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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

Date of Decision: 01.04.2026

+ **LPA 181/2026, CM APPL. 20506/2026 & CM APPL. 20507/2026**

THE SENIOR DIVISIONAL MANAGER LIC OF INDIA
& ANR.

.....Appellants

Through: Mr. S. Rajappa, Mr. R. Gowrishankar
& Ms. G. Dhivyasri, Advocates.

versus

RAJEEV KUMAR & ANR

.....Respondents

Through:

CORAM:

HON'BLE THE CHIEF JUSTICE

HON'BLE MR. JUSTICE TEJAS KARIA

TEJAS KARIA, J. (ORAL)

1. The present *intra court* Appeal challenges the order dated 03.02.2026 (“**Impugned Order**”) passed in CM APPL. 40868/2018 (“**17B Application**”) in W.P. (C) 5869/2017 (“**Writ Petition**”), whereby the learned Single Judge directed the Appellant to make the payment under Section 17B of the Industrial Disputes Act, 1947 (“**ID Act**”).

2. The Appellant has challenged the Impugned Order on the ground that the case of Respondent No. 1 is not covered under Section 2(s) of the ID Act as the same is not applicable in view of applicability of the provisions of Life Insurance Corporation Act, 1956 (“**LIC Act**”) and the regulations made therein. The Appellant has contended that the interplay between the LIC Act and ID Act is no longer *res integra* in view of the decision of the Supreme



Court in *A.V. Nachane & Anr. v. Union of India AIR, 1982 SC 1126*, wherein it has been laid down that after the rules were framed under the LIC Act in respect of the matters dealt with by such rules, the provisions of the ID Act will cease to apply to that extent.

3. It was further submitted on behalf of the Appellant that in view of the law laid down by the Supreme Court in *A.V. Nachane (supra)*, the Award dated 28.12.2016, which was challenged in the Writ Petition, was null and void.

4. The learned Counsel for the Appellant submitted that during the pendency of the Writ Petition, the Supreme Court in the case of *Ranbir Singh v. S.K. Roy, Chairman, Life Insurance Corporation of India & Anr.*, 2018 SCC OnLine SC 3779, has held that the Labour Court has no jurisdiction to deal with the case of the workmen of the Life Insurance Corporation of India (“LIC”) in view of Section 48(2) of the LIC Act and the Regulations governing the terms and conditions of service of an employee and agents of LIC of India and, therefore, the ID Act will not be applicable.

5. In view of the above, it was submitted on behalf of the Appellant that the Impugned Order granting the prayer under Section 17B of the ID Act was erroneously allowed as the Award under challenge in the Writ Petition was *non est* in the eyes of law. It was further submitted by the learned Counsel for the Appellant that the learned Single Judge did not appreciate the law laid down in *Ranbir Singh (supra)*, wherein the Supreme Court has categorically held that the provisions of the ID Act will not apply to workmen of LIC as the jurisdiction of Labour Court is ousted by provisions of Section 48(2) of the LIC Act.



6. We have heard the learned Counsel for the Appellant and when it was enquired from the learned Counsel for the Appellant as to whether the Appellant had taken the ground of non-applicability of ID Act in view of the applicability of the LIC Act to the Respondent before the Labour Court, the learned Counsel for the Appellant relied upon the written statement filed by the Appellant before the Labour Court, which raises the preliminary objections as under:

“1. That the applicant not being an employee of the LIC of India is not all entitled to invoke the jurisdiction of the Hon’ble Labour Court and as such the notice issued under Section 6-H of the U.P. Industrial Disputes Act, 1947, having been wrongfully issued on application by temporary summer seasonal waterman who temporarily worked from 26-4-2004 to 19-07-2004 as such the entire proceedings are without jurisdiction.

2. That the LIC of India being a Central Government statutory body under supervision of the Ministry of Finance, duly constituted by an Act of Parliament namely the Life Insurance Corporation Act of 1956, as such the provision of the U.P. Industrial Disputes Act, 1947, are not at all applicable to such central govt. organization.

3. That the falsity of the Application is fully proved by the fact that it has been filed after more than two years since the temporary period elapsed on 19-07-2004 and even afterwards the applicant never worked even on temporary basis. Thus the application is not only time barred but also barred by the principles of estoppel and acquiescence.”

7. Based on the above position of the Appellant before the Labour Court, it is evident that the Appellant's arguments are inconsistent. The Appellant asserted that the Respondent was not an employee of LIC of India, thereby claiming the LIC Act was inapplicable, but simultaneously contended that the ID Act does not apply due to the LIC Act's applicability. As a result, the Appellant did not acknowledge the applicability of the LIC Act to the Respondent, stating instead that the Respondent was a temporary summer



seasonal workman and thus not an employee of LIC. If the Respondent was not an employee of LIC, then the LIC Act would not apply, resulting in the Respondent's case being governed by the ID Act.

8. The Labour Court has passed the Award, notwithstanding the Appellant's preliminary objection regarding the non-applicability of ID Act. As the Award is currently under challenge in a Writ Petition before the learned Single Judge, which remains pending adjudication, the ID Act will continue to apply to the present case unless and until the Award is stayed or set aside. The question of the ID Act's applicability, given the Appellant's inconsistent positions, will be resolved during the final hearing of the Writ Petition.

9. Unless the Award is overturned, the ID Act governs the Respondent's case and, accordingly, the learned Single Judge correctly invoked the provisions of ID Act while passing the Impugned Order allowing the 17B Application, directing the Appellant to pay the Respondent his last drawn monthly wages from the date of the Award until disposal of the Writ Petition, conditional upon the Respondent submitting an affidavit affirming his continued unemployment and absence of adequate remuneration.

10. The Appellant's argument regarding the non-applicability of the ID Act cannot be determined at the stage of the 17B Application, as it would be premature to reject the 17B Application when the Award has not been set aside in the main Writ Petition pending before the learned Single Judge. The primary basis for seeking to set aside the Award is the asserted non-applicability of the ID Act due to the applicability of the LIC Act, which will be addressed by the learned Single Judge during the final adjudication of the Writ Petition. It is well-established in law that even if the Appellant prevails in the Writ Petition and the Award is set aside, the Appellant remains liable



to pay subsistence allowance under Section 17B of the ID Act during the pendency of the Writ Petition.

11. The Impugned Order has held that the conditions for grant of wages under Section 17B of the ID Act have been fulfilled in the present case. The Impugned Order is only challenged on the ground of non-applicability of the ID Act, which as stated above, will be considered when the Writ Petition is ultimately decided.

12. Therefore, there is no infirmity with the Impugned Order, which is hereby upheld. Accordingly, the present Appeal is dismissed. The pending Applications stand disposed of. There shall be no order as to costs.

TEJAS KARIA, J

DEVENDRA KUMAR UPADHYAYA, CJ

APRIL 1, 2026/sms