

HIGH COURT OF JUDICATURE FOR RAJASTHAN
BENCH AT JAIPUR

D.B. Special Appeal Writ No. 751/2017

Managing Director, The Urban Cooperative Bank Limited, Panch Batti, M.I. Road, Jaipur Now Fingrowth Co-operative Bank Ltd.

----Appellant

Versus

1. The Judge, Industrial Tribunal, Jaipur
2. Apex Organisation Of Rajasthan Co-operative Sector Employees Union, Nehru Bazar, Jaipur

----Respondents

For Appellant(s)	:	Mr. A.K. Sharma, Senior Advocate with Mr. Madhav Dadhich
For Respondent(s)	:	Mr. K.C. Chandel (Self), present in person

HON'BLE MR. JUSTICE INDERJEET SINGH
HON'BLE MR. JUSTICE ASHOK KUMAR JAIN
Judgment

REPORTABLE

16/03/2026

1. Instant DB Special Appeal under Rule 134 of the Rajasthan High Court Rules, 1952 has been filed by the appellant, (hereinafter referred to as "the employer"), aggrieved from the judgment dated 10.03.2017 passed in SB Civil Writ Petition No.1959/2006, titled as "*Managing Director, Urban Cooperative Bank Ltd. vs. Judge, Industrial Tribunal, Jaipur*".
2. The brief facts of the case are that the Respondent No.2, an Organization of Rajasthan Cooperative Sector Employees Union submitted a demand charter to the employer on 18.02.1982 and after that services of the some of the members of Union were terminated and they were discontinued by present appellant from 01.09.1982. A

dispute was raised and after failure in conciliation, a reference was made by the State Government under Section 10A of the Industrial Disputes Act, 1947, (hereinafter referred to as "the Act of 1947"), as under:

"Whether the action of the employer Managing Director, Urban Cooperative Bank Limited, Nehru Bazar, in terminating the services of 30 workmen mentioned in the list was justified and correct, and if not, what relief they were entitled to?"

3. A statement of claim was filed by the respondent union on behalf of 15 out of 30 workmen in respect of whom the dispute was raised. Five other workmen had filed separate statement of claims. A reply was filed by the appellant employer.
4. The Industrial Tribunal answered the reference on 01.04.1991 by holding that the termination order was legal and justified and the termination order did not fall within the definition of retrenchment and was covered under Section 2(oo)(bb) of the Act of 1947.
5. One of the workmen, Trilok Chand, separately challenged his termination and an award was passed in his favour on 22.08.1989 by the Industrial Tribunal, thus declaring termination as unfair and illegal.
6. Two separate writ petitions were filed, firstly S.B. CWP No.3956/1991 by the workmen against the award dated 01.04.1991, and secondly S.B. CWP No.3048/1990 by the employer against the award in favour of Trilok Chand dated 22.08.1989.

7. A Coordinate Bench of this Court allowed both the writ petitions on 22.04.1994 and set aside the awards dated 01.04.1991 and 22.08.1989 and remitted the matter back to the Industrial Tribunal to decide the same afresh.
8. The Tribunal, while reconsidering the reference, decided the same on 16.10.1995 and passed an award against the workmen. Respondent No.2 again filed S.B. CWP No.3698/1996 against the said award and, vide judgment dated 05.01.1999, a Coordinate Bench of this Court again set aside the award dated 16.10.1995 and remanded the matter back to the Tribunal.
9. A D.B. Special Appeal (Writ) No.123/1995 was preferred by the employer bank and the same was decided on 24.11.2003 observing that some of the issues were not dealt with by the learned Single Judge.
10. Thereafter, SB Civil Review No.30/2004 was preferred by the appellant employer bank, which was dismissed on 27.01.2005. Finally, the award dated 19.07.2005 was passed by the Industrial Tribunal in following manner:

