

**IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH**

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CWP-7667-2001 (O&M)

Decided on :09.07.2025

HARYANA STATE

..Petitioner

Versus

SATISH KUMAR AND ANOTHER

... Respondents

CORAM: HON'BLE MR. JUSTICE HARSIMRAN SINGH SETHI

PRESENT: Mr. Saurabh Girdhar, AAG, Haryana.

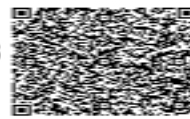
Mr. Naveen Daryal, Advocate for the respondent.

HARSIMRAN SINGH SETHI , J. (Oral)

1. In the present petition, the challenge is to the impugned award dated 09.02.2001 (Annexure P-6), by which, respondent-workman was granted the benefit of reinstatement in service alongwith continuity in service and benefit of full back wages from the date of demand notice i.e. 15.07.1998.

2. Learned counsel for the petitioner submits that in the present case, the respondent-workman was appointed as Chowkidar on contract basis for 89 days on D.C. Rate and the said engagement was upto 30.06.1998. Learned counsel for the petitioner further submits that on expiry of 89 days i.e. the tenure for which the respondent-workman was appointed in service, his services automatically came to an end and there was no question of termination of service of the respondent-workman, but the alleged termination was challenged by the respondent-workman by raising reference which reference was answered in favour of the respondent-workman vide impugned dated 09.02.2001 (Annexure P-6).

3. Learned counsel for the petitioner submits that though, it has

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been mentioned in the impugned award that the appointment order was issued to the respondent-workman for a specific period but as the respondent-workman has worked for 240 days in 12 months preceding termination, Section 25-F of the Industrial Disputes Act, 1947 was applicable so as to treat the services of the petitioner being retrenched but labour court while passing the impugned order dated 09.02.2001 (Annexure P-6) has ignored the provisions of Section 2 (oo) (bb) of the Industrial Disputes Act, 1947, according to which, in case, the appointment of workman is for a specific period and the same comes to an end due to non-extension of the contract, the same will not amount to retrenchment so as to enforce the liability of retrenchment compensation.

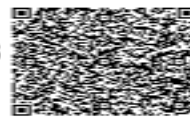
4. Learned counsel appearing on behalf of the respondent-workman submits that once, the workman had completed 240 days in service in a year prior to the date of his termination, provisions of Section 25-F of the 1947 Act will be applicable so as to treat the same as retrenchment and the retrenchment compensation will also be payable which was not paid to the respondent-workman hence, the award 09.02.2001 (Annexure P-6) may kindly be upheld.

5. I have heard learned counsel for the parties and have gone through the case file with their able assistance.

6. The first question which arises is whether the appointment of respondent-workman coming to an end on completion of a contract will amount to retrenchment or not.

7. The Section 2 (oo) defines the retrenchment and Section 2(oo) (bb) defines where the termination of the services of an employee will not amount to retrenchment.

For better understanding, the Section 2 (oo) (bb) of the Industrial

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Disputes Act, 1947 is reproduced as under-

“2 (oo) “retrenchment” means the termination by the employer of the service of a workman for any reason whatsoever, otherwise than as a punishment inflicted by way of disciplinary action, but does not include-

[(bb) termination of the service of the workman as a result of the non- renewal of the contract of employment between the employer and the workman concerned on its expiry or of such contract being terminated under the stipulation in that behalf contained therein; or]”

8. A bare perusal of the above provision would show that an appointment which is for a specific period, and has not been carry forwarded due to non extension of service contract, the same will not amount to retrenchment.

9. In the present case, it is a conceded position that the service of the respondent-workman came to an end due to non extension of the service contract of the workman, hence, the provisions of Section 2 (oo) (bb) of the Industrial Disputes Act, 1947 will be applicable in the facts and circumstances of the present case. .

10. In case, the termination is not retrenchment, the question of payment of retrenchment compensation does not arise and Section 25 (F) will not be applicable in the present case. The tribunal ignored the relevant provisions of the 1947 Act coupled with the facts of the present case, even though, the same have been correctly mentioned in paragraph No. 8 of the award itself.

11. Keeping in view the totality of circumstances, the impugned

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award dated 09.02.2001 (Anneuxre P-6) passed by the labour Court is perverse to Section 2 (oo) (bb) of the Industrial Disputes Act, 1947, hence, cannot be upheld and is accordingly, set-aside.

12. It may be noticed that in case, any amount which the respondent-workman has already got under Section 17-B of the Industrial Disputes Act, 1947 will not be recovered as the same belongs to the employee concerned.

13. Present petition is allowed in above terms.

14. Pending civil miscellaneous application, if any, stands disposed of with the above observation.

(HARSIMRAN SINGH SETHI)
JUDGE

09.07.2025

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Whether speaking/reasoned: Yes/~~No~~

Whether Reportable: ~~Yes~~/No