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

\# **CNR No. DLHC010391592019**

\+ W.P.(C) 10407/2019 and CM APPL. 42990/2019 (stay)

A P S METAL PVT LTD THROUGH ITS DIRECTOR

.....Petitioner

Through: Mr. Piyush Gupta, Mr. Sudhanshu Sharma and Ms. Deepanshi Gupta, Advocates

versus

NAURANG .....Respondent

Through: Mr. Shivam Singh Rathore, Advocate

CORAM:

HON'BLE MR. JUSTICE MANOJ KUMAR OHRI

O R D E R

% 07.10.2026

1. By way of the present Writ Petition filed under Articles 226 and 227 of the Constitution of India, the petitioner seeks to assail the impugned award dated 08.08.2019, passed by the passed by the Ld. Presiding Officer, Labour Court No. XVI, South West District, *Dwarka* Courts, New *Delhi* whereby the claim application preferred by the respondent/workman was allowed and he was held entitled to compensation of Rs.4,50,000 in lieu of his earned wages, back wages, retrenchment compensation and notice pay.

2. Briefly, the facts of the case, as averred by the respondent/workman before the learned Labour Court, are that he had been working with the petitioner/management as a driver

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since February, 1982 at the last drawn salary of Rs.15,000/- per month. He alleged that despite rendering services for several years, he was not provided with service benefits, including an appointment letter, yearly and casual leave, national and festival holidays, weekly leave and overtime wages, despite working for 12 hours a day. According to the workman, when he raised demands for the aforesaid benefits, the management withheld his wages for the month of October 2015 and thereafter terminated his services on 16.11.2015. He further stated that a demand notice dated 27.01.2016, seeking reinstatement with back wages, was sent to the management, but no response was received.

3. On the basis of the aforesaid dispute, the following reference was made to the learned Labour Court for adjudication:

> "*Whether the services of Sh. Naurang S/o Lt. Sh. Prahlad have been terminated illegally and/ or unjustifiably by the management; if so, to what relief is he entitled and what directions are necessary in this respect?*"

4. Initially, the management failed to appear and an ex-parte award dated 02.06.2018 was passed, whereby the workman was held entitled to the compensation of Rs.1,75,000/-. However, upon the said ex-parte award being set aside, the management filed its written statement, contested the claim application and denied the factum of existence of an employer-employee relationship.

5. Notably, the primary contention raised in the present petition is that the workman was never the employee of the company but was the personal driver of one of its directors, namely one Mr. *Satya Prakash Gupta* and used to attend to his

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personal chores. Further, the workman failed to produce any documentary evidence in support of his employment with the management.

6. The learned Labour Court, after considering all the evidence and statements placed on record, framed the following issues for consideration:

> "*1. Whether relationship of employer and employee exists between the claimant and the management since 1982?*
> *2. Whether the services of claimant have been terminated illegally and/ or unjustifiably by the management?*
> *3. Relief.*"

7. It is pertinent to note that while answering the first issue in favour of the workman, the learned Labour Court noted that the management, formerly known as "*Krishna Metal*", had two directors, namely, one Mr. *Satya Prakash Gupta* and his son, Mr. *Pradeep Gupta*. The workman admitted in his cross-examination that he used to drive for *S.P. Gupta*, but denied the suggestion that he was not employed by the management. He also denied having left the job upon attaining the age of superannuation. On the other hand, Mr. *Satya Prakash Gupta*, while appearing as a management witness, denied that the workman had ever been employed with either establishment. When questioned about the alleged loan of Rs.2.25 lakhs, he stated that the amount had been advanced to the workman in 2006 and that the amount was reflected in his income-tax returns. However, the learned Labour Court subsequently observed that the management had, while the same question was

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put later on, failed to clarify whether the amount was reflected in its accounts.

8. The learned Labour Court did not accept this contention. It noted that the management had not specifically pleaded in its written statement that the workman was employed exclusively as the personal driver of Mr. *Satya Prakash Gupta* and this plea was introduced during the evidence. It also relied upon the no-objection certificate issued for the workman's ration card on the letterhead of the erstwhile "*Krishna Metal*". The Labour Court further noticed that the management's explanation regarding the alleged loan was inconsistent as while an advance in 2015 was referred to before the Labour Officer, the management witness stated in his evidence that the loan had been taken on 27.01.2006. It also considered the amount of the alleged loan in the context of the workman's stated salary. On an assessment of the evidence as a whole, the Labour Court held that the employer-employee relationship stood established on a preponderance of probabilities. It further held that the fact that the workman drove *Satya Prakash Gupta* or accompanied him on personal errands did not, by itself, exclude the possibility of his employment with the company.

9. Accordingly, having found that the termination on 16.11.2015 was illegal for non-compliance with Section 25-F of the Industrial Disputes Act, 1947, the Labour Court awarded compensation of Rs.4,50,000/- in lieu of earned wages, back wages, retrenchment compensation and notice pay, considering

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that reinstatement was no longer appropriate in view of the workman having attained the age of superannuation.

10. At this stage, it is also apposite to note that the aforesaid findings fall to be examined within the limited scope of this Court's jurisdiction under Articles 226 and 227 of the Constitution of India. This Court is not called upon to substitute its own appreciation of the evidence for that of the Tribunal merely because a different inference may be possible. Unless the finding is shown to be perverse, based on no evidence, or vitiated by a material error of law or procedure, interference would not be warranted. (Ref: "*Syed Yakoob v. K.S. Radhakrishnan*"[1]).

11. Tested against the aforesaid principles, the impugned award does not disclose any perversity warranting interference. The Labour Court considered the rival stands and the material on record, including the certificate issued on the company's letterhead, the omission in the written statement and the inconsistencies in the explanation regarding the alleged loan. Its conclusion was thus based on an assessment of the evidence and not merely on the workman's assertion of long service. The petitioner has not shown that the Labour Court relied on irrelevant material, ignored any material evidence or arrived at a conclusion that could not reasonably be drawn from the record.

12. As regards the relief granted, the learned Labour Court declined reinstatement on account of the workman having attained the age of superannuation and awarded monetary compensation

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instead, the Supreme Court in its decision in "*Allahabad Bank v. Krishan Pal Singh*"[2], considered the question of relief where reinstatement was no longer appropriate in view of the workman having attained the age of superannuation and granted monetary compensation.

Although that case arose in a different factual context, it supports the limited proposition that relief may be moulded where reinstatement is no longer feasible. In the present case, the Labour Court has already adopted that course.

13. In view of above, this Court finds no ground to interfere with the impugned award. Accordingly, the same is upheld and the present petition is dismissed.

14. The petitioner has deposited an amount of Rs1.75 lakhs with the Registry of this Court. Let the same be released to the respondent along with the interest accrued thereon. The remaining amount of Rs.2.75 lakhs be paid within a period of four weeks from today.

15. The pending application, if any, is also disposed of.

MANOJ KUMAR OHRI, J

OCTOBER 7, 2026
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[1] (1963) SCC OnLine SC 24
[2] (2021) 19 SCC 227

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