"प्रबंधक, अरबन कोऑपरेटिव बैंक लि०, नेहरू बाजार जयपुर द्वारा श्रमिकगण सर्वश्री अशोक कुमार जैन, बद्री प्रसाद शर्मा, रमेश पारीक, भगवान सहाय गुप्ता, वेद प्रकाश सैनी, राम रतन गुप्ता, रमेश चंद सैनी, भुवनेश कुमार जैन, बिट्टल नाथ शर्मा, बिरजू सिंह, चन्द्र प्रकाश सौगानी, अनिल कुमार जैन, रतनेश वार्ष्णेय, हरिकिशन कुमावत, अशोक मुदगल, कैलाश कुमार चंदेल, एवं राजेश शर्मा, 1 कुल 171 की सेवाएं दिनांक 1.9.82 से समाप्त किया जाना उचित एवं वैध नहीं हैं। ये सभी 17 श्रमिक पिछले समस्त

वेतन एवं अन्य लाभ सहित एवं सेवा की निरन्तरता सहित पुनः सेवा में नियोजित किये जाने के अधिकारी हैं। अन्य सभी श्रमिकगण के संबंध में नो डिस्प्यूट अवार्ड पारित किया जाता है।"

11. In view of award, termination of 17 workmen was declared as unfair and illegal and they were reinstated with back wages and continuity of service. Against the said award, the bank employer appellant herein, preferred S.B. CWP No.1959/2006, which was dismissed on 10.03.2017 with cost of ₹50,000/- to be paid by the employer bank and be distributed equally to the workmen who are members of the respondent union.
12. The instant SAW has been preferred and the same is being considered on merits.
13. Learned Senior Advocate appearing on behalf of the employer bank submitted that on two occasions a reference was decided in favour of the appellant bank, but after the remand by this Hon'ble Court a fresh award in favour of workmen was passed by the Tribunal. He further submitted that the Tribunal in its findings has clearly held that the appellant bank (employer) has complied with the mandatory provisions of Section 25F of the Act of 1947 and adequate compensation legally admissible to the workmen has been paid by the bank. He further submitted that the services of the workmen were dispensed with as the contract to collect the amount for water and electricity bills on behalf of PHED and RACB was terminated.

14. He further submitted that these workmen were employed on a specific work and their duty was to collect amount themselves or engage some other person for collection of the amount towards electricity and water bills as per the contract with PHED and RSEB. He also submitted that these workmen were not employees of the bank, rather they were engaged for a specific work and the work of PHED and RSEB having come to an end, therefore the appellant employer was left with no option except to terminate and discontinue the services of said workmen.
15. Learned Senior Advocate further submitted that as and when the appellant bank initiated the process of fresh recruitment, these workmen were also given an opportunity to re-apply for engagement with the bank, but except three persons no other person approached the bank for re-engagement. He further submitted that no case has been set up to show termination of service in violation of any statutory provision rather the Tribunal has made out a case to show that a seniority list was not maintained by the petitioner and the principle of "last come first go" was not followed.
16. Learned Senior Advocate also submitted that no positive evidence was led by the respondent union or any of the workmen regarding non-compliance of the provisions of Sections 25H, 25G or 25N, but still the Tribunal has drawn a conclusion only on the ground that the appellant failed to submit documents to justify its defence. He further submitted that the Tribunal has drawn conclusions without any evidence and the findings are perverse in nature. He

further submitted that the writ petition under Article 226 of the Constitution of India was filed to show the perversity and illegality committed by the Industrial Tribunal while passing an award dated 19.07.2005.

17. Learned Senior Advocate further submitted that even assuming breach of some of the provisions of the Act of 1947, the workmen are not automatically entitled to reinstatement. He also submitted that the dispute pertains to the year 1982 and the award in favour of the workmen was passed on 19.07.2005, but prior to the said award two awards dated 01.04.1991 and 16.10.1995 were passed against the respondent workmen and the termination order was found legally justified. He also submitted that even assuming the entire facts, the bank has offered compensation of ₹3,60,000/- to each of the workmen, and the bank is not in a position to reinstate any of the workmen. He further submitted that all the workmen have already attained the age of superannuation and till date they were not reinstated pursuant to the award dated 19.07.2005. At last, he submitted that the workmen had rendered their services for a shorter duration and that too on contractual basis on a specific project of collection of billing amounts of RSEB and PHED, therefore the order of reinstatement is contrary to the settled proposition of law.
18. Aforesaid contentions were opposed by the representative of Respondent No.2 Union and submitted that the grounds raised by the appellant bank are already considered by Hon'ble Single Judge Bench and same were answered with

support of judgments of the Hon'ble Supreme Court. He further submitted that the workmen had rendered services of three years and more. He also submitted that the workmen raised the dispute in 1982 but, due to delay in disposal of litigation, the award was finalized on 19.07.2005, wherein the termination of services was specifically declared as unfair and illegal. He also submitted that after termination of the services of the workmen, the appellant bank engaged several persons and not afforded any opportunity to the respondent workmen, which was considered by the Tribunal and also by the learned Hon'ble Single Bench. He further submitted that the workmen had prayed for reinstatement and now they are waiting for realization of the fruits of the award.

