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

*Reserved on: 09.02.2026*  
*Date of decision: 08.05.2026*  
*Uploaded on: 08.05.2026*

+ W.P.(C) 377/2013

SAURAJ SINGH

.....Petitioner

Through: Ms. Aayushi Jain, Adv.

versus

M/S INDIAN AIRLINES LTD AND ANR .....Respondents

Through: Mr. Sanjoy Ghose, Mr. Rohan  
Mandal, Ms. Deeksha Arora, Mr.  
Rajesh Ranjan, Mr. A.S. Rastogi and  
Mr. Shiv Kant Arora, Advs.

+ W.P.(C) 748/2013

WORKMEN REPRESENTED BY DELHI OFFICES AND  
ESTABLISHMENT EMPLOYEES UNION .....Petitioner

Through: Mr. Anuj Aggarwal, Ms. Divya  
Aggarwal, Ms. Bhumika Kundra, Mr.  
Shubham Bahl, Mr. Nikhil Pawar,  
Ms. Tanya Rose, Ms. Kritika Matta,  
Mr. Lovekesh Chauhan, Ms. Anjali  
Bansal, Ms. Shreya Gupta and Mr.  
Pradeep Kumar, Advs.

Versus

MANAGEMENT OF AIR INDIA .....Respondent

Through: Mr. Sanjoy Ghose, Mr. Rohan  
Mandal, Ms. Deeksha Arora, Mr.  
Rajesh Ranjan, Mr. A.S. Rastogi and  
Mr. Shiv Kant Arora, Advs.



+ W.P.(C) 877/2013

WORKMEN REPRESENTED BY DELHI OFFICES AND  
ESTABLISHMENT EMPLOYEES UNION THROUGH ITS  
PRESIDENT .....Petitioner

Through: Mr. Anuj Aggarwal, Ms. Divya  
Aggarwal, Ms. Bhumika Kundra, Mr.  
Shubham Bahl, Mr. Nikhil Pawar,  
Ms. Tanya Rose, Ms. Kritika Matta,  
Mr. Lovekesh Chauhan, Ms. Anjali  
Bansal, Ms. Shreya Gupta and Mr.  
Pradeep Kumar, Advs.

versus

MANAGEMENT OF AIR INDIA (FORMERLY KNOWN AS  
INDIAN AIRLINES LIMITED) .....Respondent

Through: Mr. Sanjoy Ghose, Mr. Rohan  
Mandal, Ms. Deeksha Arora, Mr.  
Rajesh Ranjan, Mr. A.S. Rastogi and  
Mr. Shiv Kant Arora, Advs.

+ W.P.(C) 879/2013

WORKMEN REPRESENTED BY DELHI OFFICES AND  
ESTABLISHMENT EMPLOYEES UNION .....Petitioner

Through: Mr. Anuj Aggarwal, Ms. Divya  
Aggarwal, Ms. Bhumika Kundra, Mr.  
Shubham Bahl, Mr. Nikhil Pawar,  
Ms. Tanya Rose, Ms. Kritika Matta,  
Mr. Lovekesh Chauhan, Ms. Anjali  
Bansal, Ms. Shreya Gupta and Mr.  
Pradeep Kumar, Advs.

versus

MANAGEMENT OF AIR INDIA (FORMERLY KNOWN AS  
INDIAN AIRLINES LTD.) .....Respondent

Through: Mr. Sanjoy Ghose, Mr. Rohan  
Mandal, Ms. Deeksha Arora, Mr.



Rajesh Ranjan, Mr. A.S. Rastogi and  
Mr. Shiv Kant Arora, Advs.

**CORAM:**  
**HON'BLE MS. JUSTICE SHAIL JAIN**

**JUDGMENT**

**SHAIL JAIN, J.**

*“The power of High Court under Article 226 of Constitution of India is not confined to the prerogative writs issued by the English Courts, rather it is modelled on the said writs mainly to enable the High Courts to keep the subordinate tribunals within bounds”*

*- State of Uttar Pradesh and others v. Dr. Vijay Anand Maharaj*

1. The present writ petitions have been preferred by the Petitioner/Union under Articles 226 & 227 of Constitution of India inter alia challenging the Awards passed by the Presiding Officer, Central Government Industrial Tribunal (*hereinafter ‘CGIT’*) in different industrial disputes, whereby the CGIT directed the Management to pay compensation varying from Rs. 25,000 to Rs. 55,000 in lieu of reinstatement to the workmen.
2. **W.P. (C.) No. 377/2013**, titled “*Sauraj Singh v. M/s Indian Airlines Ltd. & Anr.*”, has been filed by the Petitioner–workman assailing the Award dated 27.02.2012 passed by the learned Presiding Officer, Central Government Industrial Tribunal No. 1, Delhi in I.D. No. 189/2011. By the said Award, the learned CGIT held the termination of the Petitioner–Workman, Mr. Sauraj Singh, to be illegal and directed compensation of Rs. 40,000/- in lieu of reinstatement.
3. In the same batch, **W.P. (C.) No. 877/2013**, titled “*Workmen represented by Delhi Offices & Establishment Employees Union Through*



*its President vs. Management of Air India* (Formally known as Indian Airlines Ltd.)’ has also been preferred by the Petitioner–Employee Union challenging the Award dated 09.07.2012 passed by the learned Presiding Officer, Central Government Industrial Tribunal No. 1, Delhi in I.D. No. 27/2005. By the impugned Award therein, the termination of the Workmen, was held to be illegal, and compensation varying from Rs. 25,000 to Rs. 55,000 in lieu of reinstatement was awarded.

4. Likewise, **W.P. (C.) No. 879/2013**, titled “*Workmen represented by Delhi Offices & Establishment Employees Union Through its President vs. Management of Air India* (Formally known as Indian Airlines Ltd.)’ has also been preferred by the Petitioner–Employee Union challenging the Award dated 09.07.2012 passed by the learned Presiding Officer, Central Government Industrial Tribunal No. 1, Delhi in I.D. No. 26/2005. By the impugned Award therein, the termination of the Workmen, was held to be illegal, and compensation varying from Rs. 25,000 to Rs. 55,000 in lieu of reinstatement was awarded.

5. Similarly, **W.P. (C.) No. 748/2013**, titled “*Workmen represented by Delhi Offices & Establishment Employees Union Through its President vs. Management of Air India* (Formally known as Indian Airlines Ltd.)” has been preferred by the Petitioner–Employee Union challenging the Award dated 09.07.2012 passed by the learned Presiding Officer, Central Government Industrial Tribunal No. 1, Delhi in I.D. No. 01/2006. By the impugned Award therein, the termination of the Workmen, was held to be illegal, and compensation varying from Rs. 25,000 to Rs. 55,000 in lieu of reinstatement was awarded.



