



**IN THE HIGH COURT OF PUNJAB & HARYANA
AT CHANDIGARH.**

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LPA-1126-2025 (O&M).

Date of Decision: 26.08.2025.

Sanjay Kumar Sharma

....Appellant.

VERSUS

D.B. Corporation Pvt. Ltd. and another

....Respondents.

**CORAM : HON'BLE MR. JUSTICE ANUPINDER SINGH GREWAL
HON'BLE MR. JUSTICE DEEPAK MANCHANDA**

Present: Mr. Bhriugu Dutt Sharma, Advocate for the appellant.

ANUPINDER SINGH GREWAL, J. (Oral)

CM-2773-LPA-2025

Exemption application is allowed, as prayed for.

CM-2774-LPA-2025

This application is for condonation of delay of 52 days in filing the appeal.

Heard. For the reasons stated in the application, the same is allowed and delay of 52 days in filing the appeal is condoned.

LPA-1126-2025

The appellant has challenged the judgment of the Single Bench dated 19.12.2024, whereby the Civil Writ Petition No.10543 of 2017 preferred by respondent No.1-Corporation against the award of the Labour Court has been allowed and an amount of Rs.2 Lakhs has been ordered to be paid to the appellant.

2. Learned counsel for the appellant submits that the counsel, who had appeared for the appellant in the writ petition had made a concession that the compensation instead of reinstatement would be adequate. However, the quantum of compensation which has been awarded by the Single Bench is on the lower side. The appellant had worked for about three years but the compensation of a paltry sum of Rs.2 Lakhs has been awarded. He has relied upon the judgment of this Court in the case of **Municipal Council, Dina Nagar vs. Presiding Officer, Labour Court, Gurdaspur and another, 2014 (70) RCR (Civil) 119**, wherein it has been held that compensation of Rs.1 Lakh for each completed year of service would be adequate.

3. Heard.

4. The appellant, who was working as a Page Maker with respondent No.1, was dismissed from service on 20.02.2009. He was drawing a salary of Rs.5100/- per month. He had raised an industrial dispute and vide Award dated 09.02.2017, the Industrial Tribunal had directed reinstatement of the appellant with continuity in service and full back wages after arriving at the conclusion that the termination was in violation of the procedure set out under the Industrial Disputes Act, 1947. This Award of Labour Court was challenged by respondent No.1 and the Single Bench after recording the statement of counsel for both the parties had observed that it would be appropriate to direct a lump sum compensation of Rs.2 Lakhs to the appellant, which would be paid to him within eight weeks failing which respondent No.1 would be liable to pay interest at the rate of 12% per annum.

5. It has been held by the Supreme Court in the case of **Bharat Sanchar Nigam Limited vs. Bhurumal, (2014) 7 SCC 177** that it is not necessary to direct reinstatement even if termination of the services is found

to be in violation of the procedure laid down under the Industrial Disputes

Act. The relevant extract of the said judgment is reproduced hereunder:-

“33. It is clear from the reading of the aforesaid judgments that the ordinary principle of grant of reinstatement with full back wages, when the termination is found to be illegal is not applied mechanically in all cases. While that may be a position where services of a regular/permanent workman are terminated illegally and/or mala fide and/or by way of victimisation, unfair labour practice, etc. However, when it comes to the case of termination of a daily-wage worker and where the termination is found illegal because of a procedural defect, namely, in violation of [Section 25-F](#) of the Industrial Disputes Act, this Court is consistent in taking the view that in such cases reinstatement with back wages is not automatic and instead the workman should be given monetary compensation which will meet the ends of justice. Rationale for shifting in this direction is obvious.

34. The reasons for denying the relief of reinstatement in such cases are obvious. It is trite law that when the termination is found to be illegal because of nonpayment of retrenchment compensation and notice pay as mandatorily required under [Section 25-F](#) of the Industrial Disputes Act, even after reinstatement, it is always open to the management to terminate the services of that employee by paying him the retrenchment compensation. Since such a workman was working on daily wage basis and even after he is reinstated, he has no right to seek regularisation [see [State of Karnataka v. Umadevi](#) (3)17]. Thus when he cannot claim regularisation and he has no right to continue even as a daily-wage worker, no useful purpose is going to be served in reinstating such a workman and he can be given monetary compensation by the Court itself inasmuch as if he is terminated again after reinstatement, he would receive monetary compensation only in the form of retrenchment compensation and notice pay.”

This principle has been reiterated by the Supreme Court in its judgment in the case of **State of Uttarakhand vs. Raj Kumar, 2019(14) SCC 353**.

6. It is, thus, manifest that the Court can mould the relief and direct payment of compensation commensurate with the number of years put in service by the workman. Reliance can be placed on the judgment of this Court in the case of **Sukhbir Singh vs. State of Haryana and others, LPA No.1203 of 2021 decided on 01.03.2023**, whereafter after relying upon the law laid down by the Supreme Court in several cases, the Court had arrived at the conclusion that the compensation of Rs.50,000/- for every year of service rendered by the workman, would meet the ends of justice. The relevant extract of the judgment is reproduced hereunder:-

“5. It is to be noticed that as per the demand notice itself the claim that he had been appointed in the said post in a different district at Gurugram from 01.02.1993 to 31.12.1993 and thereafter, accommodated at Rohtak and had continued till 21.09.1994 and was adjusted at District Jhajjar apparently on the creation of the same from 31.09.1996 and resultantly, retrenched on 19.11.1998 and therefore, had completed 240 days of service. Similar was the claim statement made and in the written statement it was admitted that he had worked from 01.03.1993 and continued as claimed and had been transferred to Jhajjar on 19.12.1997 for the period from 01.12.1997 to 27.02.1998 and from 16.06.1998 to 12.09.1998 and from 14.09.1998 to 19.11.1998. The finding recorded by the Labour Court while placing reliance upon Ext.M-3 the detail of the working days prepared was that he had worked from 01.12.1997 upto 19.11.1998 for a period of 245 days. There was neither any such defence by the State also that it was a case under Section 2(oo)(bb) of the Act and this aspect also missed the attention of the learned Single Judge. It has been time and again held that until there is a perversity in the award the Writ Court is not to sit as a Court of appeal and interfere in the orders under Article 226/227 of the Constitution of India. Reliance can be placed upon the judgment of Apex Court passed in K.V.S.Ram Vs. Bangalore Metropolitan Transport Corporation 2016 (1) SCC 308.

6. Resultantly, once the workman had completed 240 days and apparently had worked for a period spanning more than 5 ½ years, we are of the considered opinion that dispensing of his service before his contractual period came to an end would entitle him for the statutory protection which would be evident from the award of the Labour Court. However, keeping in view the fact that at this point of time, it would not be justified to put him back in service since a period of almost 25 years has gone by and therefore, it would be just and appropriate to award compensation to the tune of Rs.2,50,000/- on an average of Rs.50,000/- per year, keeping in view the fact that the State had taken his service for more than 5 years with the same office in different districts.”

7. In the afore-noted facts and circumstances, when the appellant had worked for about three years, the compensation of Rs.2 Lakhs appears to be justified. Consequently, we do not find any merit in this Letters Patent Appeal which stands dismissed.

Pending application(s), if any, also stands disposed of.

(ANUPINDER SINGH GREWAL)
JUDGE

(DEEPAK MANCHANDA)
JUDGE

26.08.2025

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Whether speaking/ reasoned : Yes/ No
Whether Reportable : Yes/ No