

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

106

(I) CWP-1405-2002

Date of Decision : May 26, 2026

PUNJAB FINANCIAL CORPORATION AND ANOTHER

-PETITIONER

V/S

MALKIAT SINGH AND ANOTHER

-RESPONDENTS

(II) CWP-1410-2002

PUNJAB FINANCIAL CORPORATION AND ANOTHER

-PETITIONERS

V/S

AMRIK DASS AND ANOTHER

-RESPONDENTS

(III) CWP-14403-2002

AMRIK DASS

-PETITIONER

V/S

**PRESIDING OFFICER, LABOUR COURT, PATIALA AND
OTHERS**

-RESPONDENTS

CORAM: HON'BLE MR. JUSTICE KULDEEP TIWARI

Present: Mr. G.S. Bal, Sr. Advocate, with
Mr. Avtar Singh, Advocate
for the petitioners (in CWP-1405-2002 & CWP-1410-2002)
for the respondents No.2 and 3 (in CWP-14403-2002).

Mr. S.K. Sharma (Budhladawale), Advocate
for the petitioner (in CWP-14403-2002)
for the respondent No.1 (in CWP-1405-2002 &
CWP-1410-2002).

KULDEEP TIWARI, J. (ORAL)

1. All these writ petitions are amenable to being decided through a

common verdict on account of their embodying alike facts, besides assailing identical awards dated 14.05.2001 passed by the Labour Court, Patiala, against a common management. To be precise, two of the writ petitions have been filed by the management challenging the grant of reinstatement with continuity of service to the workmen, whereas one writ petition has been filed by one of the workmen seeking modification of the award to the extent that he is also entitled to consequential relief of back wages.

2. What surges forth from a perusal of the record is that the services of the workmen were terminated as far back as in the year 1993, and the impugned awards were passed in the year 2001. A Division Bench of this Court, vide order dated 23.01.2002, stayed the operation of the impugned awards, subject to compliance with Section 17-B of the Industrial Disputes Act, 1947. The compliance of Section 17-B by the management is not in dispute.

3. Learned senior counsel representing the management submits that the relief of reinstatement, as granted by the Labour Court, cannot now be extended to the workmen, as they have already attained the age of superannuation.

4. Learned counsel appearing for the workmen, on the other hand, submits that in view of the workmen having attained the age of superannuation, the impugned awards may be modified to grant them lump-sum compensation in lieu of reinstatement.

5. In view of the above, and having regard to the fact that the workmen have already attained the age of superannuation, this Court is of the considered view that instead of examining the legality of the impugned

awards insofar as they direct reinstatement, it would be appropriate to consider the claim of the workmen for grant of lump-sum compensation in lieu thereof.

6. In order to determine the quantum of compensation, it is appropriate to refer to the judgment rendered by a Division Bench of this Court in ***CWP-11057-2001, State of Haryana v. Surjeet and another, decided on 30.07.2025***, wherein the workman was held entitled to lump sum compensation of ₹ 50,000/- for each completed year of service. The relevant observations are as follows:

“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. 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.”

7. In the present cases, the workmen had, undisputedly, rendered approximately four years of service with the management. Having regard to the totality of the circumstances, this Court is of the considered view that the ends of justice would be met by awarding each of the workmen lump-sum compensation of ₹2,00,000/-. The management is directed to remit the aforesaid amount to the bank accounts of the workmen, particulars whereof are specified hereunder, within a period of six weeks from the date of receipt of a certified copy of this order, failing which the said amount shall carry interest @ 9% per annum.

Name: Malkiat Singh
Account No.: 01232151005330
IFSC Code: PUNB0012310
Punjab National Bank
Outside Delhi Gate, Malerkotla- 148023

Name: Amrik Dass
Account No.: 00701000005898
IFSC Code: PSIB0000070
Punjab & Sind Bank
Ghagga, District Patiala

8. All these writ petitions stand disposed of accordingly.
9. A photocopy of this order be placed on file of each connected case.

May 26, 2026
devinder

(KULDEEP TIWARI)
JUDGE

Whether speaking/reasoned : Yes/No
Whether Reportable : Yes/No