6. All the aforesaid writ petitions arise from a similar factual matrix, involve identical questions of law and assail substantially similar findings returned by the learned CGIT. Since detailed arguments were addressed in Sauraj Singh, so for the sake of convenience, **W.P. (C.) No. 377/2013**, titled **“Sauraj Singh vs. Management of Air India (Formally known as Indian Airlines Ltd.)”** has been treated as the lead matter in the present batch, and the decision rendered therein shall govern the remaining connected petitions as well.

7. The dispute which has led to filing of these Petitions arises out of the termination of services of the concerned Petitioners/workmen by the Respondent/management where the workmen had rendered services to the Airlines between the years 1993 to 1998. The matter was referred for adjudication before the learned CGIT, where the legality and justification of the termination of services of the workmen were examined. Upon consideration of the material placed on record, the CGIT recorded a finding that the termination of the services of the workmen was in violation of Section 25-F of the Industrial Disputes Act, 1947 (*hereinafter ‘the Act’*). After holding the termination to be in contravention of the statutory provisions, the CGIT, in lieu of granting reinstatement with continuity of service and back wages, awarded monetary compensation to the workmen. The compensation awarded by the CGIT was quantified at Rs. 25,000/-, Rs. 40,000/-, and Rs. 55,000/- to the workmen corresponding to their respective lengths of service. Aggrieved by the nature of relief granted, the Petitioners have preferred the present Writ Petitions.



## **FACTUAL MATRIX :**

8. The brief background of facts in **W.P. (C.) No. 377/2013**, as well as in the connected writ petitions, is as follows:

9. The present matters pertain to the year 1990, when the Respondent herein issued Notifications in the years 1988-89 inviting applications for filling up certain vacancies in the category of Commercial, Commercial Security, Engineering, Canteen, Vigilance, Personnel, Catering and Store for the posts of helper, peon, sweeper, typist, driver etc. for various periods. In pursuance thereof, one panel was prepared in the same year in accordance with the *Recruitment and Promotion Rules of Indian Airlines Ltd.*, whereby the validity of the said panel was fixed for a period of two years. Thereafter, workmen were appointed on the basis of vacancies available at the relevant time.

10. A Panel of over 200 workmen was approved by the Competent Authority on 20.11.1990. Thereafter, the Petitioner(s) were engaged in various capacities as casual labour by the Respondent/Management in 1989, as per the Panel list which was prepared for the purpose of considering them for appointment against regular vacancies. The said list came to be referred to as the "1990 Select List." Out of the aforesaid 200 casual workers included in the 1990 Select List, 88 workers in order of merit were subsequently regularized by the Respondent/Management against regular vacancies.

11. The said Select List was initially stated to be valid for a period of two years, and its validity was extended from time to time, remaining in operation till 15 July 1994. The Respondent/Management, however,



continued to engage additional casual labourers periodically, including at regular intervals, resulting in rotation of casual labourers. The present Petitioner/workman was among those so engaged, having worked with the Respondent/Management as a Driver on daily wages during the years 1993-94-95.

12. A group of casual workers, who were empanelled in the 1990 Select List, thereafter filed W.P.(C) No. 4113/1994 and other connected petitions including W.P.(C) No. 2155/1995 titled *J.D. Biswas v. Indian Airlines & Ors.* before this Court seeking, inter alia, regularization of their services and interim relief against restriction of employment to 89 days.

13. During the pendency of the said petition, an interim order dated 07.12.1995 was passed by this Court directing the Respondent/Management to prepare a panel of casual workers on a daily-rated basis in different categories from amongst the casuals who had worked with it on a daily-rated basis, in accordance with the guidelines laid down by Hon'ble the Supreme Court in *State of Haryana v. Piara Singh*, (1992) 4 SCC 118.

14. In pursuance thereof, a panel was prepared in 1995, hereinafter referred to as the "1995 Panel", and the Respondent/Management commenced engaging workers therefrom. The name of the present Petitioner/workman was included in the said panel in the category of Driver (Casual), as communicated to him *vide* letter dated 05.07.1996. After due verification of his documents and fulfillment of the requisite formalities, including medical fitness and other prescribed tests, the Petitioner/workman was formally engaged as a Driver on casual basis with effect from 20.07.1996 at a salary of Rs. 3,300/- per month.



15. The aforesaid W.P.(C) No. 4113/1994 was finally decided along with other connected petitions *vide* judgment dated 09.05.1997, directing the Respondent/Management to engage casual workers on a daily-rated basis as per its requirements, firstly from the panel prepared and approved on 20.11.1990. By the said order, it was further observed and clarified that casual workers engaged by public undertakings may be continued in engagement till regular posts are filled in accordance with the applicable recruitment rules.

16. In the case of the present Petitioner/workman specifically, his services were terminated on 09.10.1998 without issuance of any show-cause notice, without payment of wages in lieu of notice, and without payment of retrenchment compensation, notwithstanding that he had rendered continuous service for more than 240 days in a calendar year as contemplated under Section 25-B of the Act. It is further the case of the Petitioner that at the time of his removal, Drivers junior to him, who were equally selected from the 1995 Panel, continued to remain in employment.

17. The Petitioner/workmen sent a notice of demand to the Respondent/Airlines on 20.10.1998, which received no reply. He thereafter raised an industrial dispute before the Conciliation Officer on 14.01.1999, demanding reinstatement with continuity and full back wages. The Respondent/Airlines, in its reply before the Conciliation Officer, contended that the Petitioner had been engaged as a casual worker on a daily basis for only 95 days in the year 1993-94, that his empanelment in the 1995 Panel was pursuant to the interim order dated 07.12.1995, and that since the said interim order had been superseded by the final judgment dated 09.05.1997,



the disengagement of the Petitioner entailed no violation of any statutory provision.

18. The workmen, through the Petitioner Union, also submitted a representation before the Assistant Labour Commissioner seeking reinstatement and regularization with consequential benefits. The Respondent/Management additionally took the stand that the issues raised had already been adjudicated before this Court and before the Hon'ble Supreme Court, and therefore no fresh industrial dispute could be raised in that regard. The conciliation proceedings did not culminate in a settlement and were reported as having failed, pursuant to which a Reference dated 22.11.2000 came to be made by the appropriate Government.

19. The said Reference was challenged by the Respondent/Management by filing W.P.(C) No. 2019/2001 before this Court. During the pendency of the said petition, it was submitted on behalf of the Central Government that the Reference had not been properly worded, and in view of that statement, the writ petition was disposed of *vide* order dated 20.09.2004.

20. Two more such references were made in a similar manner and were also quashed in two other writ petitions *vide* orders dated 01.05.2005. Thereafter, the Appropriate Government, *vide* order dated 03.10.2005, referred the present dispute for adjudication with the following terms of reference:

*"Whether the termination of services of Shri Ravinder Chandra and 42 others (list enclosed) by the management of Indian Airlines is legal and justified? If not, to what relief are they entitled?"*



21. The said Reference again came to be challenged by the Respondent/Management by filing W.P.(C) No. 9204/2006 before this Court, which was dismissed by a learned Single Judge *vide* order dated 03.06.2011, holding that the contentions raised could be urged before the Industrial Tribunal. Two other references made on identical terms were similarly upheld. Aggrieved thereby, the Respondent/Management preferred Letters Patent Appeal Nos. 734/2011, 740/2011 and 742/2011, all of which were dismissed together by a Division Bench of this Court *vide* judgment dated 18.05.2012.