19. The representative of Union also referred to the scope of interference by the High Court and submitted that once an award is passed and the same is upheld by a detailed and reasoned order by Hon'ble Single Judge Bench, then there is no scope of interference in the Special Appeal. He also referred to the non-compliance of Sections 25G and 25H of the Act of 1947 and submitted that violation is an admitted fact before the Tribunal and the same cannot be re-agitated before this Hon'ble Court. The representative of the Union further rejected the proposal of the learned Senior Advocate for grant of lump sum compensation in lieu of reinstatement. He also submitted that when an award is passed in favour of workmen and there is no legal ground to challenge the award, then the S.A.W. is liable to be dismissed. He also

submitted that despite the award dated 19.07.2005, the appellant bank has not complied with the award in letter and spirit. He further submitted that even after dismissal of the writ petition the appellant has not reinstated the workmen. He also referred to the affidavits filed by the workmen and submitted that they have already rejected the proposal of lump sum compensation of ₹3,60,000/- offered to them and also observed in order dated 25.04.2017.

20. Heard learned Senior Counsel for the appellant bank (employer) and the representative of the Union representing all the workmen.
21. Admittedly, the termination or discontinuation was made on 01.09.1982 and for the first time the award of reinstatement was passed on 19.07.2005 by the Industrial Tribunal, Jaipur. The award dated 19.07.2005 clearly indicates that the appellant bank had complied with the provisions of Section 25F of the Industrial Disputes Act while discontinuing the services of 30 workmen. The Tribunal has found that the appellant employer has not complied with the provisions of Sections 25G, 25N or 25H of the Industrial Disputes Act, 1947.
22. The defence of the appellant bank is that the workmen were engaged on contractual basis for collection of water and electricity bills as the appellant was having a government contract with RSEB and PHED, which came to an end, leading to discontinuation of services of workmen.
23. Sections 25G, 25H and 25N of the Act of 1947 are reproduced as under:

25G. Procedure for retrenchment

Where any workman in an industrial establishment, who is a citizen of India, is to be retrenched and he belongs to a particular category of workmen in that establishment, in the absence of any agreement between the employer and the workman in this behalf, the employer shall ordinarily retrench the workman who was the last person to be employed in that category, unless for reasons to be recorded the employer retrenches any other workman.

25H. Re-employment of retrenched workmen

- Where any workmen are retrenched, and the employer proposes to take into his employ any persons, he shall, in such manner as may be prescribed, give an opportunity [to the retrenched workmen who are citizens of India to offer themselves for re-employment, and such retrenched workmen] [Substituted by Act 36 of 1964, Section 16, for certain words (w.e.f. 19.12.1964).] who offer themselves for re-employment shall have preference over other persons.

25N. [Conditions precedent to retrenchment of workmen.] [Substituted by Act 49 of 1984, Section 5, for Section 25-N (w.e.f. 18.8.1984).]]

(1) No workman employed in any industrial establishment to which this Chapter applies, 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 three months' 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; and

(b) the prior permission of the appropriate Government or such authority as may be specified by that Government by notification in the Official Gazette (hereafter in this section referred to as the specified authority) has been obtained on an application made in this behalf.

(2) An application for permission under sub-section (1) shall be made by the employer in the prescribed manner stating clearly the reasons for the intended retrenchment and a copy of such application shall also be served simultaneously on the workmen concerned in the prescribed manner.

(3) Where an application for permission under sub-section (1) has been made, the appropriate Government or the specified authority, after making such enquiry as it thinks fit and after giving a reasonable opportunity of being heard to the employer, the workmen concerned and the person interested in such retrenchment, may, having regard to the genuineness and adequacy of the reasons stated by the employer, the interests of the workmen and all other relevant factors, by order and for reasons to be recorded in writing, grant or refuse to grant such permission and a copy of such order shall be communicated to the employer and the workmen.

