



IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

WRIT PETITION NO.1863 OF 2025

Petrofac Engineering India Pvt. Ltd.

...Petitioner

V/s.

Paresh Suresh Chavan

...Respondent

Mr. J.P. Cama, *Senior Advocate with Ms. Tanvi Rana i/b. M/s. Economic Laws Practice for the Petitioner.*

Mr. Kiran S. Bapat, *Senior Advocate with Mr. Sandeep Chaubal with Mr. Ritik Gupta and Ms. Sakshi Patil i/b. Ms. Suvarna Joshi for the Respondent.*

CORAM: SANDEEP V. MARNE, J.

DATED: 24 NOVEMBER 2025.

P.C.:

1) Challenge in the present Petition is to the Award dated 6 January 2025 passed by the Presiding Officer, First Labour Court, Mumbai. The Labour Court has answered the Reference in the affirmative and directed reinstatement of Respondent -Workman with continuity and full back wages with effect from 30 December 2016.

2) As the hearing of the Petition progressed, the Petitioner and Respondent decided to amicably resolve the disputes amongst them. Petitioner-employer has offered to pay lumpsum compensation of Rs.35,00,000/- to the Respondent towards full and final settlement in towards all his dues in respect of services of the Petitioner. On the other

hand, the Respondent has shown willingness to settle the disputes on acceptance of lumpsum amount of Rs.40,00,000/-. Thus, there is a very narrow gap between the amounts suggested by rival parties. In my view, considering the length of interregnum period and last drawn wages of the Respondent, interest of justice would meet if Petitioner-employer pays to the Respondent lumpsum compensation of Rs.40,00,000/- towards full and final settlement.

3) Accordingly, with consent of the parties following order is passed:-

(i) Award dated 6 January 2025 is modified to the following extent:-

- a) Respondent shall be entitled to be paid lumpsum compensation of Rs.40,00,000/- in lieu of reinstatement and backwages.
- b) The amount of lumpsum compensation of Rs.40,00,000/- shall be paid by Petitioner to the Respondent within a period of six weeks.
- c) Beyond the lumpsum compensation so awarded, Respondent shall not be entitled to any other service related benefits from the Petitioner.

(ii) The Respondent shall be entitled to benefit under Section 89(1) of the Income Tax Act, 1961 for spreading over the amount of backwages from 30 December 2016 onwards.

4) With the above directions, Writ Petition is **disposed of**.

[SANDEEP V. MARNE, J.]