22. In the interregnum, on the basis of the Statement of Claim filed by the Petitioner and the Written Statement filed by the Respondent, coupled with the examination of witnesses supported by their respective affidavits, the learned CGIT passed the Award dated 27.07.2012.

23. The CGIT returned a categorical finding that the termination of the Petitioner/workman was not effected in pursuance of the judgment dated 09.05.1997 as alleged by the Respondent/Airlines, and that there was a clear violation of Section 25-F of the Industrial Disputes Act, 1947. However, the Tribunal declined to grant reinstatement on the ground that the engagement of the Petitioner was *de hors* the Rules and that the claimant had no right of continuance in his casual employment, having been engaged pursuant to the interim order dated 07.12.1995. Further, in lieu of reinstatement, compensation was awarded on the basis that claimants who had worked for 240 days or more in one calendar year were awarded Rs.25,000/- each, those who had rendered service for more than 240 days in two consecutive calendar years or part thereof exceeding six months were awarded



Rs.40,000/- each and those who had rendered more than 240 days of continuous service in three consecutive calendar years or part thereof exceeding six months were awarded Rs.55,000/- each. The present Petitioner/workman, having rendered continuous service from 20.07.1996 to 09.10.1998, was awarded compensation of Rs.40,000/-.

24. Aggrieved thereby, the Respondent/Management challenged the Impugned Award before this Court by way of writ petition being W.P.(C) No. 1196/2013 titled *Air India v. Sauraj Singh*. The learned Single Judge while recording that the Respondent/Management had not disputed before the CGIT that the workman had worked from 20.07.1996 to 10.10.1998, nor had it specifically denied completion of 240 days of service held that the CGIT had rightly found continuous service under Section 25-B of the Act and that non-compliance with Section 25-F vitiated the retrenchment. The petition was accordingly dismissed on 25.02.2013.

25. Similarly, other Writ Petitions being W.P.(C) Nos. 317-19/2013 titled *Air India v. Workmen represented by Delhi Offices and Establishment Employees Union, through its President*, was preferred before this Court, assailing the Award of the CGIT in on identical grounds. This Court meanwhile deciding the very Writ(s) found that the workmen had accrued statutory protection under Section 25-F of the Act by virtue of having rendered more than 240 days of continuous service, and that the judgment dated 09.05.1997 merely accorded priority to candidates on the 1990 Select Panel and did not mandate the exclusion of others. The termination was accordingly held to be arbitrary and in violation of statutory provisions, and



the Award granting compensation was upheld *vide* order dated 21.01.2013 with costs of Rs.10,000/- each.

26. The Respondent/Management, aggrieved by the said orders, preferred Letters Patent Appeals being **LPA Nos. 381/2013, 385/2013, 386/2013 and 389/2013**, contending that while it would comply with the Award, the direction contained in paragraph 37 thereof was beyond the terms of reference and liable to be set aside.

27. The Petitioners herein raised no objection, while reserving their right to pursue independent remedies regarding reinstatement in pending writ petitions, including the one with which this Court is presently seized. In view of the consensus between the parties, the Division Bench disposed of the appeals, leaving the question of law open, and set aside the directions contained in paragraph 37 of the Award. The operative portion of the said order reads as under:

*"1. The challenge in all the aforesaid appeals is to the order passed by the learned Single Judge of this court dated 21.01.2013 by which the Award passed by the learned Industrial Tribunal has been upheld.*

*2. Mr. Lalit Bhasin, learned counsel for the appellants submits that in case the question of law is kept open, the order passed by the learned Single Judge and the Award would be complied with except the direction contained in para 37 of the Award, which is beyond the terms of reference.*

*3. Mr. Ashok Aggarwal, learned counsel for the respondent submits that he would have no objection except that he has invoked an independent remedy with respect to reinstatement and other relief which are a subject matter of writ petitions pending before a learned Single Judge of this Court.*



4. *Having regard to the stand taken by the parties, all the appeals are disposed of while leaving the question of law, raised in these appeals, open.*

5. *As agreed, the directions contained in para 37 pertaining to employees, who have not preferred the settlement of claims, are set aside.*

6. *All the appeals are disposed of."*

28. For the sake of convenience, Para 37 (mentioned above) has been extracted as under:

*"In view of the facts that the claimants have worked with the Airlines continuously for a period of more than 240 days in a calendar year preceding the date of their disengagement, the period for which they have worked and legal impediment before the Airlines to continue with their engagement as well as their young age, I am of the view that the claimants who had worked for 240 days or more in one calendar year shall get an amount of Rs.25000/- each, the claimants who had rendered more than 240 days service in each consecutive two calendar years or any part thereof in excess of six months will get an amount of Rs.40,000/- each and the claimants who had rendered more than 240 days continuous service in each consecutive three years or any part thereof in excess of six months will get an amount of Rs.55000/- each as compensation. The amount of compensation shall be reckoned in accordance with the period of continuous service of twelve, twenty four or thirty six months preceding the dates of their termination, ns mentioned In para twenty eight supra, The amount of compensation shall be paid, within thirty days of the date, when the award becomes enforceable. An award is, accordingly, passed. It be sent to the appropriate Government for publication."*

29. Hence, the present writ petitions.



### **GROUND OF WRITS:**

30. Present Writs have been preferred by the Petitioners primarily on the following grounds in respect to the reliefs claimed by them:

A. Learned CGIT erred in holding the engagement to be *de hors* the Rules, when the Petitioner was engaged only after due verification of documents, completion of prescribed tests, and formal issuance of an appointment letter attributes wholly inconsistent with and contradictory to such a finding.

B. Learned CGIT erred in relying *suo motu* on the priority of the 1990 Select Panel as a ground for denying reinstatement, when no such contention was ever raised or argued by the Respondent/Management in relation to the present Petitioner, thereby violating the principles of natural justice.

C. Learned CGIT fundamentally erred in applying the legal framework of regularization to a case of illegal retrenchment, the two being entirely distinct in law, and in importing considerations wholly irrelevant to the dispute actually before it.

D. Learned CGIT, having returned a categorical finding of illegal termination in contravention of Section 25-F of the Act, erred in substituting the primary remedy of reinstatement with a mere compensation of Rs.40,000/-, without any compelling justification warranting such departure from the settled legal position.



