



2025:DHC:4818



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* **IN THE HIGH COURT OF DELHI AT NEW DELHI*****Date of Decision: 19.05.2025***+ **W.P.(C) 13866/2019 & CM APPL. 55653/2019, 55655/2019****THE MAISON COMPANY**

.....Petitioner

Through: Mr. Chirayu Jain and Mr. Geet
Kumar Dahariya, Advs.

versus

SH. ANWAR ALI AND ORS.

.....Respondents

Through: Ms. Avni Singh, Panel Counsel for
GNCTD.**CORAM:****HON'BLE MS. JUSTICE TARA VITASTA GANJU****TARA VITASTA GANJU, J.: (Oral)**

1. None appears for Respondent No.1/contesting Respondent.
2. The present Petition has been filed under Article 226 and 227 of the Constitution of India, impugning the order dated 13.11.2018 wherein the Petitioner was proceeded *ex-parte* [hereinafter referred to as “order dated 13.11.2015”], *ex-parte* award dated 16.11.2018 [hereinafter referred to as “Impugned Award”] and order dated 09.12.2018 whereby application moved on behalf of the Petitioner/Management for setting aside the Impugned Award has been dismissed for non-prosecution [hereinafter referred to as “order dated 09.12.2018”].
3. By the Impugned Award, the learned Labour Court has directed that Respondent No.1/workman is entitled to the relief of reinstatement with full back wages and continuity of service. A Coordinate Bench of this Court by its order dated 24.12.2019, had stayed the operation of the Impugned Award till the next date of hearing subject to the deposit of Rs. 2 lakhs by with Petitioner/Management before the Registry of this Court.



3.1 Learned Counsel for the Petitioner submits that the amount was since deposited with the Registry of this Court.

4. It is the case of the Petitioner that although, summons were served upon the Petitioner since the Petitioner was unable to appear on the date fixed by the learned labour Court i.e., 13.11.2018, the Petitioner was proceeded with *ex-parte*. In addition, it is contended that within three days thereof, the evidence of the Respondent No.1/Workmen was concluded and the Impugned Award was passed in favour of Respondent No.1.

5. Learned Counsel for the Petitioner submits that the Petitioner has a good case on merits and in this behalf, the Petitioner had also filed an Application before the learned Labour Court seeking to set aside the Impugned Award [hereinafter referred to as “Application”], however by an order dated 09.12.2019 the same was also dismissed in view of the fact that the Petitioner was unable to appear.

5.1 It is stated by learned Counsel for the Petitioner that the Application was listed before the learned Labour Court on 14.11.2019 and the learned Labour Court listed the Application on 22.04.2020. Thereafter, an application for early hearing was filed by the Petitioner and the Application was put up for consideration on 02.12.2019. However, on 02.12.2019, since an adjournment was sought by the Petitioner due to ill health of the counsel of the Petitioner, the Application was dismissed in default.

5.2 Learned Counsel for the Petitioner submits that on 02.12.2019, the Counsel for the Petitioner was unwell and thus, he could not appear. Reliance in this behalf is placed on an affidavit dated 11.12.2019 filed by the counsel for the Petitioner before the learned Labour Court.



6. The principle contention of the Petitioner *qua* the Impugned Award is that there are no findings given in the favour of the workman, despite which the Impugned Award was passed by the learned Labour Court. Reliance is placed on paragraphs 8 and 9 of the Impugned Award to submit that the findings are limited to these paragraphs alone.

6.1 Learned Counsel for the Petitioner seeks to rely upon the statement of claim which was filed by the Respondent No.1 before the learned Labour Court to state that the claim was made for illegal termination by Respondent No.1 and also a claim was made for accrued wages and over-time for the period from 01.06.2015 till 15.06.2015. In addition, he submits that the documents filed by Respondent No.1 were only the demand letters and complaints, and no evidence was produced by Respondent No.1 before the learned Labour Court.

7. On merits, it is contended that the Petitioner had in its Application (for setting aside of the *ex-parte* Award) had admitted to the employment of Respondent No.1. However, it has clarified that Respondent No.1 had taken a loan from the Petitioner and that Respondent No.1 left office on accord for his village in June, 2018. On his return on 22.06.2018, the Respondent No.1 had come to the office of the Petitioner and left the employment of the Petitioner after taking his full dues.

