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AT CHANDIGARH

CWP-13560-2016

Date of Decision : July 28, 2025

.. Petitioner

Versus

.. Respondents

CORAM: HON'BLE MR. JUSTICE HARSIMRAN SINGH SETHI

Present: Mr. Surinder Gandhi, Advocate, for the petitioner.

Mr. Amit Rao, Advocate, for
Mr. Anurag Goyal, Advocate, for respondents No. 1& 2.

HARSIMRAN SINGH SETHI J. (ORAL)

1. In the present writ petition, the grievance of the petitioner is with regard to the non-grant of benefit of reinstatement in service along with back wages especially when the finding has been recorded by the Tribunal in the Award dated 12.01.2016 (Annexure P-1) that the services of the petitioner were terminated in violation of the provisions of the Industrial Disputes Act, 1947.

2. Learned counsel for the petitioner submits that as a period of 9 years have elapsed since filing of the present petition, the petitioner will be ready to accept the benefit of compensation as per the settled principle of law keeping in view the number of years of service which the petitioner had rendered prior to his illegal dismissal from service.



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3. Learned counsel for the petitioner further submits that the petitioner had worked for a period starting from 07.04.2008 to 15.07.2013 i.e. for a period of five years and therefore, the petitioner be given adequate compensation according to her claim and the settled principle of law.

4. Learned counsel for the respondents submits that keeping in view the totality of the circumstances, the compensation amount not exceeding her average pay for three months @ 12% interest has been awarded by the Labour Court, which grant of compensation be upheld.

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

6. Once the petitioner is ready to accept the benefit of compensation, the petitioner is entitled for compensation in lieu of reinstatement as per the settled principle of law.

7. The Division Bench of this Court in ***LPA No. 1203 of 2021 titled as Sukhbir Singh Vs. State of Haryana and others, decided on 01.03.2023***, has held that for every completed year the employee should be paid ₹50,000/- in case benefit of reinstatement is not granted to the Workman. Relevant paragraphs No. 6 and 7 of the said judgment are as under :-

“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



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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. The Apex Court in *Haryana Urban Development Authority Vs. Om Pal*, (2007) 5 SCC 742 granted Rs.25,000/- for the service of one year whereas in *Uttaranchal Forest Development Corporation Vs. M.C.Joshi*, (2007) 9 SCC 353, for a period of 2 years, a sum of Rs.75,000/- was granted. Similarly, in *Asst.Engineer, Rajasthan Development Corporation & another Vs. Gitam Singh*, 2013 (1) SCR 679, the said view was followed while noticing that the service was of 8 months and thus, compensation of Rs.50,000/- was granted. Similarly, in *Management, Hindustan Machine Tools Ltd. Vs. Ghanshyam Sharma*, 2018 (18) SCC 80, for a period of one year, compensation of Rs.50,000/- had been granted. In *K.V.Anil Mithra & another Vs. Sree Sankaracharya University of Sanskrit & another*, 2021 (4) SCT 415, for a period of little over 4 years, amount awarded was Rs.2,50,000/- in lieu of the reinstatement and backwages of 50% which was granted and accordingly, modified.”

8. A bare perusal of the above would show that as per the settled principle of law, the benefit of compensation in lieu of the reinstatement in service is to be granted to the tune of Rs.50,000/- for each completed year in service and in the present case, the petitioner has completed five years in service before her illegal termination.

9. Keeping in view the fact that the respondents have not challenged the Award dated 12.01.2016 (Annexure P-1) and have accepted the same, by applying the settled principle of law settled in ***Sukhbir Singh's case (supra)***, the impugned Award is modified to the extent that the

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petitioner would be entitled for grant of compensation in accordance with ***Sukhbir Singh's case (supra)*** hence, the petitioner is held entitled for compensation of Rs.2.5 lakhs. The petitioner be released the said compensation within a period of eight weeks of the receipt of copy of this order.

10. The present writ petition is disposed of in above terms.

July 28, 2025*harsha***(HARSIMRAN SINGH SETHI)
JUDGE**

Whether speaking/reasoned : Yes

Whether reportable : No