



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

312(4)+315

Decided on : 21.04.2025

312(1)

**CWP-23308-2021 (O&M)**

MANAGING DIRECTOR, PESPU ROAD TRANSPORT  
CORPORATION, PATIALA

..Petitioner

Versus

THE PRESIDING OFFICER, INDUSTRIAL TRIBUNAL, PATIALA  
AND OTHERS

... Respondents

312(2)

**CWP-544-2023 (O&M)**

MANAGING DIRECTOR, PESPU ROAD TRANSPORT  
CORPORATION, PATIALA

..Petitioner

Versus

THE PRESIDING OFFICER, INDUSTRIAL TRIBUNAL, PATIALA  
AND OTHERS

... Respondents

312(3)

**CWP-545-2023 (O&M)**

MANAGING DIRECTOR, PESPU ROAD TRANSPORT  
CORPORATION, PATIALA AND ANR

..Petitioner

Versus

THE PRESIDING OFFICER, INDUSTRIAL TRIBUNAL, PATIALA  
AND OTHERS

... Respondents

312(4)

**CWP-546-2023 (O&M)**

MANAGING DIRECTOR, PESPU ROAD TRANSPORT  
CORPORATION, PATIALA AND ANR

..Petitioner

Versus

GURBAJ SINGH AND OTHERS

... Respondents

315

**CWP-25738-2021 (O&M)****DAVINDERPAL SINGH**

..Petitioner

Versus

MANAGING DIRECTOR, P.R.T.C. AND OTHERS

... Respondents

**CWP-16974-2022 (O&M)****TARLOK CHAND**

..Petitioner

Versus

MANAGING DIRECTOR, P.R.T.C. AND OTHERS

... Respondents

**CWP-356-2022 (O&M)**



**CWP-23308-2021 (O&M) AND  
CONNECTED CASES**

-2-

**JATINDER SINGH**

. . .Petitioner

Versus

**MANAGING DIRECTOR, P.R.T.C. AND OTHERS . . . Respondents**

**CORAM: HON'BLE MR. JUSTICE HARSIMRAN SINGH SETHI**

PRESENT: Mr. Anil Kumar Sharma, Advocate and  
Ms. Devyani Sharma, Advocate for the petitioner(s)  
in CWP No. 23308 of 2021, CWP No. 544, 546 & 546 of 2023.

Mr. Ravi Gakhar, Advocate for respondent No. 2  
in CWP-23308-2021, CWP-545-2025 and  
for the petitioner in CWP No. 25738 of 2021.

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**HARSIMRAN SINGH SETHI, J. (Oral)**

1. Present bunch of four petitions, the details of which are mentioned in the heading, involve common point of law and common set of facts, hence, they are being dealt together. By consent of the parties, CWP No. 16974 of 2022 and CWP No. 356 of 022 which have been fixed for 13.05.2025 and 15.09.2025 respectively are preponed to today itself since common question of law is involved.

For the sake of convenience, facts are drawn from CWP No. 23308 of 2021.

2. In the present petition, the challenge is to the impugned award dated 18.11.2020 (Annexure P-1) by which, the claim of the workman has been accepted by the labour Court that he is the employee of the petitioner-department and while holding that his services were terminated in violation of the provisions of Industrial Disputes Act, 1947, workman have also been granted the benefit of compensation.

3. Learned counsel for the petitioner argues that though, in paragraph No. 17 of the impugned award dated 18.11.2020 (Annexure P-1), the fact with regard to the appointment letter of the workman has been noticed but without pondering upon the said fact with regard to appointment order, the respondent-workman has been treated as the employee of the



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petitioner-department. Learned counsel for the petitioner submits that as per the appointment letter Exhibit WW1/A, which has been issued to the respondent-workman by the outsourcing agency i.e. respondent No. 3, without discussing the same, the workman has been treated as employee of the petitioner-department by the Labour Court on the ground that he has been working with the petitioner-department.

Learned counsel for the petitioner-department further submits that the respondent-workman was working under the outsourcing agency i.e. respondent No. 3 and his services were never terminated by the petitioner-department but the same were merely returned to the hands of their employer i.e. respondent No. 3-outsourcing agency and without discussing upon the said issue, the impugned award dated 18.11.2020 has been passed against the petitioner-department by treating the petitioner-department as employer of the workman so as to grant the benefit of the compensation to the respondent-workman, hence, the said award needs to be set-aside.

4. Learned counsel for the respondent-workman on the other hand submits that once, the workman was working with the petitioner-department and was under the supervisory control of the petitioner-department, the findings recorded by the labour Court that the respondent-workman was the employees of the petitioner-department is perfectly valid and legal. Learned counsel for the respondents submits that not only the said findings of the labour Court should be upheld but even the amount of compensation granted by the labour Court should also be enhanced as the respondent-workman in all connected petitions have also approached this Court by way of filing of other civil writ petition to claim the enhanced compensation.

