proportionality of the punishment imposed by the employer. The judgment also highlights the importance of considering mitigating circumstances and the overall context in which alleged misconduct occurs. By emphasizing fairness and proportionality, the Court reinforced the protective purpose of labour legislation. At a broader level, the ruling reflects the judiciary's role in ensuring that disciplinary action against workmen does not become unduly harsh or unjust. The case serves as a reminder that industrial adjudication must balance managerial authority with compassion, fairness, and the realities faced by workers. Through this decision, the Jharkhand High Court reaffirmed that labour justice is not merely about procedural correctness but also about ensuring that the outcome of disciplinary proceedings remains fair, humane, and proportionate to the circumstances involved.

Key Takeaways

The ruling highlights several important principles for employers and employees:

- Labour Courts may interfere with the quantum of punishment even when a domestic enquiry is valid.
- Mitigating circumstances surrounding the alleged misconduct must be considered while determining proportionality of punishment.
- Employers must ensure that disciplinary action is not disproportionate to the gravity of the misconduct.
- Courts may also consider broader humanitarian and social factors, particularly in cases involving long litigation or hardship suffered by the workman's family.

For more details, write to us at: contact@indialaw.in

Reference:

[2026: JHHC:4377] *The Management of Tata Engineering & Locomotive Company Ltd. (now Tata Motors Ltd.) v. Sumitra Devi w/o Late C.K. Singh & Ors., W.P.(L) No. 4845 of 2008, Jharkhand High Court (decided on 16.02.2026).*

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