

IN THE HIGH COURT OF GUJARAT AT AHMEDABAD**R/SPECIAL CIVIL APPLICATION NO. 2664 of 2025**

=====

ISHWARBHAI BHIKHUBHAI PATEL
Versus
AJIT PULP AND PAPER LTD.

=====

Appearance:

MR YOGEN N PANDYA(5766) for the Petitioner(s) No. 1
MR YOGI K GADHIA(5913) for the Respondent(s) No. 1

=====

**CORAM: HONOURABLE MR. JUSTICE HEMANT M.
PRACHCHHAK**

Date : 20/11/2025

ORAL ORDER

1. The present petition is filed under Articles 226 and 227 of the Constitution of India read with the provision of the Industrial Disputes Act challenging the impugned order dated 01.06.2024 passed by the learned Presiding Officer, Labour Court, Valsad, in Reference (L.C.V) No. 41 of 2019 whereby a reference of the present petitioner came to be dismissed.

2. Brief facts of the present case are that the petitioner joined services of the respondent company in November 2004, who was employed for a continuous period of 13 years. That, the petitioner had applied for leave from 11.07.2017 to 16.07.2017 which was granted by the respondent company. However, upon his return to duty, he was served with a suspension order dated 11.07.2017, which subsequently led to departmental inquiry, which ultimately, resulted in termination of the petitioner from service w.e.f. 26.03.2018.

2.1 Being aggrieved and dissatisfied by the order of termination, the petitioner approached the Assistant Labour Commissioner, however, no amicable settlement was arrived at during the conciliation proceedings

2.2 The Assistant Labour Commissioner referred the issue before the learned Labour Court, Valsad whereby the reference came to be rejected.

3. Being aggrieved and dissatisfied with the impugned order, the petitioner has preferred the present petition.

4. Heard Mr. Yogen Pandya, learned counsel for the petitioner and Mr. Yogi Gadia, learned counsel for the respondent at length. Perused the material available on record.

5. Mr. Pandya, learned counsel for the petitioner has submitted the same facts which are narrated in the memo of petition and has further submitted that the Labour Court has committed an error in deciding the entire reference without adjudicating the legality and validity of the departmental inquiry. He has submitted that the respondent has failed to prove the fairness and legality of the departmental inquiry. Furthermore, the petitioner had placed substantial documentary evidence highlighting the deficiencies in the inquiry, which were wrongfully discarded by the Labour Court. He has submitted that the impugned order deserves to be quashed and set aside.

6. Mr. Gadia, learned counsel for the respondent has objected the petition and submitted that the Labour Court has

not committed any error while rejecting the reference of the petitioner. He has submitted that no interference is required to be called for and the petition being meritless deserves to be dismissed.

7. Considering the submissions canvassed by learned counsel appearing for the respective parties and the impugned award passed by the Labour Court, it appears that the Labour Court has rightly appreciated the evidence while coming to the conclusion and without there being any rebuttal, on the other hand, the Labour Court has rejected the reference which is erroneous. Considering the facts of the case, it appears that the case is not meted out on merits, however, the petitioner has worked with the respondent and he is suffering from cancer and therefore interest of justice would be served, if the lump sum compensation is to be awarded in favour of the petitioner. In view of the decision of the Hon'ble Supreme Court in the case of **Maharashtra State Cooperative Marketing Federation Limited Versus Suresh S/o Dadarao Gadge** reported in **(2015) 4 SCC 542** and the oral order dated 18.04.2024 passed by the Division Bench of this Court in **Letters Patent Appeal No. 908 of 2023 and allied appeals** more particularly para - 10 and the order dated 18.04.2024 passed by the Division Bench of this Court in **Letters Patent Appeal No.1091 of 2023 and allied appeals** more particularly paras - 5 and 6 and the order dated 29.01.2025 passed by the Hon'ble Supreme Court in Civil Appeal No.1198 of 2025, this Court is of the opinion that the purpose would be served if lump sum amount of Rs.1,00,000/- is awarded.