**SUBMISSIONS ON BEHALF OF PETITIONER(S):**

31. It is contended on behalf of the Petitioner that the issue regarding engagement of the workmen stood crystallized in terms of the judgment passed by this Court in *W.P. (C) No. 4113 of 1994*. By the said judgment, this Court had categorically directed the Respondent/Management to engage workers on a casual or ad hoc basis strictly in accordance with the merit position in the select panel prepared and approved on 20.11.1990. It was further directed by this Court that only in the event that such empanelled persons, upon due intimation, declined to accept such engagement, could the Respondent/Management resort to engaging persons from outside the panel.

32. It is further contended by learned counsel for the Petitioner that this Court had directed that, so long as the persons whose names appeared in the select panel were willing to work on a casual or *ad hoc* basis, they were not to be discontinued until regular appointments were made. Learned counsel further submits that it was specifically directed that such empanelled persons, if engaged, could only be replaced by regularly appointed employees and not by any other casual or ad hoc workers. It is also contended that the Respondent/Management was obligated to treat the select panel as the basis for offering employment and to engage the empanelled workmen in accordance with their merit position therein. It is further submitted that this Court had directed that all such empanelled persons willing to work were to report within a stipulated period of fifteen days and, upon doing so, were entitled to continued engagement until regular posts were duly filled.



33. It is also contended that subsequent to the judgment dated 09.05.1997 passed by this court, the Respondent/Management, under the guise of implementing the said judgment, proceeded to terminate the services of the workmen forming part of the present claim. It is submitted that in place of such workmen, the Respondent/Management engaged fresh persons who were not even included in the 1990 Select Panel, in clear deviation from the directions of this court. The process of discontinuation of the services of the claimant workmen, who were also included in the 1995 Panel, commenced in or around August 1997 and continued till 07.10.1998, during which period approximately 250 casual workers were removed from employment. Thus, it is submitted by the Petitioner that such termination of services is illegal, unjustified, and contrary to law. It is specifically contended that none of the judgments passed by this court had directed or contemplated termination of the services of the claimant workmen, and therefore, the action of the Respondent/Management is in violation of the directions laid down by this court.

34. Furthermore, Ld. counsel placed reliance on the judgment of Hon'ble the Supreme Court in *State of Haryana v. Piara Singh*, (1992) 4 SCC 118 contending that the action of the Respondent/Management in replacing the claimant workmen with fresh hands is in clear violation of the law laid down by Supreme court, wherein it has been held that a casual employee cannot be replaced by another casual employee, and that such workers ought to be continued till regular appointments are made in accordance with the prescribed recruitment rules. It is submitted that the claimant workmen had each completed more than 240 days of continuous service in the year



preceding the termination of their services. Despite the same, the Respondent/Management terminated their services without issuing any notice or pay in lieu thereof, and without payment of retrenchment compensation attracting Section 25-F of the Act.

35. It is contended that the Respondent/Management has, on several occasions, sought to justify the termination of the claimant/workmen on the ground that such action was necessitated to accommodate workers from the 1990 Select List in casual engagements pending their regularization. The Petitioner submits that the said stand is factually incorrect and has been taken only to justify arbitrary and selective engagement of casual workers.

36. Additionally, Ld. counsel for the petitioner submitted that as per the affidavit of the General Manager (Personnel) filed before this High Court, there existed approximately 300 casual vacancies per day in the establishment of the Respondent/Management. Out of the 200 workers included in the 1990 Select List, 88 had already been regularized, leaving 112 workers for casual engagement. It is contended that after the judgment dated 09.05.1997, only 37 of these 112 workers reported for and undertook casual engagement, while the remaining workers did not avail such opportunity. Consequently, according to the Petitioner, only a limited number of posts were filled from the 1990 Select List, leaving a substantial number of vacancies unfilled therefore, such remaining vacancies ought to have been filled from amongst the workmen included in the 1995 Panel, instead of engaging fresh persons not forming part of either panel. It is further contended that even assuming, without admitting, that all persons



from the 1990 Select List were accommodated, sufficient vacancies would still have remained available for the claimant workmen.

37. It is also alleged that subsequent to the disengagement of the claimant workmen, the Respondent/Management resumed the practice of engaging fresh casual workers for limited durations, including engagements not exceeding 89 days in a calendar year, thereby preventing accrual of statutory benefits.

38. It is also submitted that some of the casual workers who were listed in '1995 List' preferred a civil writ petition being W.P. (C) No. 2623 of 1997 before this court seeking directions for regularisation of their services, which was disposed off by holding that adherence to the order dated 09.05.1997 preserving seniority and preventing replacement of existing casual workers by fresh casuals does not confer any right to regularisation. However, the court further directed that such continuously engaged casual workers be given an opportunity to compete for regular posts when vacancies arise, along with age relaxation in terms of *Khagesh Kumar v. Inspector General of Registration* and *Inspector General of Registration, U.P. v. Avdesh Kumar*.

39. It is further contended that despite the clear directions issued by this court in its judgment dated 09.05.1997 in W.P.(C)No. 4113/1994, mandating engagement of casual workers from the approved panels in order of merit, the Respondent/Management failed to adhere to the same. It is submitted that after engaging certain workmen from the 1990 Select List, the Respondent/Management completely disregarded the 1995 Panel and proceeded to engage fresh casual workers who were not part of either panel.



40. Counsel for the Petitioners concluded their arguments by contending that despite the existence of the 1995 Panel of casual workmen, the Respondent/Management issued an employment notification dated 12.11.2002 to the Employment Exchange seeking names of candidates for preparation of a fresh panel for casual engagement therefore, in the presence of an existing and operative panel of 1995, the Respondent/Management could not have initiated the process of preparing a fresh panel without first exhausting the said panel. Such action, according to the Petitioner, is in direct contravention of the directions issued by the High Court in its judgment dated 09.05.1997 in W.P.(C) No. 4113/1994. The Petitioner also relies upon a communication dated 08.08.2002 issued by the Engineering Department of the Respondent/Management, whereby it was intimated to the Personnel Department that 55 Engineering Helpers had been promoted and, consequently, casual labour was required to fill the resultant vacancies.

41. Lastly, Ld. Counsel for Petitioner presses that Respondent/Management has failed to furnish clear and categorical disclosures on material aspects, including the number of workmen from the 1990 Select List who were regularized, engaged as casual workers, or declined engagement pursuant to the directions of this court, and has also not placed the complete 1990 Select List on record. Moreover, it has not clarified how many workmen from the 1995 Panel have been engaged, nor disclosed the identity and panel status, including seniority, of those engaged in place of the claimant workmen. While asserting a daily requirement of approximately 300 casual workers on account of absenteeism and temporary or seasonal work, the Respondent/Management has not produced any



supporting material, such as details of absenteeism or the nature of such work, and the Petitioner contends that the requirement is, in fact, of a regular and continuous nature. It is also contended that although the Respondent/Management claims to have a policy governing engagement of casual workers, no such policy has been produced before any authority, and the absence of a transparent and codified framework has resulted in arbitrary practices, including replacement of one set of casual workers with another, contrary to settled legal principles.

