

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CIVIL APPELLATE JURISDICTION**

WRIT PETITION NO.3221 OF 2024

Eagle Flask Industries Pvt. Ltd.

....Petitioner

V/S

Haridas Narayan

....Respondent

Mr. Dhananjay Bhanage *for the Petitioner.*

Mr. Jitendra Jagtap *for Respondent.*

CORAM: SANDEEP V. MARNE, J.

DATE : 23 JANUARY 2025.

P.C.:

1. The Petition challenges judgment and order dated 10 November 2022 passed by the learned Member, Industrial Court, Pune, in Complaint (ULP) No.213 of 2017. The Industrial Court has partly allowed the Complaint filed by Respondent-workman and has directed payment of lump-sum compensation of Rs.7,00,000/- in lieu of wages, allowances and other legal dues in addition to further sum of Rs.50,000/- as additional compensation.

2. I have heard Mr. Bhanage, the learned counsel appearing for Petitioner and Mr. Jagtap, the learned counsel appearing for Respondent-workman.

3. After having considered the submissions canvassed by the learned counsel appearing for parties, it is seen that the Respondent-workman was engaged as a mere daily wager on 22 December 1992 and after rendering just two years of service he was terminated on 8 February 1995. He fought a long legal battle relating to his reinstatement. In the previous round of litigation when Respondent filed Complaint (ULP) No.35 of 1995, the Labour Court directed his reinstatement with full back-wages by judgment and order dated 18 April 2001. After unsuccessful challenge to the said order before the Industrial Court the Petitioner-employer filed Writ Petition in this Court but finally withdrew the Petition on 23 February 2017. Thus the order of the Labour Court dated 18 April 2001 directing reinstatement with full back-wages has attained finality. Instead of getting the said order implemented, the Respondent-workman instituted a fresh Complaint (ULP) No.213 of 2017, which is adjudicated by impugned judgment and order dated 10 November 2022 directing compensation of Rs.7,50,000/- in favour of the Respondent-workman.

4. Since the judgment and order dated 18 April 2001 has attained finality, the Petitioner is under legal obligation to pay back-wages to the Respondent-workman. However Mr. Bhanage would point out that the closure of the establishment was effected in the year 2003 and all the workmen employed in the Company have voluntarily separated and that therefore there is

no question of reinstatement or back-wages after 2003. Upon being queried Mr. Jagtap would clarify that the date of birth of Respondent is 28 August 1946 and accordingly he would have attained the age of retirement in 2004. In any case, there is a closure of the establishment in the year 2003. This would mean that the Petitioner would have received wages only up to closure of the establishment in the year 2003 and in any case, till he attained the age of retirement in the year 2004.

5. Mr. Bhanage has placed on record statement of back-wages payable to the Respondent-workman till the date of closure and according to him, the total amount of back-wages from 8 February 1995 till the date of closure in March 2003 would be Rs.2,20,986/-. Additionally the amount of gratuity payable to him is computed at Rs.20,130/-. Thus the gross amount of entitlements of the Respondent-workman are indicated at Rs.2,41,116/-.

6. It appears that during pendency of Writ Petition before this Court in previous round of litigation an amount of Rs.1,00,000/- was deposited by the Petitioner and the same has been withdrawn by the Respondent-workman. Additionally further amount of Rs.39,474/- has been deposited by the Petitioner with the Industrial Court in the year 2018 and the said amount has also been withdrawn by the Respondent-workman. According to Mr. Bhanage the total entitlement of the Respondent-workman

would thus stand reduced to Rs.1,01,642/-. However if the Respondent-workman was to remain in service, he would have also received some amount of voluntary separation compensation. Furthermore the back-wages of Rs.1,01,642/- were payable to Respondent-workman in the year 2003 and therefore interest will have to be paid by the Petitioner to the Respondent-workman. Mr. Bhanage has made calculations by applying the rate of interest of 9% per annum and according to him, the total amount payable to the Respondent-workman would be Rs.2,91,642/- after adding interest at the rate of 9% per annum. However as observed above, Respondent-workman would also be entitled to voluntary separation compensation payable in the year 2003. Considering these factors, in my view, the compensation payable to the Respondent needs to be capped at Rs.4,00,000/-. The Industrial Court has not carried out the exercise of the exact amount of back-wages payable to the Respondent-workman and has determined the amount of Rs.7,50,000/- on a mere guess work without any basis. In my view therefore, the total amount of compensation payable to the Respondent-workman deserves to be reduced to Rs.4,00,000/-.

7. The Writ Petition accordingly partly succeeds. The total amount of compensation payable to Respondent-workman in respect of his service benefits would be Rs.4,00,000/- which amount shall be paid by the Petitioner to Respondent within a period of four weeks. Beyond the lump-sum compensation of

Rs.4,00,000/- Respondent-workman shall not be entitled to any further service related benefits. To this extent the judgment and order dated 10 November 2022 passed by Industrial Court shall stand modified. Writ Petition is partly allowed in above terms and **disposed of**. There shall be no order as to costs.

(SANDEEP V. MARNE, J.)

SUDARSHAN
RAJALINGAM
KATKAM

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by SUDARSHAN
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