IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

R/SPECIAL CIVIL APPLICATION NO. 2675 of 2025
With
R/SPECIAL CIVIL APPLICATION NO. 8484 of 2025

==========

STATE OF GUJARAT
Versus
LAKSHYA ARJUN VAGH

==========

Appearance:
MS ROSHANI PATEL AGP for the Petitioner(s) No. 1
MR P C CHAUDHARI(5770) for the Respondent(s) No. 1

==========

CORAM:**HONOURABLE MR. JUSTICE HEMANT M. PRACHCHHAK**

Date : 15/12/2025

ORAL ORDER

1. The present petition is filed by the petitioner under Articles 226 and 227 of the Constitution of India read with provisions of the Industrial Disputes Act, 1947 challenging the impugned judgment and award dated 07.01.2023 passed by the learned Presiding Officer, Labour Court, Valsad in Reference (L.C.V.) No. 56 of 2018 whereby the Labour Court has allowed the reference filed by the respondent and directed the petitioner to reinstate the respondent to his original post with continuity of service and awarded the cost of Rs. 4,000/-.

2. Brief facts giving rise to the present petition are that, the respondent was employed as a Watchman with the petitioner since 01.01.2001 drawing a monthly wage of Rs. 4000/- and the respondent was terminated from the services on 03.04.2017. Consequently, the respondent raised industrial dispute before the Assistant Labour Commissioner who subsequently referred

the reference to Labour Court, Valsad which came to be registered as Reference (L.C.V.) No. 56 of 2018 whereby the Labour Court vide order dated 07.01.2023 has allowed the reference and directed the petitioner to reinstate the respondent to his original post with continuity of service and awarded the cost of Rs. 4,000/-.

3. Being aggrieved and dissatisfied with the impugned judgment and award dated 07.01.2023, the petitioner has preferred the present petition.

4. Heard Ms. Roshani Patel, learned AGP for the petitioner and Mr. P C Chaudhari, leaned counsel for the respondent at length. Perused the material available on record.

5. Ms. Patel, learned AGP for the petitioner has submitted that the impugned judgment and award passed by the Labour Court is erroneous, bad in law and contrary to the facts and records of the case and therefore, is required to be quashed and set aside. She has submitted that the Labour Court has erroneously considered the fact that the petitioner would come under the definition of “industry” as per section 2(J) of the The Industrial Disputes Act, 1947. She has submitted that the respondent had not adduced any evidence to support his claim and that the entire claim was based on assumption. She has submitted that the Labour Court had not considered the fact that the respondent herein was not in continuous service with petitioner as per Section 25(B) of the Industrial Disputes Act, 1947. She has submitted that the respondent has not worked for 240 days at any point of time. She has submitted that the respondent was

appointed as honorary serviceman and thus he will not be entitled for regular benefits which are available for regular government employees. Over and above the grounds agitated in the memo of petition, learned AGP Ms. Patel has urged that the impugned judgment and award passed by the Labour Court is required to be quashed and set aside and the present petition is required to be allowed.

6. As against that, learned counsel Mr. Chaudhari, appearing for the respondent-workman, has opposed the present petition and submitted that there is no any infirmity or any illegality in the impugned judgment and award passed by the Labour Court and therefore, no interference is required to be called for in the present petition. He has submitted that the impugned judgment and award passed by the Labour Court is in consonance with the settled principles of law and is passed after following due procedure and therefore, the same is required to be confirmed and the present petition is required to be dismissed and no interference is required to be called for while exercising jurisdiction under Article 227 of the Constitution of India.

7. Considering the submissions canvassed by learned counsel appearing for the respective parties and the impugned judgment and award passed by the Labour Court, it appears that the Labour Court has rightly appreciated the evidence while coming to the conclusion and without there being any rebuttal. In view of the decision of the Hon'ble Supreme Court in the case of **Maharashtra State Cooperative Marketing Federation Limited Versus Suresh S/o Dadarao Gadge** reported in **(2015) 4 SCC 542** and the oral order dated 18.04.2024 passed by the Division Bench of this Court in ***Letters Patent Appeal***

No. 908 of 2023 and allied appeals more particularly para – 7 and 10, this Court is of the opinion that the purpose would be served if lump sum amount of Rs.5,00,000/- is required to be awarded to the respondent-workman.

