



CWP-1448-2019 & connected cases -1-

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

256 (05 cases)

**CWP-1448-2019 (O&M)
Date of Decision :25.03.2025**

Chandigarh Child and Women Development Corporation Ltd. ...Petitioner

Versus

Dil Raj Singh and another ...Respondents

CWP-1460-2019 (O&M)

Chandigarh Child and Women Development Corporation Ltd. ...Petitioner

Versus

Dhian Dass and another ...Respondents

CWP-1468-2019 (O&M)

Chandigarh Child and Women Development Corporation Ltd. ...Petitioner

Versus

Jagdish Gupta and another ...Respondents

CWP-1560-2019 (O&M)

Chandigarh Child and Women Development Corporation Ltd. ...Petitioner

Versus

Om Parkash and another ...Respondents



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CWP-1852-2019 (O&M)

**Chandigarh Child and Women Development
Corporation Ltd.**

...Petitioner

Versus

Surinder Singh and another

...Respondents

CORAM: HON'BLE MR. JUSTICE HARSIMRAN SINGH SETHI

Present: Mr. Mayank Sharma, Advocate for the petitioner-Corporation
in all the petitions.

Mr. Anil Saini, Advocate with
Mr. Himanshu Chhabra, Advocate
for respondent No.1 in CWPs-1460,1468 & 1560 of 2019

* * *

Harsimran Singh Sethi, J. (Oral)

1. In the present bunch of petitions, the grievance being raised by the petitioner-Corporation is that by the impugned award dated 10.08.2018/16-10-2018 (Annexure P/1) by Presiding Officer, Labour Court, Chandigarh the benefit of reinstatement in service along with 50% back wages has been granted and even on the back wages, interest has been given and that too without appreciating the fact as to whether in the facts and circumstances of the present case, Section 25-F of the Industrial Dispute Act, 1947 (hereinafter referred to as '1947 Act') will be applicable or not.

2. Learned counsel for the petitioner-Corporation argues that the respondents-Workmen were appointed with the petitioner-Corporation on a contractual basis for a particular period and the services of the respondents-workmen came to an end as the time period in the said contract was not



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extended but still, after noticing the said fact in the impugned award itself, the benefit of reinstatement in service along with back wages has been granted to the respondents-workmen on the ground that conditions stipulated under Section 25-F of the 1947 Act have not been complied with as respondents-workmen had completed 240 days prior to the termination of their services in a whole calendar year.

3. Learned counsel for the petitioner-Corporation further argues that in the facts and circumstances of the present case, Section 25-F of the 1947 Act will not be applicable keeping in view provisions of Section 2 (oo) (bb) of the 1947 Act.

4. Learned counsel for the respondents-Workmen submits that as respondents-workmen have worked for a sufficient time with the petitioner-Corporation, conditions of Section 25-F of the 1947 Act were required to be complied with as the respondents-workmen had completed 240 days in a calendar year, prior to termination of their service hence, absence of giving retrenchment compensation to the workmen, which benefit is envisaged under Section 25-F of the 1947 Act, has rendered the said termination as bad, which has rightly been appreciated by the Tribunal vide its impugned order so as to grant the relief to the respondents-workmen.

5. I have heard learned counsel for the parties and have gone through the record with their able assistance.

6. It may be noticed that para-3 of the impugned award would show that in the date of appointment of the respondent-workmen with the starting date and the ending date along with the period workmen would be required to work has been mentioned. The respondents-Workmen has not



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disputed the said fact. Once, the appointment of the respondents-Workmen was on contractual basis for a particular time period, which fact is mentioned in the appointment order, it is to be seen whether non-renewal of the contract of employment lead to the termination of the service of the respondents-workmen and same will amount to retrenchment so as to attracts Section 25-F of the 1947 Act or not.

7. Section 25-F of the 1947 Act is being reproduced for ready reference”-

25F. Conditions precedent to retrenchment of workmen.

No workman employed in any industry who has been in continuous service for not less than one year under an employer shall be retrenched by that employer until-

(a) the workman has been given one month's notice in writing indicating the reasons for retrenchment and the period of notice has expired, or the workman has been paid in lieu of such notice, wages for the period of the notice:

(b) the workman has been paid, at the time of retrenchment, compensation which shall be equivalent to fifteen days' average pay [for every completed year of continuous service] or any part thereof in excess of six months; and

(c) notice in the prescribed manner is served on the appropriate Government [or such authority as may be specified by the appropriate Government by notification in the Official Gazette.”

8. Section 25-F of the 1947 Act envisages the condition precedent to the retrenchment of a workman. The word ‘Retrenchment’ has been defined in Section 2 (oo)(bb) of the 1947 Act, which is as under:-

“Section-2(oo)(bb):-“retrenchment” means the termination by the employer of the service of a workman for any reason whatsoever, otherwise than as a punishment inflicted by way of disciplinary action, but does not include—



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- (a) voluntary retirement of the workman; or
- (b) retirement of the workman on reaching the age of superannuation if the contract of employment between the employer and the workman concerned contains a stipulation in that behalf; or
- 3 [(bb) termination of the service of the workman as a result of the non-renewal of the contract of employment between the employer and the workman concerned on its expiry or of such contract being terminated under a stipulation in that behalf contained therein; or].”

9. A bare perusal of the above mentioned definition as per 1947 Act would show that there are certain exceptions which do not amount to retrenchment. In Section 2 (oo)(bb) of the 1947 Act, it has been clearly held that where the termination of the services of the workman is as a result of non-renewal of the contract of employment between the employer and workman concerned on its expiry or such contract being terminated under the stipulation on that behalf contained therein, the same will not amount to retrenchment.

10. Applying the said principle in the present case, it is to be seen whether the services of the respondents-workmen were for a fixed term and came to an end due to the non-renewal of the contract or not.

11. A bare perusal of paragraph-3 of the impugned award dated 10.08.2018 (Annexure P/1) clearly shows that the appointment of the respondents-workmen was for a particular period whereby the initial date of appointment and the last date of appointment under the contract has been mentioned. The contract of employment was being extended from time to time and the same came to an end as the same was not extended, which fact has not been rebutted by the learned counsel for the respondents-workmen.

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12. Once, the appointment of respondents-Workmen was on contractual basis and for a fixed period of time and the same has come to an end due to the non-renewal of contract, the same will not be covered under the definition of retrenchment. Once, the termination of service of the respondents-workmen will not amount to retrenchment, consequently, Section 25-F of the 1947 Act will not be applicable in the present case.

13. The Labour Court despite noticing the said fact, misdirected itself and ignored the relevant provisions of Section 2(oo)(bb) of the 1947 Act in order to record the finding that termination of the services of the respondents-workmen was contrary to Section 25-F of the 1947 Act though, the said section has no role to play in the facts and circumstances of the present case.

14. Keeping in view the facts and circumstances recorded hereinbefore, impugned award dated 10.08.2018 (Annexure P/1) passed by Presiding Officer, Labour Court, Chandigarh being perverse to the facts and evidence on record as well as to 1947 Act hence, cannot be sustained in the eyes of law and is accordingly set aside.

15. Present petitions are allowed in above terms.

16. Civil miscellaneous application pending, if any, is also disposed of.

17. A photocopy of this order be placed on the file of connected cases.

March 25, 2025
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(HARSIMRAN SINGH SETHI)
JUDGE

Whether speaking/reasoned : Yes
Whether reportable : No