**SUBMISIONS ON BEHALF OF THE RESPONDENT:**

42. In contradistinction, the counsel for the respondent raised the preliminary objection regarding the maintainability of petition itself on the ground that AIR India being a private entity is not amenable to writ jurisdiction of this court under Article 226 of the Constitution of India.

43. At the outset, it is submitted on behalf of the Respondent/Management that the workmen involved in the present dispute were engaged *de hors* the applicable rules and regulations, purely to meet exigencies of work such as sporadic requirements, absenteeism of regular employees, and unforeseen temporary workload. It is contended that the said workmen were borne on a panel constituted pursuant to the interim order dated 07.12.1995 passed by the High Court and were subsequently discontinued in terms of the final judgment dated 09.05.1997 passed by the High Court of Delhi. It is further submitted that the engagement and disengagement of the claimant workmen were in accordance with the directions issued by this court in W.P.(C) No. 4113 of 1994, and therefore,



the workmen have no enforceable right to seek reinstatement or continuation of their services, rendering the present claim untenable. It is also submitted that although a notification dated 12.11.2002 was issued inviting applications for preparation of a panel for casual engagement, no recruitment process was initiated, no panel was finalized, and no engagements were made pursuant thereto.

44. It is further submitted on behalf of the Respondent/Management that the present writ petition is liable to be dismissed as the workmen of the Petitioner Association were engaged only for brief periods on a purely casual and daily-rated basis, which does not confer any vested or enforceable right to seek reinstatement, continuity of service, or back wages. It is contended that such casual engagements were availed strictly as and when required, and therefore, the workmen cannot claim any right of lien or continuity in service. The Respondent submits that the number of days allegedly worked by the workmen is of no relevance, particularly in the absence of cogent evidence on record substantiating the same. It is further contended that even assuming that the workmen had completed 240 days of service, such completion would not entitle them to reinstatement, regularization, or continuity of service, given their status as casual workers, and therefore, they are not entitled even to compensation, much less reinstatement with back wages.

45. Furthermore, it is contended on behalf of the Respondent/Management that the engagement and disengagement of the workmen of the Petitioner Association were carried out strictly in terms of the directions issued by the High Court in W.P.(C) No. 4113 of 1994. It is



submitted that the learned Labour Court, *vide* order dated 31.05.2012, closed the evidence of the parties on the ground that the dispute could be adjudicated on the basis of the said judgment. The Respondent further contends that the workmen are not entitled to reinstatement, as granting such relief would perpetuate the very situation which the Division Bench of this Court, in LPA No. 734/2011 decided on 18.05.2012, sought to address while laying down directions regarding the engagement of casual labours.

46. It is further contended on behalf of the Respondent/Management that even assuming, without admitting, that there was non-compliance with Section 25-F of the Act the same would not automatically entitle the workmen of the Petitioner Association to reinstatement. It is submitted that a catena of judicial pronouncements have held that the appropriate relief in cases of breach of Section 25-F is compensation rather than reinstatement.

47. The Respondent further contends that the workmen, being casual employees, cannot claim any right to permanency, and even in the event of reinstatement, such reinstatement would merely restore them to their original status as casual workers, without conferring any right to regular employment or continuity of work. It is also submitted that the present writ petition is liable to be dismissed in view of the judgment of this Court in W.P. (C) No. 4799 of 1997 titled J.D. Biswas v. Indian Airlines Ltd.

48. It was further submitted on behalf of the Respondent that the Petitioner(s) had worked only for a maximum period of two years in total, that too as casual workers, and therefore, the relief of reinstatement cannot be granted after a lapse of approximately 30 years, particularly when such



claim is based on a brief engagement of merely two years in a casual and contractual capacity

49. In support of his contentions reliance has been placed on various judgments including *BSNL V Bhurumal* (2014) 7 SCC 177, *Ranbir Singh V. Executive Engineer PWD* (2021) 14 SCC 815, *Deepali Gundu Surwase V. Krantl Junior Adhyapak Mahavidyalaya (D. Ed) and ors.* (2013)10 SCC 324 and *Jasmer Singh V. State Of Haryana* (2015) 4 SCC 458.

50. At last, ld. Counsel further contended that the learned CGIT observed that the engagement and disengagement of the workmen were in pursuance of the orders passed by this Court, and consequently, the said workmen do not have a claim for continuance in service with the Respondent Airline. It is further contended that in such circumstances, reinstatement was not warranted, and that no compensation ought to have been granted in view of the finding that the workmen had no right to continue in service.

### **ISSUES FOR CONSIDERATION:**

51. The issue involved in these writs are primarily twofold:

- A. *Whether the Respondent i.e. AIR INDIA after having been taken over by a private corporate entity could be subjected to Writ jurisdiction of this court? If so,*
- B. *whether the award passed by Learned CGIT directing monetary compensation in lieu of reinstatement warrants interference of this court?*

### **DISCUSSION:**

52. Having considered the rival submissions, it is evident that the controversy lies in a narrow compass. The Petitioner's principal grievance is



not the non-consideration of its claim or the denial of relief per se, but the grant of mere monetary compensation in lieu of reinstatement.

53. The dispute in the present writ petitions is nearly three decades old, if not older. The consistent stand of the Respondent, both before the learned CGIT and this Court, has been that the workmen were engaged merely as casual and contractual employees. It is further contended that such engagement was made pursuant to directions issued by the High Court from time to time, and therefore did not confer any right upon the Petitioners to claim permanent employment.

54. On the other hand, the case of the Petitioners is that they were, in substance, employees of Air India, and that the Respondent, with the intent of accommodating preferred individuals, repeatedly terminated their services arbitrarily, illegally, and without any justifiable cause.

55. In order to deal with such contentions firstly this court has to deal and decide the question of maintainability of these writs against AIR INDIA which learned counsel appearing on behalf of the Respondent raised as the preliminary objection to the maintainability of the present Writ .

#### **A. MAINTAINABILITY OF WRIT**

56. Learned counsel appearing on behalf of the Respondent raised a preliminary objection to the maintainability of the present writ petition, contending that the Respondent, i.e., Air India, having been privatized in the year 2022, is no longer amenable to the writ jurisdiction of this Court under Article 226 of the Constitution of India.



57. In support of the said contention, he places reliance upon the judgment of a Division Bench of the Bombay High Court in ***R.S. Madireddy and Another v. Union of India and Others***, 2022 SCC OnLine Bom 2657, wherein it was held that, post-privatization, Air India does not qualify as “State” within the meaning of Article 12 of the Constitution of India, and consequently, a writ petition under Article 226 would not be maintainable against it.

