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

CWP-791-2016 (O&M)

Date of decision: 15.10.2025

Municipal Corporation, Ludhiana

....Petitioner

Versus

Kulwant Singh and another

....Respondents

CORAM: HON'BLE MR. JUSTICE KULDEEP TIWARI

Present: Mr. Ashok Kumar Bazaz, Advocate,
for the petitioner.

Mr. Vivek Chauhan, Advocate,
for respondent No.1.

KULDEEP TIWARI, J. (Oral)

1) The petitioner-Municipal Corporation, Ludhiana-Management has knocked the doors of this Court by way of instant writ petition, as cast under Articles 226/227 of the Constitution of India, thereby challenging the award dated 09.03.2015 (Annexure P-7), passed by learned Labour Court, Ludhiana, vide which, respondent-workman has been granted the relief of reinstatement with continuity of service, and 40% back wages. However, liberty has also been granted to the petitioner to terminate the services of the workman again by adopting the procedure prescribed, if no work relating to JCB machine is available.

2) Succinctly, the case, as set up by the respondent-workman by filing a claim petition, is that he was appointed as a JCB Operator with the petitioner-Management on 08.04.1999, on DC rate. His average wages, at the time of termination, were Rs.2,500/- per month. However,

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without issuing any notice or making compliance of Section 25-F, G and H of the Industrial Disputes Act, 1947 (for short, the Act'), his services were illegally terminated on 21.11.2001. Feeling aggrieved, a claim statement dated 30.10.2003, was filed, which was sent as a reference to the learned Labour Court, under Section 10 (1) (c) of the Act, for adjudication.

3) After considering the matter and evidence on record, the learned Labour Court found that since the workman had worked for more than 240 days, therefore, he, indeed, would be a workman. Likewise, it was also observed that there was infraction of the provisions of Sections 25-F, G and H. Accordingly, the impugned award dated 09.03.2015 (Annexure P-7), has been passed granting the relief, as recorded above.

4) Learned counsel for the petitioner submits that no post of JCB Operator is available with the Management, and therefore, the relief of reinstatement could not be given effect to. He further submits that concededly, the petitioner had worked for about 2 years and 7 months, but only on account of infraction of Section 25-F, of the Act, the learned Labour Court ought not to have granted the relief of reinstatement. In support of his contentions, a reference is made to a verdict drawn by the Hon'ble Supreme Court in *Civil Appeal No.13834 of 2024, (Maharashtra State Road Transport Corporation vs. Mahadeo Krishna Naik, decided on 14.02.2025).*

5) *Per contra*, learned counsel for the respondent-workman submits that, it is not the case of infraction of Section 25-F of the Act only, rather a case of unfair labour practice adopted by the petitioner-

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management. In this regard, he invites attention of the Court to the demand notice/claim statement, wherein, it was specifically asserted that one Bhajan Singh, who was junior to the respondent-workman, was retained in service, and this fact has not been denied by the petitioner-Management. Therefore, undoubtedly, the learned Labour Court has rightly answered the reference in favour of the respondent-workman.

6) This Court has heard the submissions advanced on behalf of the parties, and perused the record.

7) *Ex facie*, the principal contention raised on behalf of the workman that a junior to him was retained in service carries no weight, as no evidence was led by the petitioner to substantiate that Bhajan Singh was working as JCB Operator. Furthermore, it was also not proved that he was junior to the respondent-workman, except raising bald assertions. Rather, the entire case of the respondent-workman is predicated upon non-denial of the his plea, by the petitioner-Management, which, in any case, does not tantamount to approval, and entitle him for any relief. Therefore, this argument is hereby rejected. In such circumstances, this Court is of the affirmed opinion that, before granting the relief of reinstatement, only on account of infraction of Section 25-F of the Act, the learned Labour Court ought to have considered the law laid down by the Hon'ble Supreme Court in **Mahadeo Krishna Naik (supra).**

8) In the wake of the position sketched out above, and the law laid down by the Hon'ble Supreme Court, this Court is of the considered view that the relief of reinstatement is unsustainable. Accordingly, the impugned award is modified to the extent that the relief of reinstatement

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is set aside.

9) Now the issue, which remains to be dealt with, is with regard to compensation. In this regard, it is apt to refer to a decision rendered by a Coordinate Bench of this Court in **CWP-11057-2001 (State of Haryana versus Surjeet and another)**, decided on 30.07.2025, has submitted that for each preceding year, in which the workman has worked, he is entitled to Rs.50,000/-, as lump sum compensation. The relevant part thereof, is extracted hereinafter :-

“6. As per the settled principle of law settled by the Division Bench of this Court in LPA No.1203-2021 titled as Sukhbir Singh vs. State of Haryana and others decided on 01.03.2023 , an employee is entitled for compensation in lieu of benefit of reinstatement in service. Relevant paragraphs 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 be justified to put him back in service since a period of almost 25 years has gone by and therefore, it would be just 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.

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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 back wages of 50% which was granted and accordingly, modified.”

7. A bare perusal of the above reproduction would show that for each completed year, instead of reinstatement, a workman can be paid compensation to the tune of Rs.50,000/ for each completed year. Keeping in view the fact that in the present case, respondent No.1-workman had worked for a period of more than 06 years, he becomes entitled for sum of Rs.3,00,000/- on the said account.”

10) In the matter at hand, concededly, the respondent-workman had worked for about 2 years and 7 months with the petitioner-Management. Further, *albeit*, impugned award was passed as back as back as in the year 2015, but the respondent-workman had been pursuing

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his cause since, 2003. Considering the all these factual aspects of the matter, this Court is of the considered view that workman, the interest of justice would be met if the respondent-workman is compensated @ Rs.1,00,000/- per year, which works out to Rs. 2,50,000/- as a lump sum compensation.

- 11) Ordered accordingly.
- 12) The petitioner-management is directed to remit the abovesaid amount to the respondent-workman, within a period of six weeks from the receipt of a certified copy of this order.

(KULDEEP TIWARI)
JUDGE

15.10.2025
Ak Sharma

Whether speaking/reasoned	Yes
Whether reportable	Yes/No