8. The relevant para - 10 of the oral order dated 18.04.2024 passed by the Division Bench of this Court in Letters Patent Appeal No. 908 of 2023 and allied appeals reads thus:-

"10. Having come to the conclusion that the lump sum compensation would be appropriate remedy for the families of the deceased workmen, the other aspects which comes for consideration is quantum of lump sum compensation. Though learned advocate Mr. Bhatt has contended that there was delay in preferring the complaint and the subsequent reference, it can be observed from the pleadings that the averments with regard to delay and laches in preferring the reference were not made before the labour court as well as the learned Single Judge. Therefore, the argument of learned advocate Mr. Bhatt with regard to delay and laches in preferring reference cannot be countenanced and what needs to be seen is that almost all the workmen have put in 16-20 years of service for the respondent and their services were terminated without following due procedure of law. Therefore, the families of the deceased workmen needs to be compensated proportionally as to the number of years of service put in by them. However, in order to balance the equation, we have considered to give effect of delay in preferring the reference while enhancing the amount of compensation. Thus, while calculating the number of years of services, we proposed to deduct the number of years service for which there is delay in preferring reference. After deduction of such number of service, we propose to give compensation in the following tabular form:

Sr.No.	Total no. of years for lump sum compensation	Amount of lump sum compensation
1	5 to 10 years	Rs.3.00 lacs
2	10-15 years	Rs.5.00 lacs
3	15-20 years	Rs.7.5 lacs

9. The relevant paras 5 and 6 of the oral order dated 18.04.2024 passed by the Division Bench of this Court in Letters Patent Appeal No. 1091 of 2023 and allied appeals reads thus:-

"5. Therefore, looking to the gap which intervened between the date of termination and the date of granting reinstatement, the approach of the learned Single Judge granting lump sum compensation cannot be faulted with.

6. Looking to the various aspects and factors which are considered above, like the nature of employment, time gap intervened, length of service, the compensation awarded to the tune could not be said to be unreasonable. Therefore, Letters Patent Appeals preferred by the Municipality on the question of amount of compensation as well as appeals preferred by the workmen seeking reinstatement are liable to be dismissed. However, in one of the matters being Letters Patent Appeal No. 701 of 2023 in Special Civil Application No. 18334 of 2021 in the case of workman being Koli Vairaginiben Ramkumar, we observe that the compensation given by the learned Single Judge is to the tune of Rs.6,25,000/- for 11 years of service. It can be observed from the order passed by the learned Single Judge that such amount is proportionally different from the other set of amounts which are given as compensation. However, for the identical years of work i.e. 11 years of service, the other workmen are granted an amount of Rs.3,25,000/- as lump sum compensation. Thus, we are inclined to modify the amount of lump sum compensation in Letters Patent Appeal No. 701 of 2023 to the tune of Rs.3,25,000/- from Rs.6,25,000/-. Hence, Letters Patent Appeal No. 701 of 2023 is partly allowed to the aforesaid extent, whereas, all the other Letters Patent Appeals stand dismissed as no ground is made out to interfere with the order of the learned Single Judge."

10. Now, considering the materials placed on record and the peculiar facts of this case, this Court is of the opinion that instead of granting any back wages and reinstatement in service

as prayed for, it would be just and proper to pay lump sum compensation of Rs.1,00,000/- to the workman, which will serve the ends of justice.

11. With the aforesaid conclusion, the petition stands allowed in part. The impugned award passed by the Labour Court is hereby quashed and set aside and the award is modified accordingly. An amount of Rs.1,00,000/- as lump sum compensation shall be paid to the workman by the employer after proper verification of the identity and bank details through RTGS within a period of four weeks from the date of receipt of the writ of this order as full and final settlement. There shall be no order as to costs.

(HEMANT M. PRACHCHHAK,J)

ANUSRI

Original copy of this order has been signed by the Hon'ble Judge.
Digitally signed by: ANUSRI VASU(HC02352), ENGLISH STENO GRADE-II\, at High Court of Gujarat on 01/12/2025 16:51:35