(4) Where an application for permission has been made under sub-section (1) and the appropriate Government or the specified authority does not communicate the order granting or refusing to grant permission to the

employer within a period of sixty days from the date on which such application is made, the permission applied for shall be deemed to have been granted on the expiration of the said period of sixty days.

(5) An order of the appropriate Government or the specified authority granting or refusing to grant permission shall, subject to the provisions of sub-section (6), be final and binding on all the parties concerned and shall remain in force for one year from the date of such order.

(6) The appropriate Government or the specified authority may, either on its own motion or on the application made by the employer or any workman, review its order granting or refusing to grant permission under sub-section (3) or refer the matter or, as the case may be, cause it to be referred, to a Tribunal for adjudication:

Provided that where a reference has been made to a Tribunal under this sub-section, it shall pass an award within a period of thirty days from the date of such reference.

(7) Where no application for permission under sub-section (1) is made, or where the permission for any retrenchment has been refused, such retrenchment shall be deemed to be illegal from the date on which the notice of retrenchment was given to the workman and the workman shall be entitled to all the benefits under any law for the time being in force as if no notice had been given to him.

(8) Notwithstanding anything contained in the foregoing provisions of this section, the appropriate Government may, if it is satisfied that owing to such exceptional circumstances as

accident in the establishment or death of the employer or the like, it is necessary so to do, by order, direct that the provisions of sub-section (1) shall not apply in relation to such establishment for such period as may be specified in the order.

(9) Where permission for retrenchment has been granted under sub-section (3) or where permission for retrenchment is deemed to be granted under sub-section (4), every workman who is employed in that establishment immediately before the date of application for permission under this section shall be entitled to receive, at the time of retrenchment, compensation which shall be equivalent to fifteen days 'average pay for every completed year or continuous service or any part thereof in excess of six months.]

24. In the case of **Harjinder Singh v. Punjab State Warehousing Corporation, (2010) 3 SCC 192**, Hon'ble Supreme Court has held that the workman is required to plead and prove that while effecting retrenchment, the employer violated the rule of "last come first go" without any tangible reason so as to show violation of Section 25G of the Act of 1947. The issue was also considered by the learned Single Judge in light of the judgment in the case of **General Manager, State Bank of India v. Rakesh Kumar Tiwari, (2006) 1 SCC 530**, wherein Hon'ble Supreme Court held that Section 25G deals with a situation where retrenchment is assumed to be validly made. In such circumstances, if the

employer wishes to re-employ any employee, he must offer the retrenched employee preference over others.

25. Section 25H provides for re-employment of retrenched workmen. In the case of **The Barara Cooperative Marketing-cum-Processing Service Society Ltd. vs. Workman Pratap Singh reported as (2019) 2 SCC 743**, Hon'ble Supreme Court held that to bring a case under Section 25H, the workman is required to prove that he was a retrenched employee of the employer and secondly that the employer has decided to fill up the vacancies accrued in their organization.
26. The learned Single Judge has referred the judgment in the case of **General Manager, State Bank of India v. Rakesh Kumar Tiwari (supra)** and **State Bank of Bikaner and Jaipur v. Om Prakash Sharma, AIR ONLINE 2006 SC 274** and observed that after closure of the work of collection of electricity and water bills, the employer is not justified in retrenching or discontinuing the services of the workmen when there is no process for selection and appointment of employees for such or different works.
27. Section 25N only provides conditions precedent to retrenchment of workmen. The Section itself provides its applicability upon certain establishments fulfilling the conditions as prescribed therein. With regard to Rajasthan, amendments were made by the Rajasthan Act No.8 of 1984, which came into effect on 14.04.1984. Later, the Central Act was amended by Central Act No.49 of 1984 with effect from

18.08.1984. Learned Senior Advocate submitted that Section 25N of the Act of 1947 is not applicable to their organization.