58. The aforesaid decision was carried in challenge before the Hon’ble Supreme Court of India in ***Mr. R.S. Madireddy & Anr. v. Union of India & Ors.***, 2024 INSC 425. The Hon’ble Supreme Court dismissed the Special Leave Petition, thereby affirming the view taken by the Bombay High Court and holding the same to be the correct law. The relevant extract reads as under:

*“33. Once the respondent No.3(AIL) ceased to be covered by the definition of State within the meaning of Article 12 of the Constitution of India, it could not have been subjected to writ jurisdiction under Article 226 of the Constitution of India.*

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*37. The respondent No.3(AIL), the erstwhile Government run airline having been taken over by the private company Talace India Pvt. Ltd., unquestionably, is not performing any public duty inasmuch as it has taken over the Government company Air India Limited for the purpose of commercial operations, plain and simple, and thus no writ petition is maintainable against respondent No.3(AIL). The question No. 1 is decided in the above manner.*

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*40. Resultantly, the view taken by the Division Bench of the Bombay High Court in denying equitable relief to the appellants herein and relegating them to approach the*



*appropriate forum for ventilating their grievances is the only just and permissible view.”*

59. The Supreme Court, in the said judgment, observed that upon disinvestment, Air India ceased to be a “State” within the meaning of Article 12 of the Constitution of India and assumed the character of a private company not discharging any public functions. Consequently, it was observed that the High Court was correct in not exercising its extraordinary jurisdiction under Article 226 of the Constitution of India to issue writs against such a private entity in matters not involving any public duty.

60. The reasoning of the Supreme Court proceeds on the footing that Air India, post-disinvestment, operates purely as a commercial enterprise and is not engaged in the performance of any public function or statutory duty so as to attract writ jurisdiction.

61. However, in the considered view of this Court, the aforesaid reasoning is not applicable to the facts of the present case. In the case before the Bombay High Court, the employees, aggrieved by their termination, had directly invoked writ jurisdiction without first availing or exhausting the efficacious alternative remedy available under the labour law framework, such as approaching the appropriate Government for reference or seeking adjudication before the Labour Court/Industrial Tribunal. It is in this context that both the High Court and the Supreme Court held that such a writ petition was not maintainable against a private entity like Air India.

62. What was thus disapproved was not the exercise of jurisdiction under Article 226 per se, but the direct invocation of such jurisdiction against a



private entity in a service dispute, particularly when statutory remedies under labour laws had not been exhausted.

63. The present case stands on a materially different footing. Here, the Petitioners have not promptly approached this Court under Article 226 in the first instance. Rather, they have already availed the statutory mechanism under labour laws, and the present writ petition has been preferred in the nature of supervisory jurisdiction of this Court over the adjudicatory process and award. Therefore, the bar or limitation highlighted in the aforesaid judgment does not apply to the facts of the present case.

64. Moreover, Section 17(2) of the Act stipulates that “subject to the provisions of Section 17-A, the award published under sub-section (1) shall be final and shall not be called in question by any court in any manner whatsoever.” This provision, firstly, seeks to exclude the jurisdiction of civil courts in respect of awards passed by adjudicatory authorities under the Act. Secondly, it indicates the absence of any statutory appeal or revision against such awards.

65. In this backdrop, even if it is assumed that this Court may not exercise jurisdiction under Article 226 in relation to industrial disputes involving private entities, a pertinent question arises *‘whether the awards of the Tribunal are altogether immune from challenge before any judicial forum?’*

66. Such an interpretation could not have been the intention of the legislature. The very object behind constituting Labour Courts and Industrial Tribunals is to ensure expeditious adjudication and effective redressal of industrial disputes. Any construction that renders their awards completely



immune from judicial scrutiny would defeat this purpose. It is well settled that where an award suffers from patent illegality, perversity, or jurisdictional error, it remains amenable to judicial review under Articles 226 and 227 of the Constitution of India.

67. The High Court exercises the power of writ jurisdiction under Article 226 and power of superintendence under Article 227 of the Indian Constitution. The High Court exercises the power of writ jurisdiction and supervision over all the Lower Courts and Tribunals within its jurisdiction.

68. Reliance in this regard can also be placed on the Full Bench of Hon'ble the Supreme Court in *Hindustan Lever Lid v. B.N. Dongre*, AIR 1995 SC 817, wherein it was held as follows:

*"Since against the decision of the Industrial Tribunal no remedy was available under the provisions of The Industrial Disputes Act, 1947 the aggrieved party could only invoke the jurisdiction of the High Court under Articles 226/227 of the Indian Constitution."*

69. The Court held that where both the employer and the Unions representing the workers were aggrieved by the award, to the extent it went against them, they can prefer writ petition against award of the Industrial Tribunal to the High Court under Article 226 of the Indian Constitution.

70. Similarly, in *Engineering Mazdoor Sabha v. Hind Cycles*, AIR 1963 SC 874 Hon'ble the Supreme Court held that the award of the Industrial Tribunal and voluntary arbitrator is subject to writ of certiorari issued by the Court. The writ of certiorari is issued when the Lower Court or Tribunal acts illegally or in excess of its jurisdiction. The Supreme Court also held that though an arbitrator is not a tribunal under Article 136 of the Constitution, in



a proper case, a writ may lie against the award under Article 226 of the Constitution.

71. In view of the above discussion, it is established that even though a private entity like Air India may not ordinarily be amenable to writ jurisdiction under Article 226, the position differs where the dispute arises from an adjudication under labour laws. Once a Labour Court or Industrial Tribunal renders an award, such award is subject to judicial review by the High Court under Articles 226/227. In such cases, the writ is directed against the adjudicatory process and the award itself, not merely the private entity. Therefore, the High Court can entertain a writ petition even where the underlying dispute involves a private employer, provided it emanates from a tribunal's award. Hence, Issue No. 1 is accordingly answered.

### **B. IMPUGNED AWARD PASSED BY LD. CGIT**

72. Now, coming to Issue No. 2 regarding the correctness and legality of the award passed by the learned CGIT, this Court proceeds to examine whether the findings returned therein suffer from any patent illegality, perversity, or jurisdictional error warranting interference in exercise of its powers under Articles 226 and 227 of the Constitution of India.

73. This Court has given its thoughtful consideration to the rival submissions advanced on behalf of the parties and has perused the material placed on record, including the impugned award of the learned CGIT.

74. At the outset, it is necessary to delineate the scope of interference under Article 226 of the Constitution of India in matters arising out of industrial adjudication. It is a settled principle that this Court does not sit in



appeal over the findings of fact recorded by the Tribunal. Interference is warranted only where the findings are perverse, based on no evidence, or suffer from a manifest error apparent on the face of the record. The writ court is not expected to re-appreciate evidence or substitute its own view merely because another view is possible.

75. In the present case, the learned Tribunal has, upon appreciation of the material on record, returned a categorical finding that the workmen were engaged only as casual, daily-rated workers and that such engagement was neither regular nor permanent in nature. The Tribunal has also taken into account the specific stand of the respondent-management that such engagements were availed strictly on a need basis and were not against any sanctioned posts.

76. The respondent-management, in its submissions before this Court, has reiterated that the petitioners were engaged for short and intermittent periods, and at best for a cumulative duration of about two years. This assertion has not been effectively rebutted by the petitioners through cogent documentary evidence. Rather, the petitioners have primarily relied upon general averments regarding alleged completion of 240 days of service.

