



IN THE HIGH COURT OF PUNJAB AND HARYANA  
AT CHANDIGARH

(229)

CWP No. 2394 of 2007 (O&M)

Date of Decision : 10.02.2025

Karambir Singh

...Petitioner

Versus

The M.D. Haryana Cooperative Sugar Mills, Rohtak and another

...Respondents

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

Present: Mr. Sandeep K. Sharma, Advocate for  
Mr. Gurinder Pal Singh, Advocate for the petitioner.

None for respondent No. 1.

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**Harsimran Singh Sethi J. (Oral)**

1. In the present petition, the Award dated 01.05.2006 (Annexure P-3) is under challenge at the hands of the Workman on the ground that despite deciding of the issues in his favour, he has not been granted the relief of reinstatement in service and is only being allowed the retrenchment compensation and notice pay and even the compensation which an employee is entitled for instead of reinstatement keeping in view the settled principle of law has not been extended.

2. Learned counsel for the petitioner submits that once the Labour Court has recorded a finding that the services of the petitioner were terminated in violation of the provisions of the Industrial Disputes Act, 1947, (hereinafter referred to as '1947 Act') the benefit as admissible including the reinstatement should have been granted whereas, the same has been



disallowed and only the retrenchment compensation/notice pay has been given and that too on the ground that the Workman is disabled and is not able to speak properly, which is not a valid ground to deny the benefit keeping in view the job profile which the petitioner was required to perform.

3. Though, respondent No. 1 was served but no one has appeared thereafter on behalf of respondent No. 1 on various dates on which the case was taken up for consideration, hence, it can be safely presumed that the respondents are not interested in defending the present petition. Further, the respondents have not challenged the Award dated 01.05.2006 (Annexure P-3) and are satisfied with the same.

4. I have heard learned counsel for the petitioner and have gone through the record with his able assistance.

5. The following relief has been extended by the Labour Court in favour of the petitioner:-

*“12. Since issue No. 1 has been decided by me in favour of the workman. But since the workman is not in a position to speak. Therefore, his re-instatement on his previous post is not in the interest of justice. Therefore, he is allowed retrenchment compensation and notice pay. Therefore, I decide this reference in favour of the workman and against the mgt., Award is hereby passed accordingly. File be consigned to record room.”*

6. A bare perusal of the above would show that despite recording a finding on the issues in favour of the Workman, the relief allowed was only qua the grant of retrenchment compensation and notice pay. The relief of reinstatement has been denied on the ground that the petitioner is disabled and is not able to speak properly. The same is not a valid ground to deny the



petitioner the benefit in case, the Award is given in his favour so as to hold that the termination of the services of the Workman was bad and was in contravention of the 1947 Act.

7. Once, the termination is found to be in contravention of 1947 Act then the Labour Court has a discretion, keeping in view the facts and circumstances of each case whether to allow reinstatement in service or grant of compensation. Further, the compensation is to be paid as per the settled principle of law. The Division Bench of this Court in LPA No. 1203 of 2021 titled as *Sukhbir Singh Vs. State of Haryana and others*, decided on 01.03.2023, has held that for every completed year the employee should be paid ₹50,000/- in case reinstatement is not granted to the Workman. Relevant paragraphs No. 6 and 7 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 not 3 of 5 Neutral Citation No:= 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 backwages of 50% which was granted and accordingly, modified.”*

8. Keeping in view the settled principle of law cited here-in-before coupled with the fact that there is no challenge to the Award dated 01.05.2006 (Annexure P-3) by the respondent No. 1, in the fitness of thing, a compensation of ₹4 lacs will be suitable in the facts and circumstances of the present case, to be paid to the respondent-Workman in lieu of the reinstatement.

9. Let the respondents pay the said amount to the petitioner within a period of eight weeks of the receipt of copy of this order. It is made clear that in case, the amount of ₹4 lacs is not paid within the time frame, the same will also carry interest @ 6% per annum from the date of passing of this order today till the same is released.

10. Present petition is allowed in above terms.



11. Pending miscellaneous application, if any, also stands disposed of.

**February 10, 2025**  
*kanchan*

**(HARSIMRAN SINGH SETHI)**  
**JUDGE**

*Whether speaking/reasoned : Yes*

*Whether reportable : No*