28. The learned Single Judge cumulatively examined the non-compliance of statutory provisions under the Industrial Disputes Act. No specific reference was made regarding non-compliance of Section 25N though on behalf of the Union it was submitted that more than 100 workmen are performing duties under the umbrella of the appellant bank. The Tribunal has also found that the admission by the employer bank clearly shows that they have not complied with the provisions of Section 25N of the Act of 1947 and only on the basis of admission non-compliance of the provision was found proved against the appellant bank.
29. It is settled law that an Industrial Tribunal or Labour Court is bound by the terms of reference and can adjudicate only the dispute referred to it under the Act of 1947. The limitation upon adjudication is that it cannot adjudicate a dispute which has not been referred. Thus, the Industrial Tribunal is bound by the reference and cannot decide any dispute which has not been referred to it. In the case of **Pottery Mazdoor Panchayat v. Perfect Pottery Co. Ltd. and Another, 1979 AIR 1356**, Hon'ble Supreme Court has held that the Industrial Tribunal has no jurisdiction to go beyond the reference and it cannot adjudicate upon issues which have not been referred.
30. The terms of reference dated 15.02.1983 indicate that a reference was made to decide the issue as to whether the termination of services of 30 workmen was legal and

justified, and if not, what relief the workmen were entitled to. The statement of claim submitted by the Union also indicates that, by adopting unfair labour practice, the services of the workmen were terminated. At the time of termination neither one month's notice, salary in lieu thereof, nor retrenchment compensation, was paid. In the entire statement of claim, breach of the provisions under Section 25F of the Industrial Disputes Act was specifically pleaded.

31. Initially, when the award dated 01.04.1991 was passed and writ petition No.3956/1991 was decided along with writ petition No.3048/1990 by a Coordinate Bench of this Court on 22.04.1994, certain issues were framed by the Presiding Officer of the Industrial Tribunal, which included non-compliance of Sections 25F, 25G and 25N. A specific issue was also framed with regard to Section 25H and violation of Sections 33(1) and 33(2) of the Act of 1947. In the aforesaid circumstances, we are considering the present S.A.W.
32. Now comes the question about the challenge to the grounds and the scope of Article 226 of the Constitution of India while challenging the award passed by the Labour Court-cum-Industrial Tribunal. The Industrial Disputes Act, 1947 does not prescribe any statutory appeal from any award, therefore, the only remedy lies in filing a writ petition under Articles 226 and 227 of the Constitution of India. The chequered history of the dispute clearly indicates that on multiple occasions writ petitions were filed by both the parties and decided by this Court.

33. The learned Single Judge, considering the scope of Articles 226 and 227 of the Constitution of India in dealing with the award, has referred the judgment in the case of **Sadhana Lodh Vs. National Insurance Company Ltd., reported in (2003) 3 SCC 524**, wherein it was observed as under:

"7. The supervisory jurisdiction conferred on the High Court under Article 227 of the Constitution is confined only to see whether an inferior court or tribunal has proceeded within its parameters and not to correct an error apparent on the face of the record, much less of an error of law. In exercising the supervisory power under Article 227 of the Constitution, the High Court does not act as an appellate court or the tribunal. It is also not permissible to a High Court on a petition filed under Article 227 of the Constitution to review or reweigh the evidence upon which the inferior court or tribunal purports to have passed the order or to correct errors of law in the decision."

34. Further, in the case of **Harjinder Singh v. Punjab State Warehousing Corporation (supra)**, Hon'ble Judges of the Bench passed separate judgments and the same were referred by the learned Single Judge, wherein it was also

held that the Court has a duty to interpret the statute so as to advance the statutory goal and not to frustrate the same.

35. In the case of **Syed Yakoob v. K.S. Radhakrishnan, AIR 1964 SC 477**, it was held that a writ of certiorari can only be issued to correct errors of jurisdiction where a court or tribunal acts with material irregularity or in violation of law, but not for the purpose of re-appreciation of evidence or acting as a court of appeal.
36. In the case of **Indian Overseas Bank v. IOB Staff Canteen Workers' Union, (2000) 4 SCC 245, Anoop Sharma v. Executive Engineer, Public Health Division No.1, Panipat (Haryana), (2010) 5 SCC 497 and Pepsi Foods Pvt. Ltd. v. Krishn Kant Pandey, (2015) 4 SCC 270**, Hon'ble Supreme Court has held that while construing the award or order of the Labour Court or Industrial Tribunal, the High Court has to first conclude that the award or order is based on no evidence or is perverse. The High Court cannot proceed to re-appreciate the evidence under Articles 226 or 227 of the Constitution of India unless an error of law apparent on the face of record is shown. An error of fact, however grave it may appear to be, cannot be corrected by way of writ.
37. In the case of **General Manager, ONGC, Silchar versus ONGC Contractual Union, reported as (2008) 12 SCC 275**, Hon'ble Supreme Court has held as under:
- "We have examined the arguments advanced by the learned counsel. This Court has held time and again that the High Court had the authority to enquire as to