77. However, before proceeding to the question of relief, this Court must first address the two preliminary contentions that go to the root of the matter

78. First, whether the termination was lawfully effected in pursuance of the High Court's order dated 09.05.1997, and second, whether Section 25-F of the Act is attracted in the facts of the present case.

79. Coming on the First Question, whether termination was in pursuance of the Court's Order. The respondent-management has sought to justify the



termination of the Petitioner/workman on the ground that it was necessitated by and effected in compliance with the judgment dated 09.05.1997 passed by this Court in W.P.(C) No. 4113/1994. This Court is unable to accept this contention.

80. The judgment dated 09.05.1997 was pronounced in May 1997. The services of the Petitioner/workman were, however, not terminated until 09.10.1998, a gap of well over one year. If the termination were truly a direct and immediate consequence of the Court's directions, there is no plausible explanation for why the management waited for more than a year to act upon those directions in the case of this particular workman. An act done in compliance with a court order would ordinarily be expected to follow that order with reasonable promptness. The inordinate delay of over twelve months between the judgment and the termination belies the management's case that the two were causally connected.

81. This inference is further fortified by the manner in which the terminations were carried out across the board. It is borne out from the record that the other workmen similarly situated were not terminated on a single day by a common order. Rather, their services were discontinued at different times and intervals, spread over a period stretching from August 1997 to October 1998, evidently as per the convenience of the management. Had the terminations truly been in strict compliance with this Court's order, the management would have been expected to terminate all the concerned workmen simultaneously, on a single date, by a common order, stating the reason for termination as being the directions of this Court. The staggered and selective manner of termination, spread across many months, is wholly



inconsistent with the conduct one would expect of an employer acting in faithful and prompt compliance with a judicial direction.

82. It must be observed that an employer cannot be, and ought not to be, permitted the liberty of implementing orders of this Court in any manner and at any leisure it chooses. The orders of this Court are not a reservoir of convenient justification to be drawn upon selectively and intermittently as the management sees fit. Assuming, even at its highest, that the management's intent was bona fide and that it genuinely believed it was acting in pursuance of the judgment dated 09.05.1997, that belief cannot retrospectively clothe with legality a course of action that was carried out in a piecemeal, unhurried, and selective fashion over the better part of eighteen months. A plea of compliance with a court order must be supported not merely by assertion but by conduct consistent with such compliance and the conduct of the management in the present case falls far short of that standard.

83. In the absence of any satisfactory explanation for the delay and the staggered manner of termination, the defence that the termination was in pursuance of the Court's order cannot be sustained.

84. Now coming On the Second Question regarding applicability of Section 25-F. It is not in dispute that the Petitioner/workman was engaged after due verification of his documents, fulfillment of requisite formalities, and successful completion of prescribed tests, and thereafter worked continuously from 20.07.1996 until his termination on 09.10.1998. It is equally not disputed that he rendered service for more than 240 days in a



calendar year, thereby satisfying the threshold of continuous service under Section 25-B of the Act.

85. Section 25-F of the Industrial Disputes Act, 1947, as it stands, reads as follows:

***“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."*

86. A bare reading of the provision makes the legislative intent abundantly clear. The section is absolute and unqualified in its operation. It applies to every workman who has been in continuous service for not less than one year, without exception and without caveat. The legislature, in its wisdom, has consciously enumerated only three conditions precedent to a valid retrenchment notice, compensation, and intimation to the appropriate Government. It has not carved out any exception, whether on the ground of the nature of employment, the basis of engagement, or the source of the



employer's obligation to engage. Significantly, it may be noted that the only proviso that ever existed in Section 25-F of the Act was expressly omitted by Parliament by Act 49 of 1984, a legislative act that further reinforces the intent that the provision must operate without qualification or escape route.

87. The respondent-management has sought to resist the applicability of Section 25-F of the Act by placing reliance on the judgment in *J.D. Biswas v. Indian Airlines Ltd.*, contending that since the engagement of the workman was pursuant to an interim order of the Court and the termination was consequent upon the final disposal of those proceedings, the provisions of Sections 2(o), 25-F and 25-G of the Act would not be attracted. This Court finds that the said contention does not stand on good footing, for the following reasons.

88. First, and most fundamentally, the plain text of Section 25-F of the Act does not admit of any such exception. The statute does not say nor has the legislature ever said that its mandate shall not apply where the workman was employed in compliance with a court order. If the legislature had intended to create such an exception, it would have said so expressly. Courts cannot read into a statute an exception that the legislature has chosen not to provide. The management's contention, if accepted, would amount to grafting a judicial exception onto a statutory provision that is deliberately worded in absolute terms an exercise that is impermissible in law. The intent of the legislature is more than clear: any workman who has served continuously for 240 days or more deserves, as a matter of right, the full protection that Section 25-F of the Act mandates, regardless of the circumstances or source of his engagement.



89. Furthermore, the factual matrix of *J.D. Biswas(supra)* is materially distinguishable from the present case. In *J.D. Biswas (supra)*, the termination was a direct, immediate, and unbroken consequence of the disposal of the very writ petition pursuant to whose interim order the workman had been engaged the causal nexus between the court's direction and the termination was complete and uninterrupted. In the present case, as established above, there is a gap of more than a year between the judgment dated 09.05.1997 and the termination on 09.10.1998. The ratio of *J.D. Biswas(supra)* therefore cannot be transplanted onto facts where the essential feature that animated it an immediate and direct compliance with the court's direction is conspicuously absent.

90. Additionally, the workman in the present case was not engaged by the bare force of a court order alone. He was engaged after due verification of documents, successful completion of medical fitness and other prescribed tests, and formal issuance of an appointment letter attributes far more consistent with a voluntary act of engagement on the part of the employer than with a purely court-directed absorption. This further distinguishes the present case from the ratio of *J.D. Biswas*, which was premised on the employer having been left with no volition whatsoever in the matter of engagement.

91. Lastly, and in any event, even if the management's contention were accepted at its highest that the engagement was wholly pursuant to the court's direction it would not follow that the workman is thereby stripped of the statutory protection he has independently earned through his own labour and continuous service. The right under Section 25-F of the Act is not



derived from the nature or source of the engagement; it is earned through the act of service itself. Once a workman has rendered continuous service of one year and completed 240 days in a calendar year, the statutory right crystallises and cannot be extinguished by reference to the circumstances that preceded the engagement.

92. In the present case, none of the three conditions mandated by Section 25-F of the Act were complied with. The workman was terminated without any notice, without wages in lieu thereof, and without retrenchment compensation. The retrenchment is therefore *ex facie* illegal, and the Ld. CGIT's finding to that effect is unassailable.

