

**CWP-10755-2005 (O&M)****-1-****IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH****216****CWP-10755-2005 (O&M)
Date of Decision :12.05.2025****State of Haryana****...Petitioner****Versus****Ajit Kumar and another****...Respondents****CORAM: HON'BLE MR. JUSTICE HARSIMRAN SINGH SETHI****Present: Mr. Saurabh Girdhar, AAG, Haryana for the petitioner-State.****Mr. Vivek Singla, Advocate with Ms. Urvashi Singh, Advocate
for respondent No.1.***** * *****Harsimran Singh Sethi, J. (Oral)**

1. In the present petition, the challenge is by the petitioner-State to the award dated 22.02.2005 (Annexure P/6) passed by the Presiding Officer, Industrial Tribunal-cum-Labour Court Ambala, by which the retrenchment of the services of the respondent No.1-workman at the hands of petitioner-State was found to be bad on the ground that though, the benefit of retrenchment compensation was mentioned along with order of retrenchment by way of bank draft, which bank draft for the purpose of providing compensation was dated prior to the date when the respondent-employee was retrenched but the same was delivered to the respondent No.1-workman after the passing of the retrenchment order.

2. Learned counsel for the petitioner-State submits that once, Section 25-F of the Industrial Dispute Act, 1947 (hereinafter referred to as

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1947 Act') was complied with and the bank draft for the purpose of providing retrenchment compensation was attached with the retrenchment order, the retrenchment compensation was deemed to be paid at the time of retrenchment as the said letter of retrenchment was accepted by the respondent No.1-workman only on 09.06.1998 i.e. after a period of 09 days of the issuance of the retrenchment order. Hence, the reason given by the Labour Court to treat the retrenchment of respondent No.1-workman as bad so as to award him with the benefit of reinstatement in service is arbitrary and illegal and the impugned award dated 22.02.2005 (Annexure P/6) is liable to be set aside.

3. Learned counsel for the respondent No.1-workman submits that once, the actual delivery of the demand draft was on 09.06.1998, even if, the demand draft was prepared prior to the retrenchment of service of the workman and was made part of the retrenchment order, Section 25-F of the 1947 Act still stands violated hence, the award passed by the Labour Court is perfectly valid and legal.

4. I have heard learned counsel for the parties and have gone through the record with their able assistance.

5. In the present petition, the question which arises is, whether once, the retrenchment order is dated 31.05.1998 along with which, a demand draft dated 30.05.1998 qua the retrenchment compensation was attached, merely that the said retrenchment letter along with a demand draft was accepted by the respondent No.1-workman on 09.06.1998, will violate Section 25-F of the 1947 Act or not.

6. It may be noticed that the retrenchment compensation needs to

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be addressed and to be given to the workman along with the order of retrenchment. In case, an employee does not accept the retrenchment order or the retrenchment order is given after the date when the retrenchment order is passed but with completing all the formalities of Section 25-F of the 1947 Act, the issue arises is whether in such circumstances, the requirement of Section 25-F of the 1947 Act stands complied with or not.

7. It is only in case, a retrenchment order is dated 31.05.1998 and a demand draft is prepared after 09 days of retrenchment order, it can be said that the retrenchment order is without the retrenchment compensation, which is to be awarded as per the provisions of 1947 Act, but in the present case, the amount of retrenchment compensation was paid through a demand draft dated 30.05.1998 while retrenchment of the services of the respondent No.1-workman was on 31.05.1998.

8. Learned counsel for the respondent No.1-workman argues that the letter of retrenchment was dated 09.06.1998 (Annexure R-1/1) on which date, it was accepted by the respondent No.1-workman.

9. It may be noticed that even if, the said Annexure R-1/1 is accepted, then as per the said letter, the services of the workman had been retrenched on 09.06.1998 as the same does not mention that the services are being retrenched on 31.05.1998. Hence, even if the said date is taken in account as date of retrenchment, the amount of retrenchment compensation was paid on the date of retrenchment hence, even on that score, no infringement of provisions of 1947 Act is made out.

10. Further, the provisions of 1947 Act have been framed for the purpose that no prejudice is caused to the workman concerned whose



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services are being retrenched.

11. In the present case, no such prejudice has been brought to the notice of this Court even if, the order Annexure-P/1 is accepted then also the same is correct and even if Annexure R-1(1) is accepted as attached by the respondent No.1-workman then also there is no violation of the Section 25-F of the 1947 Act.

12. Keeping in view the facts and circumstances noticed hereinbefore, the impugned award dated 22.02.2005 (Annexure P/6) passed by the Presiding Officer, Industrial Tribunal-cum-Labour Court Ambala being perverse to the facts and evidence on record cannot be sustained in the eyes of law and the same is accordingly set aside.

13. It is made clear that any amount already paid to the respondent No.1-workman under Section 17-B of the 1947 Act will not be recovered.

14. Present petition is dismissed in above terms.

May 12, 2025
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(HARSIMRAN SINGH SETHI)
JUDGE

Whether speaking/reasoned : Yes
Whether reportable : No