



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

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**CWP-24209-2016 (O&M)
Decided on :30.04.2025**

PREM NARAYAN

..Petitioner

VERSUS

**PRESIDING OFFICER INDUSTRIAL TRIBUNAL LUDHIANA &
ANR.**

... Respondents

CORAM: HON'BLE MR. JUSTICE HARSIMRAN SINGH SETHI

PRESENT: Mr. Ravi Gakhar, Advocate for the petitioner.

Mr. Vivek Dahiya, Advocate for
Dr. Puneet Kaur Sekhon, Advocate for respondent No. 2.

HARSIMRAN SINGH SETHI, J. (Oral)

1.. In the present petition, the challenge is to the impugned award dated 05.04.2016 (Annexure P-3), by which, the claim of the petitioner that his services were terminated by the respondents-department by violating the provisions of the Section 25-F of the Industrial Disputes Act, 1947 (herein after referred to as 'The 1947 Act') has not been accepted by the labour Court and no retrenchment compensation was given to the petitioner, and rather, the case of the petitioner has been treated by the labour Court under Section 2 (oo) (bb) of the 1947 Act, which findings of the labour Court is incorrect in the facts and circumstances of present case.

2. Learned counsel for the petitioner argues that provisions of Section 2 (oo) (bb) of the 1947 Act can only be made applicable keeping in view the nature of the appointment of an employee hence, the nature of appointment of an employee has to be discussed to ascertain as to whether, the employee was appointed for a limited period or for continuous period so



as to ensure the same amounts to retrenchment or not.

3. Learned counsel for the respondents argues that once, it is a conceded fact that the petitioner was given specific appointment upto a particular date and the said appointment came to an end due to non-extension of the contract further, hence, the claim of the petitioner is covered under Section 2 (oo) (bb) of the 1947 Act and therefore, the labour Court has rightly held that compensation for retrenchment was not to be paid to the petitioner and there was no violation of the provisions of 1947 Act.

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

5. It may be noticed that, the findings recorded in paragraph No. 7 of the impugned award wherein, the evidence brought on record has been discussed with regard to the appointment of the petitioner by the respondents-department and the terms and conditions of the appointment were also mentioned therein. A bare perusal of the findings recorded therein would show that the petitioner was appointed for a particular period and his services came to end on 31.03.2005 due to non renewal of his contract any further. Said fact has gone unrebutted. That being so, the issue which needs to be adjudicated is whether the same will amount to retrenchment or will be covered under Section 2 (oo) (bb) of the 1947 Act.

6. For better understanding, the Section 25-F the Act is reproduced as under-

“Section 25F-Conditions precedent to retrenchment of workmen

[25F. Conditions precedent to retrenchment of workmen.--No workman employed in any industry who has been in continuous service for not less than one year under an employer shall be retrenched by that employer until--

(a) the workman has been given one months notice in writing indicating the reasons for retrenchment and the period of notice



has expired, or the workman has been paid in lieu of such notice, wages for the period of the notice;

(b) the workman has been paid, at the time of retrenchment, compensation which shall be equivalent to fifteen days' average pay 3[for every completed year of continuous service] or any part thereof in excess of six months; and

(c) notice in the prescribed manner is served on the appropriate Government 4[or such authority as may be specified by the appropriate Government by notification in the Official Gazette].”

7. Further 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 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 reproduction would show that an appointment which is for a specific period, and has not been carried forward 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 petitioner came to an end due to non extension of the service contract of



the petitioner. That being so, the labour Court has rightly appreciated Section 2 (oo) (bb) of the 1947 Act to hold that the same does not amount to retrenchment and once, the termination did not amount to retrenchment, the claim of the petitioner that Section 25-F of the 1947 Act has been violated has rightly been rejected.

10. Even otherwise, the Award dated 05.04.2016 (Annexure P-3) of the Labour Court can only be interfered in case the same is perverse to the facts or evidence brought on record. In the present case, no perversity has been shown to this Court in the impugned Award that the same is contrary to the facts or evidence as well as the settled principle of law.

11. No ground is made out for any interference by this Court in the facts and circumstances of the present case.

12. Accordingly, the writ petition is dismissed.

13. Pending civil miscellaneous application, if any, stands disposed of.

(HARSIMRAN SINGH SETHI)
JUDGE

30.04.2025

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Whether speaking/reasoned: *Yes/No*

Whether Reportable: *Yes/No*