93. Now coming to the question of relief, even assuming, for the sake of argument, that some of the workmen had completed 240 days of service in a given year, the same would not, in the peculiar facts of the present case, *ipso facto* entitle them to reinstatement. The law in this regard is no longer *res integra*. Completion of 240 days may attract the provisions of Section 25-F of the Act, but the consequence of its breach is not automatic reinstatement in every case.

94. The respondent has specifically contended that even in cases where Section 25-F of the Act is violated, the appropriate relief, particularly in respect of casual or daily-rated workers, is monetary compensation rather than reinstatement. Reliance has been placed on a catena of judgments, including *BSNL v. Bhurumal*, *Ranbir Singh v. Executive Engineer, PWD*, *Deepali Gundu Surwase v. Kranti Junior Adhyapak Mahavidyalaya*, and *Jasmer Singh v. State of Haryana*. The principle emerging from these decisions is that reinstatement is not to be granted as a matter of course,



especially where the employment was not regular, or where long years have elapsed since disengagement.

95. This Court finds merit in the aforesaid submission. In the present case, several distinguishing features exist which weigh heavily against the grant of reinstatement, particularly: nature of employment, duration of engagement, delay and laches/long pendency, and engagement pursuant to judicial orders.

96. The petitioners were admittedly engaged as casual and daily-rated workers. Their engagement was not preceded by any regular recruitment process. No letters of appointment indicating permanency or continuity have been placed on record. The respondent has also clarified that no panel was ever finalized pursuant to the notification dated 12.11.2002, and no appointments were made there under. Thus, no right could have accrued to the petitioners on the basis of a mere notification inviting applications.

97. The respondent has consistently maintained that the petitioners worked for a limited period of approximately two years in total. This aspect is significant as the Courts have repeatedly held that where the period of engagement itself is short, reinstatement after a long lapse of time would be wholly disproportionate.

98. One such instance is *Jagbir Singh v. Haryana State Agriculture Marketing Board*, (2009) 15 SCC 327, wherein the Supreme Court held that reinstatement with full back wages should not follow as an automatic consequence of every illegal termination, particularly in the case of daily wagers or temporary employees. Instead, the relief must be determined on a contextual evaluation of relevant factors such as the nature of employment,



the duration of service, and the surrounding circumstances. The Hon'ble Supreme Court, while acknowledging the illegality of termination, adopted a pragmatic approach by substituting the relief of reinstatement with a lump sum compensation of Rs.50,000/-, reflecting the principle that in cases involving short-term or casual employment, the ends of justice are often better served by awarding monetary compensation rather than directing reinstatement.

99. It is an admitted position that the present dispute has been lingering for nearly three decades. Multiple writ petitions have been filed seeking similar reliefs. In such a scenario, directing reinstatement at this stage would not only be impractical but would also disturb the settled position that has existed for decades. The passage of time is a crucial factor in moulding relief.

100. Applying the aforesaid principle to the question of relief, it is evident that the petitioners cannot claim a vested right to reinstatement merely because they were engaged during the pendency of earlier proceedings or in compliance with judicial directions. Such engagement cannot be equated with a regular or voluntary appointment made by the employer in the ordinary course.

101. Another important aspect which cannot be lost sight of is that even in the eventuality of reinstatement, the petitioners would revert only to their original status as casual workers. Such reinstatement would not confer upon them any right to regularization or continuity of service. In effect, the relief sought would be largely illusory, particularly in view of the long lapse of



time and the absence of any subsisting requirement demonstrated by the respondent.

102. The learned CGIT, while adjudicating the dispute, has taken a balanced view. It has neither accepted the claim of the petitioners in *toto* nor rejected it outright. Instead, it has moulded the relief by granting compensation, thereby recognizing that the petitioners had worked for some period, while simultaneously acknowledging that they were not entitled to reinstatement.

103. This Court finds that such an approach is consistent with the evolving jurisprudence in labour law, wherein the emphasis has shifted from automatic reinstatement to a more nuanced consideration of the facts and equities of each case. Particularly in cases involving casual or daily-rated workers, compensation has increasingly been regarded as an appropriate and equitable relief.

104. The contention of the respondent that no compensation ought to have been granted, in view of the finding that the workmen had no right to continue in service, does not merit acceptance. Even where reinstatement is declined, the grant of compensation is often justified to mitigate hardship and to balance equities. The Tribunal, being the final fact-finding authority, is vested with the discretion to mould relief in such a manner.

105. In the considered opinion of this Court, while the retrenchment of the Petitioner(s) was illegal, reinstatement at this stage would not be an appropriate or workable remedy. The ends of justice would be met by substituting the relief of reinstatement with monetary compensation,



commensurate with the length of service rendered by the Respondents and the attendant circumstances.

106. At this stage, it is apposite to refer to the decision of the Supreme Court in *Amit Kumar Dubey v. M.P.P.K.V.V. Co. Ltd. &Anr.* (Civil Appeal arising out of SLP (C) No. 20902/2024 and connected matters, decided on 29 January 2025), which lays down clear guidelines for determination of the quantum of compensation in cases where reinstatement is substituted with monetary relief. Herein, the Apex Court has categorically held that compensation cannot be nominal, uniform, or arbitrary, and must bear a direct nexus with the length of service rendered by the workman. It was emphasized that a blanket award of compensation, without regard to the duration of employment, would violate the principle of proportionality. The relevant part of the judgment is extracted here under-

*“9. Therefore, in the facts and circumstances of the matters, we deem it fit to enhance the compensation granted to the appellants by the High Court. We hold that the appellants would be entitled to enhanced compensation at the rate of Rs. 1.5 lakhs per year for the period they have worked and in case, they have worked for a part of the year, then the amount of compensation is to be calculated at the same rate to be applied on a pro-rata basis.[...]”*

107. In light of the above principles, as enunciated by the Supreme Court in *Amit Kumar Dubey (supra)*, this Court deems it fit and appropriate that the compensation in the present case be awarded in accordance with the aforesaid parameters, having due regard to the duration of service rendered by the Petitioners and the attendant facts and circumstances.



108. In view of the same, the award rendered by the Id. CGIT is partly modified to the extent that:

- A. Workmen who have worked for one year or more shall be entitled to a lump sum compensation of Rs. 1,25,000/- each ;**
- B. Workmen who have worked for two years or more shall be entitled to a lump sum compensation of Rs. 2,50,000/- each and;**
- C. Workmen who have worked for three years or more shall be entitled to a lump sum compensation of Rs. 3,75,000/- each.**

**CONCLUSION:**

109. Having regard to the legal position crystallised by the precedents discussed and the findings recorded herein, this Court is of the view that the Petitioners have made out a fit case for interference. Accordingly, the present Petitions are allowed to the effect that the finding of the Tribunal that the retrenchment violated Section 25F of the Industrial Disputes Act, 1947, is upheld and the compensation is modified.

110. **Disposed of.** Pending application(s), if any, stand disposed of. No orders as to cost.

**SHAIL JAIN  
JUDGE**

**MAY 8, 2026/HP**