8. The relevant paras – 7 and 10 of the oral order dated 18.04.2024 passed by the Division Bench of this Court in Letters Patent Appeal No. 908 of 2023 and allied appeals reads thus:-

> *"7. Having heard the learned advocates appearing for the respective parties and having perused the documents on record, for ready reference, the chart showing the appeals vis-a-vis number of services rendered by the workmen along with the amount of compensation awarded is reproduced hereunder :-*

Sr. No.	LPA No.	SCA No.	Ref. Case No.	Delay in Filing Complaint	Total Tenure of Service	Amount of Lump Sum Compensation Awarded by Labour Court
1	908 of 2023	21754 of 2017	25 of 2023	1 year	20 years	Rs. 2.00 lacs
2	909 of 2023	21753 of 2017	24 of 2023	1 year	20 years	Rs. 2.00 lacs
3	910 of 2023	21750 of 2017	21 of 2023	3 years	16 years	Rs. 1.50 lacs
4	911 of 2023	21749 of 2017	20 of 2023	3 years	16 years	Rs. 1.50 lacs
5	912 of 2023	21751 of 2017	22 of 2023	3 years	16 years	Rs. 1.50 lacs
6	913 of 2023	21752 of 2017	23 of 2023	3 years	16 years	Rs. 1.50 lacs
7	914 of 2023	21747 of 2017	18 of 2023	3 years	16 years	Rs. 1.50 lacs
8	915 of 2023	21748 of 2017	19 of 2023	3 years	16 years	Rs. 1.50 lacs
9	916 of 2023	21746 of 2017	17 of 2023	3 years	16 years	Rs. 1.50 lacs
10	917 of 2023	21758 of 2017	489 of 2023	4.5 years	17 years	Rs. 1.75 lacs
11	918 of 2023	21755 of 2017	113 of 2023	9 years	17 years	Rs. 1.75 lacs
12	919 of 2023	21756 of 2017	450 of 2023	2.5 years	16 years	Rs. 1.50 lacs

10. Having come to the conclusion that the lump sum compensation would be appropriate remedy for the families of the deceased workmen, the other aspects which comes for consideration is quantum of lump sum compensation. Though learned advocate Mr. Bhatt has contended that there was delay in preferring the complaint and the subsequent reference, it can be observed from the pleadings that the averments with regard to delay and laches in preferring the reference were not made before the labour court as well as the learned Single Judge. Therefore, the argument of learned advocate Mr. Bhatt with regard to delay and laches in preferring reference cannot be countenanced and what needs to be seen is that almost all the workmen have put in 16-20 years of service for the respondent and their services were terminated without following due procedure of law. Therefore, the families of the deceased workmen needs to be compensated proportionally as to the number of years of service put in by them. However, in order to balance the equation, we have considered to give effect of delay in preferring the reference while enhancing the amount of compensation. Thus, while calculating the number of years of services, we proposed to deduct the number of years service for which there is delay in preferring reference. After deduction of such number of service, we propose to give compensation in the following tabular form:

Sr.No.	*Total no. of years for lump sum compensation*	*Amount of lump sum compensation*
1	*5 to 10 years*	*Rs.3.00 lacs*
2	*10-15 years*	*Rs.5.00 lacs*
3	*15-20 years*	*Rs.7.5 lacs*

9. Now, considering the materials placed on record and the peculiar facts of this case, this Court is of the opinion that instead of granting any back wages and reinstatement in service as prayed for, it would be just and proper to pay lump sum compensation of Rs.5,00,000/- to the workman, which will serve the ends of justice.

10. With the aforesaid conclusion, the petition stands allowed in part. The impugned judgment and award passed by the Labour Court is hereby quashed and set aside and the award is modified accordingly. An amount of Rs.5,00,000/- as lump sum

compensation shall be paid to the workman by the employer after proper verification of the identity and bank details through RTGS within a period of three months from the date of receipt of the writ of this order. Notice is discharged.

11. In view of the order passed in main petition being Special Civil Application No. 2675 of 2025, the Special Civil Application No. 8484 of 2025 stands disposed of.

(HEMANT M. PRACHCHHAK,J)

ANUSRI

Original copy of this order has been signed by the Hon'ble Judge.
Digitally signed by: ANUSRI VASU(HC02352), ENGLISH STENO GRADE-II\, at High Court of Gujarat on 22/12/2025 18:33:32