8. Learned Counsel for the Petitioner further submits that the Petitioner also challenges the Impugned Award on the ground of bias. Learned Counsel for the Petitioner submits that an Application was filed by the Petitioner seeking transfer of the matters of the Petitioner to another Labour Court. Pursuant to order dated 12.09.2019 passed by Division Bench of this



Court in LPA 538/2019 captioned as ***The Maison Company v. Md. Shakeel & Ors.***, on 12.12.2019, the matters of the Petitioner which were pending before the Court of learned Presiding Officer, Labour Court, Rouse Avenue Court Complex were transferred to another Court.

9. Before proceeding further, it is apposite to set out the relevant extract of the Impugned Award below:

**“PART-B
MANAGEMENT’S STAND/REPLY**

7. *The management despite being served with the notice of claim petition did not put up appearance and accordingly was proceeded ex-parte vide order dated 13.11.2018.*

**PART-C
WORKMAN’S EVIDENCE**

8. *In support of his claim workman examined himself as WW1 and deposed along the lines of statement of claim and also proved on record documents in support.*

9. **The management has also not come forward to cross-examine the claimant.**

**PART-D
FINDINGS/CONCLUSION**

10. **After considering the claim, reply document and the evidence led on record, decision of the court is as under.**

11. **As the management has not come forward to file any Written Statement or to cross-examine the claimant or to lead its own evidence, the evidence of the claimant remain uncontroverted and unrebutted and as such accepted on its face value.**

12. **Hence, the claimant is held entitled to the relief of reinstatement with full back wages and continuity of service.”**

[Emphasis Supplied]

10. This Court has also examined the documents that were filed along with the Claim Petition by Respondent No.1 The documents which were filed are the following:

“List of documents

1. *Copy of the demand letter.*



2. Copy of speed post mail receipt.
3. Copy of the complaint given to Assistant Labour Commissioner.
4. The Certified copy of the action taken by the Labor Inspector from time to time.
5. Copy of the report given by the Labour Inspector.
6. Attested copy of the challan filed by the Labour Inspector.
7. Copy of the claim statement filed before the Labour Conciliation Officer.”

11. As can be seen from the above, no documents other than the complaints were placed on record by Respondent No.1 before the learned Labour Court, thus the contention in the Impugned Award that it was based on evidence as placed on record by the Respondent No.1 does not appear to be correct. In any event, no reasoning or analysis whatsoever has been set out in the Impugned Award as is reflected from Part – C and Part – D of the Impugned Award.

12. The Supreme Court in the case of ***Uttar Pradesh State Road Transport Corporation vs. Jagdish Prasad Gupta***¹ has held that it is the duty of the Court to ensure that reasons are provided in the order so as to introduce clarity in the order indicating the application of mind thereby avoiding arbitrariness in the decision. It was held that the failure to give reasons amounts to a denial of justice. The relevant paragraph nos. 8, 9 & 10 are reproduced hereunder:-

“8. “5. ... *Reasons introduce clarity in an order. On plainest consideration of justice, the High Court ought to have set forth its reasons, howsoever brief, in its order indicative of an application of its mind, all the more when its order is amenable to further avenue of challenge. The absence of reasons has rendered the [High Court's judgment] not sustainable.* ...

6. Even in respect of administrative orders, Lord Denning, M.R. in *Breen v.*

¹ (2009) 12 SCC 609



*Amalgamated Engg. Union [(1971) 2 QB 175 : (1971) 2 WLR 742 : (1971) 1 All ER 1148 (CA)] observed : (WLR p. 750 G). 'The giving of reasons is one of the fundamentals of good administration.' In *Alexander Machinery (Dudley) Ltd. v. Crabtree* [1974 ICR 120] it was observed:*

'Failure to give reasons amounts to denial of justice. Reasons are live links between the mind of the decision-taker to the controversy in question and the decision or conclusion arrived at.'

Reasons substitute subjectivity by objectivity. The emphasis on recording reasons is that if the decision reveals the 'inscrutable face of the sphinx', it can, by its silence, render it virtually impossible for the courts to perform their appellate function or exercise the power of judicial review in adjudging the validity of the decision. Right to reasons is an indispensable part of a sound judicial system, reasons at least sufficient to indicate an application of mind to the matter before court. Another rationale is that the affected party can know why the decision has gone against him. One of the salutary requirements of natural justice is spelling out reasons for the order made, in other words, a speaking-out. The 'inscrutable face of a sphinx' is ordinarily incongruous with a judicial or quasi-judicial performance."

