



**HIGH COURT OF JUDICATURE FOR RAJASTHAN
BENCH AT JAIPUR**



S.B. Civil Writ Petition No. 14013/2011

Satya Narain S/o Shri Ram Dev, R/o Chattarpura, Bundi, (at present- by pass road par badi hwalli Chattarpura, Bundi) Rajasthan.

-----Petitioner

Versus

1. The Judge, Central Industrial Tribunal, Kota Rajasthan.
2. The Telecom District Manager, B.S.N.L., Bundi (Raj.)

-----Respondents

For Petitioner(s) : Mr. Nadeem Mazahir for
Mr. Hitesh Bagari
Mr. C.P. Saini

For Respondent(s) : Ms. Gunjan Chawla
Mr. Ravinder Pal Singh
Ms. Sneha Kaushal for
Mr. Neeraj Batra, G.C

HON'BLE MR. JUSTICE ANAND SHARMA

Order

06/01/2026

1. The present writ petition is directed against award dated 31.08.2010 passed by the Labour Court, Kota (hereinafter to be referred as 'Labour Court') whereby the termination of the petitioner-workman was held to be in violation of Section 25F of the Industrial Disputes Act, 1947, (hereinafter to be referred as the 'Act of 1947') and instead of reinstatement, the petitioner-employee was directed to be paid lump sum compensation of Rs.60,000/- by the respondent-employer. Aggrieved thereby, the employee has invoked the writ jurisdiction of this Court under Articles 226 and 227 of the Constitution of India.



2. The factual matrix, in brief, reveals that the petitioner-workman was engaged by respondent No.2 on daily wages on 21.06.1997. His engagement was not pursuant to any regular process of recruitment, nor against a sanctioned post. Upon discontinuance of his services on 31.07.1998, an industrial dispute was raised in 1999, culminating in the impugned award dated 31.08.2010. The Labour Court, while recording a finding that the mandatory requirements of Section 25F of the Act of 1947 were not complied with, however, instead of relief of reinstatement, benefit of compensation at the rate of Rs.60,000 has been awarded.

3. Learned counsel for the petitioner -workman challenged the impugned award and submitted that once the Labour Court has recorded a categorical finding of illegal retrenchment for non-compliance with Section 25F of the Act of 1947, reinstatement with continuity of service is the normal and logical relief. It was argued that denial of reinstatement would amount to legitimizing an illegal act of the employer. Learned counsel further contended that the workman had completed the requisite period of service to attract the protection of the Act of 1947 and that the Labour Court has failed to exercise its discretion in not granting relief of reinstatement. Learned counsel relied upon the judgment of Hon'ble Supreme court in the case of **Deepali Gundu Surwase vs Kranti Junior Adhyapak Mahavidyalaya (D.ED) & others, (2013) 10 SCC 324** in support of his contentions.





4. *Per contra*, learned counsel appearing for the respondent No.2 submitted that the Labour Court has not committed any manifest error in not granting reinstatement as a matter of course merely upon finding violation of Section 25F of the Act of 1947. It was urged that the petitioner, who was engaged purely as a daily wager/contractual employee, had rendered only short-term service, and was never appointed through a regular selection process. Learned counsel further submitted that there was a long lapse of time between the date of termination and the adjudication of the dispute, and during such period, the very nature of the employer's establishment/department has undergone substantial change. Reliance was placed upon catena of decisions of the Hon'ble Supreme Court, including **Ranbir Singh v. Executive Engineer PWD: (2021) 14 SCC 815, State of Uttarakhand & Anr. v. Raj Kumar: (2019) 14 SCC 353**, and the recent decision of Hon'ble Supreme Court in the case of **Amit Kumar Dubey v. M.P.P.K.V.V. Co. Ltd. & Anr., decided on 29.01.2025 in SLP(civil) no. 20902/2024**, to contend that reinstatement is not an automatic consequence of a technical violation of Section 25F, and monetary compensation would meet the ends of justice.

5. In view of the rival submissions, the principal question that arises for consideration before this Court is that whether the Labour Court was justified in not granting the relief of reinstatement despite violation of Section 25F of the Act of 1947, or whether the award deserves to be modified by substituting the amount of monetary compensation.





6. It is no longer *res integra* that violation of Section 25F of the Act of 1947 renders the retrenchment illegal. However, the more nuanced and settled position of law is that the nature of relief consequent to such illegality is not automatic and must depend upon the facts and circumstances of each case. The earlier approach of treating reinstatement as an inevitable consequence has undergone a marked and reasoned shift.

7. The Hon'ble Supreme Court in **Bharat Sanchar Nigam Ltd. v. Bhurumal: (2014) 7 SCC 177**, followed consistently in subsequent decisions including **Ranbir Singh (supra)** and **State of Uttarakhand & Anr. Vs. Raj Kumar (supra)**, has clearly held that in cases involving daily wagers, ad hoc or contractual employees, particularly where the engagement was for a short duration and the dispute has been adjudicated after a long lapse of time, monetary compensation is a more appropriate and equitable relief than reinstatement. The Apex Court has cautioned against mechanical reinstatement which may disturb the administrative and financial equilibrium of the employer.

8. In **Ranbir Singh (supra)**, despite holding that Section 25F was violated, the Hon'ble Supreme Court declined reinstatement and awarded lump sum compensation, observing that there was no material to suggest unfair labour practice or victimization. Similarly, in **Amit Kumar Dubey (supra)**, the Hon'ble Supreme Court reiterated that reinstatement should not be granted as a matter of routine and emphasized proportional compensation based on length of service @ Rupees 1.5 Lakh per year for the period the employee had worked.





9. Co-ordinate Bench of this Court in the case of **State of Rajasthan & Ors. v. Bhagwan Das & Anr. 2015 SCC OnLine Raj 8518** referring to other decisions following the same line, has consistently adopted the principle that reinstatement of daily wagers after decades of litigation serves neither industrial harmony nor justice, and compensation is a pragmatic substitute.

10. Applying the aforesaid principles to the facts of the present case, it is evident that the petitioner was engaged as a daily wager, *de hors* any regular recruitment process, and had rendered limited service. There is no finding recorded by the Labour Court of any mala fide action or unfair labour practice. Moreover, a considerable period has elapsed since the date of termination. In such circumstances, directing reinstatement would be wholly disproportionate and contrary to the settled legal position.

11. This Court is conscious that the jurisdiction under Articles 226 and 227 of the Constitution of India is not appellate in nature; however, where the Labour Court grants relief in disregard of binding precedents and settled principles of law, interference is not only permissible, but necessary to prevent miscarriage of justice.

12. For the foregoing reasons, this Court is of the considered view that while the finding of the Labour Court regarding violation of Section 25F of the Act of 1947 does not warrant any interference, the relief of reinstatement prayed by petitioner-workman cannot be granted.





13. Accordingly, the writ petition is disposed of in the light of judgment of Hon'ble Supreme Court in the case of **Amit Kumar Dubey (supra)** and The impugned award dated 31.08.2010 is modified to the extent that the petitioner-workman shall be entitled to lump sum monetary compensation @ Rupees 1.5 Lakh for the period the employee has worked, taking into account the nature of engagement, length of service, and the time elapsed since termination. The said amount shall be paid by the respondent No.2 within a period of 8 weeks from the date of receipt of a certified copy of this judgment, failing which the petitioner-workman shall be entitled to interest @ 9% per annum.

(ANAND SHARMA),J

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