

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

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CWP-22156-2022

Date of Decision : January 28, 2026

SURMUKH SINGH

-PETITIONER

V/S

**MANAGING DIRECTOR, PEPSU ROAD TRANSPORT
CORPORATION AND OTHERS**

-RESPONDENTS

CORAM: HON'BLE MR. JUSTICE KULDEEP TIWARI

Present: Mr. Ravi Gakhar, Advocate (Through V.C.)
for the petitioner.

Mr. Anil Kumar Sharma, Advocate
for the respondent No.1.

Mr. Jagan Nath Bhandari, Advocate (Through V.C.)
for the respondent No.2.

KULDEEP TIWARI, J. (ORAL)

1. The present writ petition assails the award dated 19.04.2022 (Annexure P-1), whereby the respondent No.3/Industrial Tribunal, Patiala, although held that the termination of the petitioner/workman was illegal, did not grant reinstatement and instead directed the respondent No.1/management to pay compensation of ₹ 35,000/- within a period of 45 days from the date of publication of the award, failing which the said amount was directed to carry interest @ 6% per annum till realization.

2. Learned counsel for the petitioner submits that despite the petitioner having undisputedly rendered approximately 7 years and 5 months of service with the respondent No.1, the compensation awarded is paltry and grossly inadequate. To buttress his much emphasized submission

regarding the inadequacy of compensation, learned counsel places reliance upon the judgment 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.

3. Learned counsel for the petitioner further places reliance upon ***CWP-22272-2019, Jasmer Singh v. Managing Director, Pepsu Roadways Transport Corporation, Nabha Road, Patiala and another, decided on 14.10.2025***, to contend that the issue involved in the present writ petition already stands examined by this Court and, in an identical factual matrix involving the same management (respondent No.1 herein), the workman was held entitled to compensation of ₹50,000/- for each completed year of service.

4. *Per contra*, learned counsel for the respondent No.1 submits that at the time of termination, i.e. on 10.08.2011, the petitioner was drawing a monthly salary of ₹4,500/- and, therefore, the compensation awarded by the Industrial Tribunal is just, fair, and adequate.

5. This Court has heard the submissions advanced by learned counsel for the parties and has made a studied survey of the record. Since the sole emphasis of the challenge is on the inadequacy of compensation, the scope of consideration has been confined to that issue alone.

6. The facts qua which there is no wrangle amongst the contesting litigants are that the petitioner joined the services of the respondent No.1, as a Driver, on 20.02.2004 and continued to work till 10.08.2011, when his services were terminated. His last drawn salary was ₹4,500/- per month.

7. It emerges from a perusal of the impugned award that while deciding Issue No.1 in favour of the petitioner, the Industrial Tribunal rightly held the termination of his services to be illegal. However, in the considered opinion of this Court, the quantum of compensation awarded is wholly disproportionate to the length of service rendered by the petitioner and is, therefore, grossly inadequate. In determining the quantum of compensation, it is deemed imperative to refer to the judgment of the Division Bench of this Court in **Surjeet's** case (*supra*). 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.”

8. At this juncture, it is also apposite to refer to the judgment rendered by this Court in **Jasmer Singh’s** case (*supra*), the facts whereof were quite alike the case at hand. The relevant paragraphs of the said judgment are extracted hereunder:-

“3. Succinctly, the petitioner was appointed as a Driver, on contract basis, w.e.f. 03.03.2001 to 26.07.2008. Thereafter, his services were terminated, vide order dated 27.07.2008, and at that point of time, he was getting salary of Rs.3,250/- per month. The contract of employment of the petitioner was revoked, on account of remaining absent from duty. Post passing of the termination order, the petitioner served a demand notice on 12.05.2014, and on failure of the conciliation proceedings, the dispute was referred to the learned Industrial Tribunal, for adjudication under Section 2-A and Section 10(1) (c) of the ID Act. The learned Tribunal found that the services of the petitioner/workman were illegally terminated, without compliance to the provisions of Section 25(f) of the ID Act. However, while placing reliance upon the judgment of Hon'ble

Supreme Court in 'Haryana State Electronics Development Corporation Ltd. versus Mamni' 2006(2) LLJ Page 744 (SC), by the learned Tribunal concerned, the petitioner/workman was denied the relief of re-instatement rather, only a meagre compensation was granted.

4. Learned counsel for the petitioner placed emphasis only with regard to inadequate compensation, and therefore, only the said issue has been examined by this Court. The learned Tribunal has granted the compensation of Rs.70,000/- only, whereas, there is no dispute that the petitioner had worked from March 2001 to July, 2008. The issue of quantum of compensation has already been considered by Coordinate Bench of this Court in CWP No.11057 of 2001, titled 'State of Haryana vs. Surjeet and another' decided on 30.07.2025.

5. This Court has considered the judgment passed by the Coordinate Bench of this Court, and there is no dispute with regard to the ratio laid down therein. However, in the instant case, since the petitioner/workman, has worked from March 2001 to July 2008, therefore, this Court considers that the petitioner/workman, is entitled for a lump sum compensation, which is to be calculated @ Rs.50,000/- for each year, the workman had worked with the respondent No. 1/Management. The compensation amount shall be paid to the petitioner/workman, within a period of four weeks, from the date of receipt of certified copy of this order.”

9. In view of the above, this Court is of the considered view that the ends of justice would be met by awarding the petitioner/workman, who rendered services from 20.02.2004 till 10.08.2011, compensation of ₹50,000/- for each completed year of service. Consequently, the impugned award is modified to the extent that the petitioner/workman is entitled to compensation calculated @ ₹50,000/- for each completed year of service.

10. The respondent No.1/management is directed to remit the aforesaid amount to the petitioner/workman within a period of eight weeks from the date of receipt of a certified copy of this order, failing which the

said amount shall carry interest @ 9% per annum.

11. At this stage, learned counsel for the respondent No.1/management seeks liberty to recover the awarded amount from the respondent No.2/outsourcing agency. However, such a request cannot be considered at this stage, as the respondent No.1 is always at liberty to raise this issue before the appropriate forum/court by instituting appropriate proceedings in accordance with law.

12. Disposed of accordingly.

January 28, 2026
devinder

(KULDEEP TIWARI)
JUDGE

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