[Emphasis supplied]

12.1 The proposition of law that reasoning is required to be given in judicial pronouncements and by authorities, even for *quasi-judicial* decisions has been discussed in detail in the decision of the Supreme Court in the case of ***Kranti Associates (P) Ltd. vs. Masood Ahmed Khan***². The relevant extract is set out below:

"47. Summarising the above discussion, this Court holds:

- (a) **In India the judicial trend has always been to record reasons, even in administrative decisions, if such decisions affect anyone prejudicially.**
- (b) A quasi-judicial authority must record reasons in support of its conclusions.
- (c) **Insistence on recording of reasons is meant to serve the wider principle of justice that justice must not only be done it must also appear to be done as well.**
- (d) **Recording of reasons also operates as a valid restraint on any possible arbitrary exercise of judicial and quasi-judicial or even**

² (2010) 9 SCC 496



administrative power.

(e) Reasons reassure that discretion has been exercised by the decisionmaker on relevant grounds and by disregarding extraneous considerations.

(f) Reasons have virtually become as indispensable a component of a decision-making process as observing principles of natural justice by judicial, quasi-judicial and even by administrative bodies.

(g) Reasons facilitate the process of judicial review by superior courts.

(h) The ongoing judicial trend in all countries committed to rule of law and constitutional governance is in favour of reasoned decisions based on relevant facts. This is virtually the lifeblood of judicial decision-making justifying the principle that reason is the soul of justice.

(i) Judicial or even quasi-judicial opinions these days can be as different as the judges and authorities who deliver them. All these decisions serve one common purpose which is to demonstrate by reason that the relevant factors have been objectively considered. This is important for sustaining the litigants' faith in the justice delivery system.

(j) Insistence on reason is a requirement for both judicial accountability and transparency.

(k) If a judge or a quasi-judicial authority is not candid enough about his/her decision-making process then it is impossible to know whether the person deciding is faithful to the doctrine of precedent or to principles of incrementalism.

(l) Reasons in support of decisions must be cogent, clear and succinct. A pretence of reasons or "rubber-stamp reasons" is not to be equated with a valid decision-making process.

(m) It cannot be doubted that transparency is the sine qua non of restraint on abuse of judicial powers. Transparency in decision-making not only makes the judges and decision-makers less prone to errors but also makes them subject to broader scrutiny. (See David Shapiro in Defence of Judicial Candor [(1987) 100 Harvard Law Review 731-37].)

(n) Since the requirement to record reasons emanates from the broad doctrine of fairness in decision-making, the said requirement is now virtually a component of human rights and was considered part of Strasbourg Jurisprudence. See Ruiz Torija v. Spain [(1994) 19 EHRR 553] EHRR, at 562 para 29 and Anya v. University of Oxford [2001 EWCA Civ 405 (CA)] , wherein the Court referred to Article 6 of the European Convention of Human Rights which requires, "adequate and intelligent reasons must be given for judicial decisions".



(o) In all common law jurisdictions judgments play a vital role in setting up precedents for the future. Therefore, for development of law, requirement of giving reasons for the decision is of the essence and is virtually a part of “due process”.”

[Emphasis supplied]

13. Quite clearly and given the fact that no findings have been in the Impugned Award, the Impugned Award suffers from an infirmity and is accordingly set aside. Consequently, all orders and directions emanating therefrom shall also stand quashed.

14. However, in view of the conduct of the Petitioner which shows a lackadaisical approach in the proceedings before the learned Labour Court, this Court deems it apposite to impose costs in the sum of Rs. 15,000/- on the Petitioner to be paid to the Respondent No.1/Workman within four weeks from today.

14.1 The amount that has been deposited by the Petitioner in terms of the orders of this Court shall remain deposited and the deposit shall be subject to the outcome of the orders passed by the learned Labour Court.

15. The matter is remanded to the learned Labour Court. The parties shall appear before the learned Labour Court on 07.07.2025.

16. The Petitioner shall file its written statement along with all documents in support of its contentions within a period of six weeks from today with an advance copy to Respondent No.1 including through Counsel.

17. Learned Counsel for the Petitioner submits that the Petitioner will remain present on each date of hearing through its authorised representative. The Petitioner is bound down by the statement made by its Counsel today.



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18. The Petition is disposed of in the foregoing terms. All pending Applications also stand closed.

19. The parties will act based on the digitally signed copy of the order.

TARA VITASTA GANJU, J

MAY 19, 2025/r

[Click here to check corrigendum, if any](#)