2025:PHHC:068179-DB

157

IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

CWP-14583-2025 (O&M)
Date of decision: May 20, 2025

Dharamvir Singh and others

….Petitioners

versus

State of Haryana and others

….Respondents

CORAM: HON'BLE MR. JUSTICE SUDHIR SINGH
HON'BLE MR. JUSTICE ALOK JAIN

Present:- Mr. Ashok Kumar Khubbar, Advocate for the petitioners.

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SUDHIR SINGH, J. (ORAL)

The petitioners have sought issuance of a writ in the nature of Mandamus directing the respondent-authorities not to forcibly demolish the houses situated in Labour Colony (also known as Paper Mill Colony), wherein the petitioners claim to have been residing for the last 40 years.

2. Learned counsel for the petitioners contends that all the petitioners were employees of respondent No.4 – M/s Ballarpur Industries Limited, Lajpat Nagar, Paper Mill Colony, Yamuna Nagar, Haryana. It is further argued that while working as such, they had been allotted the houses in the Labour Colony (also known as Paper Mill Colony – having 200 quarters), and thus, the petitioners are occupying the said quarters as licensees. It is further argued that Corporate Insolvency Resolution Process (CIRP) was initiated against respondent No.4 by the National Company Law Tribunal, Mumbai Bench (for short 'NCLT') vide order dated 17.01.2020 under Section 7 of the Insolvency

and Bankruptcy Code, 2016 (for short 'the Insolvency Act'), and the Resolution Plan submitted by respondent No.5 – Finquest Financial Solutions Pvt. Ltd. was approved by the NCLT, on 31.03.2023 (Annexure P-1). It is further argued that as per the said resolution, dues of the workmen are Rs.78.92 crores but out of that, only Rs.9 crores were given to the employees/ workmen. It is further contended that against the order dated 31.03.2023, the Labour Union of the employees filed a Company Appeal in the National Company Law Appellate Tribunal, Principal Bench, New Delhi (for short 'NCLAT'). The NCLAT upheld the approval of the resolution plan, but ordered that the provident fund and gratuity dues i.e., Rs.20.33 crores are to be paid on priority basis.

Learned counsel further contends that apprehending their eviction, some of the petitioners had filed Civil Suit No.128-2024 for permanent injunction. During the pendency of the said suit, respondents No.3, 4 and 5 visited the houses of the petitioners with JCB machines and heavy police force and tried to demolish the residential houses/ quarters. It is further contended that immediately, an application was moved in the aforesaid Civil Suit, and vide order dated 22.04.2025, the Civil Court ordered the status quo in the matter. However, subsequently, vide order dated 28.04.2025, the said status quo order was vacated on the ground that the order dated 11.06.2024 passed by the District Magistrate had not been challenged and the petitioners had not come to the Court with clean hands as the factum of filing of earlier suit and its withdrawal was withheld by them. It is further argued that respondent No.2 – Deputy Commissioner-cum-District Magistrate, Yamuna Nagar, vide order dated 11.06.2024 (Annexure P-7), deputed Naib Tehsildar, Jagadhri as Duty Magistrate to maintain law and order during removal of illegal occupation of Rehri Market vendors and vacation of Company quarters. It is further argued that again some of the company employees filed Civil Suit No.1530 of 2024 for permanent injunction, but the learned Civil Judge (Senior Division), Yamuna Nagar at Jagadhri declined to grant any stay. Respondents No.4 and 5, in order to exert pressure upon the petitioners, disconnected the electricity connections of the quarters of the petitioners, which led to filing of about 25 cases in the Permanent Lok Adalat, Public Utility Services, Yamuna Nagar, wherein the Permanent Lok Adalat, vide order dated 21.05.2024 (Annexure P-11) had ordered the authorities to supply the electricity to the petitioners. Respondent No.4 had also filed a complaint in the Court Chief Judicial Magistrate, Yamuna Nagar under Section 452 of the Companies Act, 2013 for directing the petitioners to deliver possession of the respective quarters within time to be fixed by the Court. Learned counsel further points out that earlier the petitioners filed CWP-14848-2024 challenging the order dated 11.06.2024, but the same was dismissed as withdrawn on 02.07.2024 (Annexure P-22). It is further argued that till date, there are no eviction orders passed in the case, but the respondent/authorities are bent upon to illegally demolish the quarters of the petitioners.

3. We have heard learned counsel for the petitioners and have also gone through the paper-book of the case carefully.

4. It is the case of the petitioners themselves that respondent No.4 has since been closed and the Insolvency Resolution Process and the Resolution Plan submitted by respondents No.4 and 5 have since been approved by the NCLT. This means that the petitioners are no longer the workmen of respondent No.4. It is also the case of the petitioners themselves that for the relief claimed in the present writ petition, they and/ or some of the ex-employees of respondent No.4 have already filed Civil Suits before the Civil Court(s) and the injunction has

been declined by the Civil Court(s). Still further, it is the case of the petitioners that they had also approached the administrative authorities, but no relief was granted in their favour keeping in view the order passed by the NCLT and NCLAT. Thus, it is clear that once the petitioners are no longer the employees of respondent No.4, they cannot seek any right to stay in the quarters allotted to them. The argument of the learned counsel for the petitioners that the petitioners have not been paid their dues of Provident Fund and gratuity cannot be taken into account for stay of the petitioners in the quarters of respondent No.4 when the said company has since been closed and the resolution plan has already been approved by the NCLT and upheld by the NCLAT. The petitioners could raise their claim in the said proceedings claiming their dues, but we do not find any ground to grant any indulgence to the petitioners in the present writ petition.

5. In view of the above, finding no merit, the present writ petition stands dismissed.

6. Pending application(s), if any, shall also stand disposed of.

(SUDHIR SINGH)
JUDGE

(ALOK JAIN)
JUDGE

May 20, 2025
mahavir
Whether speaking/reasoned: Yes/No

Whether reportable: Yes/No