



IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

(232)

CWP No. 31109 of 2019 (O&M)

Date of Decision : 03.07.2025

Ashok Kumar

...Petitioner

Versus

Quantum Communication and another

...Respondents

CORAM: HON'BLE MR. JUSTICE HARSIMRAN SINGH SETHI

Present: Mr. Jatinder Singh Gill, Advocate for the petitioner.

Mr. P.K. Gupta, Advocate for respondent No. 1.

Harsimran Singh Sethi J. (Oral)

1. In the present petition, the challenge is to the Award dated 09.04.2019 (Annexure P-3) passed by the Labour Court, wherein, the termination of the services of the petitioner was held to be bad and rather than giving benefit of reinstatement in service to petitioner, the benefit of compensation was awarded to the tune of ₹1,26,000/- along with interest @ 8% per annum from the date of the Award till the actual realization.

2. Learned counsel for the petitioner argues that the petitioner had worked for a period of ten years starting from 16.07.2002 and he remained working with the Management till 16.12.2012 when his services were terminated hence, keeping in view the settled principle of law settled by 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, for each completed year, the employee should be granted compensation of ₹50,000/-



in case, benefit of reinstatement in service is not granted to the petitioner-Workman. Learned counsel for the petitioner submits that the petitioner is entitled for a compensation of ₹5 lacs instead of ₹1,26,000/- as above.

3. Learned counsel for appearing on behalf of respondent No. 1 submits that keeping in view the fact that the termination was held to be bad and the benefit of compensation was granted, the Tribunal was within the jurisdiction to decide the quantum of compensation as well and, therefore, the computation of compensation to the tune of ₹1,26,000/- is perfectly valid.

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

5. The jurisdiction exists with the Tribunal to grant the benefit of compensation instead of reinstatement in service after holding that the termination of the services of a workman is bad. The issue as to how the benefit of compensation instead of reinstatement in service should be computed is no longer res-integra.

6. The Division Bench of this Court in ***Sukhbir Singh's case (supra)***, after considering the law on the issue qua how much compensation is to be granted, has held that the employee who is granted benefit of compensation, should be granted compensation to the tune of ₹50,000/- for each completed year. 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 3 of 5 Neutral Citation No:= 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. 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.”

7. Learned counsel for the respondent has not been able to rebut the said principle of law.



8. Keeping in view the principle of law noticed here-in-before, the compensation of ₹1,26,000/- granted in favour of the petitioner on account of his illegal termination by the Labour Court cannot be treated as adequate and is not in consonance with the settled principle of law noticed here-in-before hence, the quantum of compensation to be granted to the petitioner is modified from ₹1,26,000/- to ₹5 lacs to be paid to the petitioner. Rest of the conditions mentioned in the impugned Award will remain same.

9. Writ petition is allowed in above terms.

10. Pending miscellaneous application, if any, also stands disposed of.

July 03, 2025
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(HARSIMRAN SINGH SETHI)
JUDGE

Whether speaking/reasoned : Yes

Whether reportable : No