whether a finding arrived at by the Tribunal was based on evidence and to correct an error apparent on the face of the record. The observations in Trambak Rubber Industries Ltd.'s case (2003) 6 SCC 416) are to this effect and it has been highlighted that the High Court would be fully justified in interfering with an Award of an Industrial Court on account of a patent illegality. In Seema Ghosh's case ((2006) 7 SCC 722), this Court observed that the High Court's interference under Articles 226 and 227 of the Constitution with an Award of the Labour Court was justified as the Award had been rendered contrary to the law laid down by this Court and as a measure of "misplaced sympathy", and was thus perverse. The other judgments cited by Mr. Dave lay down similar principles and need not be dealt with individually. It will be seen therefore that the interference would be limited to a few cases and as already noted above, in the case of a patent illegality or perversity. On the contrary, Mr. Sanyal's reliance on Sadhu Ram's case (AIR 1984 SC 1467) is more appropriate to the circumstances herein. It has been observed as under:

"The jurisdiction under Article 226 of the Constitution of India is truly wide but, for that very reason, it has to be exercised with great circumspection. It is not for the High Court to constitute itself into an appellate court over tribunals constituted under special legislations to resolve disputes of a kind qualitatively different from ordinary civil disputes and to re-adjudicate

upon questions of fact decided by those tribunals. That the questions decided pertain to jurisdictional facts does not entitle the High Court to interfere with the findings on jurisdictional facts which the Tribunal is well competent to decide. Where the circumstances indicate that the Tribunal has snatched at jurisdiction, the High Court may be justified in interfering. But where the tribunal gets jurisdiction only if a reference is made and it is therefore impossible ever to say that the Tribunal has clutched at jurisdiction, we do not think that it was proper for the High Court to substitute its judgment for that of the Labour Court and hold that the workman had raised no demand with the management".

We are therefore of the opinion that in the light of the facts that have come on record we find no perversity or patent illegality in the Award of the Industrial Tribunal and on the contrary must appreciate that it has minutely examined the evidence in arriving at its decision. In this view of the matter, it was inappropriate for the Learned Single Judge to have re- appraised the evidence and come to a different conclusion."

38. Aforementioned provisions clearly indicate that the supervisory jurisdiction conferred under Article 226 of the Constitution of India or the writ jurisdiction under Article 227 of the Constitution of India is confined only to see that the Tribunal or the Court has acted contrary to the legal provisions or the material placed on record. The scope is not to re-appreciate the facts, therefore, learned Single Judge

has rightly appreciated the legal position and also the award passed by the Industrial Tribunal as there is no perversity or illegality in the award dated 19.07.2005 to the extent that termination of seventeen workmen on 01.09.1982 was illegal and not justified.

39. Now comes the second part, namely reinstatement or lump sum compensation in lieu of reinstatement. Admittedly, the termination order was effected from 01.09.1982 and the reference was made on 15.09.1983. The Industrial Tribunal has considered the termination order on three occasions Whereas on two occasions it has been held that the termination order was in accordance with the provisions of law. The material on record also indicates that the workmen were contractual employees and after 1982 they have not worked in the appellant bank.
40. During pendency of the litigation before this Court, the workmen were given wages under Section 17B of the Act of 1947. During pendency of the present SAW, an offer was made to the workmen for settlement of the dispute on payment of lump sum compensation of ₹3,60,000/-, but the same was not accepted by the workmen and the same has been noticed in the order sheet dated 24.05.2017.
41. In the case of **Rajasthan Development Corporation v. Gitam Singh, (2013) 5 SCC 136**, it was held that in cases of holding termination invalid, reinstatement is not natural consequences. The grant of a relief of reinstatement is not an automatic consequence, where the termination is

declared as bad and contrary to provisions of the Industrial Disputes Act.