5. Learned counsel for the respondent-workman further submits that the services of the workman were transferred back to respondent No. 3-



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contractor by making certain allegations against them which allegations are false and frivolous, therefore, the said action of the petitioner-department for not allowing the workman to work with the petitioner-department is arbitrary, illegal and stigmatic, and therefore, the workman is entitled to continue in service with the petitioner-department.

6. I have heard learned counsel for the parties and have gone through the case file with their able assistance.

7. It is a settled principle of law that the master and servant relationship is to be determined on the basis of the appointment letter issued to a workman. The appointment letter of the workman has been attached with present petition as Annexure WW1/A. The said appointment letter of the workman has been issued by the respondent No. 3-outsourcing agency, which is a conceded fact. Once, the appointment of the workman in the service was through the outsourcing agency, respondent-workman cannot claim that there was a master and servant relationship existing between the petitioner-department and respondent-workman. Further, as per the settled principle of law, the master and servant relationship has to be proved on the basis of the documents, but the Documents which have been relied upon by the respondent-workman, show otherwise that he is only the employee of the contractor i.e. respondent No. 3.

8. That being so, the evidence which has come on record, had been ignored by the labour court so as to record the findings that the workman is employee of the petitioner-department. Once, the appointment letter has been issued to the workman by the contractor i.e. respondent No. 3, which letter is also on record, the findings recorded in the impugned order dated 18.11.2020 (Annexure P-1) by the labour court are perverse to the evidence which has come on record, hence, the said impugned award dated



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18.11.2020 (Annexure P-1) cannot be sustained.

9. Even otherwise, the arguments that the respondent-workman was working with the petitioner-department and was under the supervisory control of the petitioner-department and his services were reverted back to the contractor by making certain allegations against the workman, will not be a sufficient ground to declare that there exist a master and servant relationship between the petitioner-department and the respondent-workman. The law on the said issue is well settled as settled by the Hon'ble Supreme Court of India in **Special Leave Petition (civil) No. 19648 of 2023 titled as The Joint Secretary, Central Board of Secondary Education and another vs. Raj Kumar Mishara and others, decided on 17.03.2025.** The relevant paragraph No. 6 is as under:-

*“6. Having considered the facts and circumstances of the case(s) and submissions of learned counsel for the parties, we find 3 substance in the contentions of learned counsel for the appellants. The issue whether the private respondents were employees of the appellants, is the crux of the matter. Whatever material has been placed and even the best point which was argued by the learned Senior Counsel for the private respondents before this Court was that since there was supervisory and jurisdictional control over the private respondents by the appellants, ipso facto, they would become employees of the appellants is noted only to be rejected. ”*

10 A bare perusal of the above reproduction would show that even if there is a supervisory control of the petitioner-department the same is not enough to establish the master and servant relationship between the petitioner-department and the respondent-workman, hence, even if, the services of the workman were returned to the employer- respondent No. 3, who had initially appointed the workman with certain remarks, the said remarks will not give the respondent-workman the right to claim the benefit



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of master and servant relationship between the petitioner-department and the workman.

11. Keeping in view the totality of the said circumstances, the impugned award dated 18.11.2020 (Annexure P-1) in CWP No. 23308 of 2021 passed by the labour court holding that the respondent-workman are the employees of the petitioner-department is contrary to the facts and evidence which had come on record and is perverse and accordingly, the impugned award dated 18.11.2020 (Annexure P-1) is set-aside. On the similar lines, impugned awards in connected writ petitions namely, CWP NO. 544, 545 and 546 of 2023 are decided accordingly and these awards are also set-aside.

12. As, the appointment order issued to the respondent-workman shows that the respondent-workman was appointed by respondent No. 3-contractor and respondent No. 3-contractor was also a party in claim petition raised by the respondent-workman, the labour Court should have decided upon the aspect as to whether, the respondent-workman has any claim against respondent NO. 3-contractor with regard to any violation of the provisions of Industrial disputes Act, 1947. The cases are remanded back to the labour Court for the fresh adjudication of the present case so as to decide upon the issue that whether, the respondent-workman are the employees of the respondent No. 3-contractor or not and whether they are entitled for any service benefit or not.

13. The parties are directed to appear before the labour Court on 19.05.2025.

14. As the impugned award dated 18.11.2020 (Annexure P-1) has been set aside herein above, the claim raised by the respondent No. 2-workman for enhancing the compensation amount in civil writ petition



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CWP-25738-2021 (O&M), CWP No. 16974 of 2022 and CWP NO. 356**

of 2022 is rendered infructuous, hence, no order is required to be passed in the said writ petition with regard to the enhancement of the compensation. Accordingly the writ petitions are disposed of having been rendered infructuous.

15. Pending civil miscellaneous application, if any, stands disposed of.

16. A photocopy of this order be placed on the file of connected case.

**(HARSIMRAN SINGH SETHI)  
JUDGE**

**21.04.2025**

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