42. In case of **Management, Hindustan Machine Tools Ltd. Vs. Ghanshyam Sharma reported in (2018) 18 SCC 80** following ratio in case of **Gitam Singh (supra)**, it was held that the court should consider the duration of service, nature of employment and time lapsed since termination, while considering issue of reinstatement of workman.
43. In the case of **Bharat Sanchar Nigam Limited v. Bhurumal, (2014) 7 SCC 177**, Hon'ble Supreme Court has held that even if the order of termination is found to be violative of the provisions of the Act of 1947, reinstatement with full back wages is not automatic and monetary compensation may be granted instead. In the said case, the period of engagement was very short and the Court has closed the dispute by awarding compensation in lieu of reinstatement.
44. In the case of **State of Uttarakhand v. Raj Kumar, (2019) 14 SCC 353 and Ranveer Singh v. State of Uttar Pradesh, AIR Online 2021 SC 794**, it was held that delay affects the chances of reinstatement and in every matter reinstatement is not the only remedy, and the Court may award suitable compensation.
45. A Division Bench of this Court has also considered an identical issue in the case of **Director, Tiger Project, Sariska v. Industrial Tribunal, Alwar & Another, D.B. Special Appeal (Writ) No.406/2018** and while deciding a bunch of petitions observed that during the intervening

period of 25–30 years or more, the workmen would have already settled in their lives and it would not be appropriate to reinstate them after such lapse of time. Instead, a formula for grant of compensation was devised and it was observed that the interest of justice would be served if compensation is calculated at the rate of ₹1,00,000/- for service of one year, ₹1,50,000/- for two years, ₹2,50,000/- for service of three years and ₹3,00,000/- for more than three years of service.

46. In the case of **Amit Kumar Dubey v. M.P.P.K.V.V. Co. Ltd. and Anr.: Civil Appeal No.1198/2025 (Arising out of SLP (Civil) No.20902/2024, judgment dated 29.01.2025)**, Hon'ble Supreme Court while considering an issue where the individuals had worked for about three years, instead of reinstatement granted compensation to them.
47. In case of **Magan Lal Vs. Manager, Instrumentation Ltd. Kota: DB SAW No.735/2023**, a Division Bench of this Court while considering an appeal preferred against judgment passed by learned Single Judge whereby learned Single Judge has enhanced amount of lump sum compensation from ₹2,00,000/- to ₹5,00,000/- has dismissed the appeal after considering the judgment in case of **Amit Kumar Dubey Vs. M.P.P.K.K.V. Co. Ltd. and Anr. (supra)**.
48. The dispute is of the year 1982 and the reference was made in 1983, whereas an award finally passed in favour of the workmen only on 19.07.2005. Earlier, on two occasions the

award was passed against these workmen, except award in the case of Trilok Chand, which was also set aside, and now workmen have attained age of superannuation, therefore, there are no chances of reinstatement. During the pendency of the litigation, the benefit under Section 17B of the Act of 1947 was already extended to the workmen.

49. Thus, considering overall circumstances, this is not a fit case wherein reinstatement can be ordered as an automatic consequence after declaration of termination order as unfair and illegal. This is not a case wherein reinstatement can be justified. The ideal situation would be to award lump sum compensation to the workmen.
50. The length of service is an admitted fact before the Tribunal hence, it is appropriate to award lump sum compensation of ₹5,00,000/- to each of the workmen irrespective of their length of service. The compensation shall be paid by the appellant bank within a period of 60 days, failing which they are liable to pay interest on the delayed payment.
51. In view of the discussion made hereinabove, the Special Appeal Writ is partly allowed and the award of Industrial Tribunal dated 19.07.2005, as upheld by the judgment dated 10.03.2017 passed by the learned Single Judge, is modified to the extent that instead of reinstatement with back wages, each of the workmen shall be entitled to a lump sum compensation of ₹5,00,000/- from the appellant bank (employer). The rest of the award is upheld. The appellant bank is directed to make payment directly into the bank account of the workmen within a period of 60 days, failing

which they are entitled to interest at the rate of 6% per annum from appellant bank.

52. Accordingly, the Special Appeal Writ and the miscellaneous application, if any, stand disposed of.

53. No order as to costs.

(ASHOK KUMAR JAIN),J

(INDERJEET SINGH),J

PREETI VALECHA /52