

IN THE HIGH COURT OF JUDICATURE AT PATNA

Letters Patent Appeal No.1128 of 2019

In

Civil Writ Jurisdiction Case No.18188 of 2015

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- 1.1 Mira Daruka, aged about 63 years, female, W/o Late Prem Kumar Daruka.
1.2 Raghvendra Kumar Daruka, aged about 42 years, male, S/o Late Prem Kumar Daruka.
1.3 Manish Kumar Daruka, aged about 41 years, male, S/o Late Prem Kumar Daruka, Proprietor M/s A.B. Gas Agency at present Prem Vastralaya Aurangabad, Old G.T. Road, P.S. and Distt.- Aurangabad, Bihar.

... .. Appellants

Versus

1. The State of Bihar through the Secretary, Department of Labour, Bihar, Patna.
2. The Secretary, Department of Labour, Government of Bihar, Patna.
3. Bijoy Kumar Singh, Son of Late Rais Rais Singh, Resident of Village- Bibipur, P.S.- Rafiganj, District- Aurangabad.
4. Kamta Prasad Singh, Son of late Gupta Singh, Resident of Village- Mahyam Bigha, P.S.- Madanpur, District- Aurangabad.
5. Ram Pukar Singh, Son of Late Naresh Singh, Resident of Village- Mahattipur, P.S. and District- Aurangabad.
6. Arbind Kumar, Son of Late Sukhdev Ram, Resident of Village- New Area, P.S. and District- Aurangabad.
7. Indralata Devi, W/o Late Naresh Prasad, Resident of Village- New Area, P.S. and District- Aurangabad.
8. Md. Ayuli, Son of Late Md. Habibullah, Resident of Mohalla- Satgawan, P.S.- Hariharganj, District- Palamu (Jharkhand).
9. Pramod Kumar Sinha, Son of Late Gaurishankar Prasad Sinha, Resident of Mohalla- Biratpur, P.S. and District- Aurangabad.

... .. Respondents/Respondents

with



Letters Patent Appeal No. 1291 of 2019
In
Civil Writ Jurisdiction Case No.18188 of 2015

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1. Bijoy Kumar Singh @ Vijay Singh, male, aged about 58 years, Son of Late Rais Singh, resident of Village- Bibipur, P.S. Rafiganj, District- Aurangabad.
 2. Kamta Prasad Singh, male, aged about 62 years, Son of Late Gupta Singh, Resident of Village- Mahathan Bigha, P.S. Madanpur, District- Aurangabad.
 3. Ram Pukar Singh, male, aged about 59 years, Son of Late Ram Naresh Singh, Resident of Village- Mahattipur, P.S. and District- Aurangabad.
 4. Arbind Kumar, male, aged about 58 years, Son of Sukhdeo Ram, Resident of Village- New Area, P.S. and District- Aurangabad.
 5. Indralata Devi, female, aged about 62 years, Wife of Late Naresh Prasad, Resident of Village- New Area, P.S. and District- Aurangabad.
 6. Md. Ayub, male, aged about 66 years, Son of Late Md. Habibullah, Resident of Mohalla- Satgawan, P.S. Hariharganj, District- Palamau, Jharkhand.
 7. Pramod Kumar Sinha, male, aged about 57 years, Son of Late Gaurishankar Prasad Sinha, Resident of Mohalla- Biratpur, P.S. and District- Aurangabad.

... .. Appellants

Versus

1. The State of Bihar through the Secretary, Department of Labour Resource, Govt. of Bihar, Patna.
2. The Secretary, Department of Labour Resource, Govt. of Bihar, Patna.

... .. Respondents/Respondents

3. Mira Daruka, female, aged about 63 years, Wife of Late Prem Kumar Daruka.
4. Raghvendra Kumar Daruka, male, aged about 42 years, Son of Late Prem Kumar Daruka.
5. Manish Kumar Daruka, male, aged about 40 years, Son of Late Prem Kumar Daruka, all legal heirs of aforesaid Prem Kumar Daruka, then Proprietor of the Firm M/s A.B. Gas Agency and at present owners and resident of Prem Vastralaya, Old G.T. Road, P.S. and District- Aurangabad.

... .. Petitioners/Respondents



Appearance :

(In Letters Patent Appeal No. 1128 of 2019)

For the Appellants : Mr. Nandlal Kumar Singh, Adv.
Mr. Manish Kumar, Adv.
Mr. Rajeev Nayan, Adv.
For the Workmen : Mr. Alok Kumar Sinha, Adv.
Mr. Sushil Kumar Singh, Adv.
For the State : Mr. Rohitabh Das, AC to AAG-10
For the Respondents : Mr. Ajay Kumar Rastogi (Aag10)

(In Letters Patent Appeal No. 1291 of 2019)

For the Appellants : Mr. Alok Kumar Sinha, Adv.
Mr. Sushil Kumar Singh, Adv.
For the Respondents : Mr. Nandlal Kumar Singh, Adv.
Mr. Manish Kumar, Adv.
Mr. Rajeev Nayan, Adv.
For the State : Mr. Rohitabh Das, AC to AAG-10

CORAM: HONOURABLE MR. JUSTICE ASHUTOSH KUMAR

and

HONOURABLE MR. JUSTICE ANJANI KUMAR SHARAN

ORAL JUDGMENT

(Per: HONOURABLE MR. JUSTICE ASHUTOSH KUMAR)

Date : 26-04-2022

A counter affidavit has been filed in L.P.A.

No. 1291 of 2019 by Mr. Nandlal Kumar Singh, the
learned Advocate for the respondents, in Court.

2. Let it be taken on record.

3. Heard the learned counsel for the parties.

4. The two Appeals, namely, L.P.A. Nos.

1128 of 2019 and 1291 of 2019 have been taken up



together and are being disposed off by this common order.

5. The aforesaid Appeals are on behalf of the employer and the workmen respectively.

6. With respect to removal/retrenchment of seven of the workmen, there was a reference under Section 10(1)(c) of the Industrial Disputes Act, 1947 (*in short, the I.D. Act, 1947*) for adjudication whether their termination was justified and if so, what relief could be granted to them.

7. On behalf of the workmen, it was contended before the Tribunal in Reference Case No. 1 of 1997 that they had joined the employer/Gas Agency between the year 1983 to 1993 and had remained in continuous service till 17.12.1994 when they were terminated, which letter of termination was found hung over the outer wall of the Gas Agency. It was their consistent case before the Tribunal that they had made complaints to the management for not being provided with the benefits and facilities in terms of the law



applicable to such establishments and they were also not being provided with minimum wages fixed by the State Government. No service card or attendance register was maintained in the said Gas Agency.

8. When such grievances were not addressed by the employer, the issues were taken before the Labour Department where an attempt was made by the Conciliation Officer to effect a settlement. Consequently, a tripartite settlement agreement was arrived at. However, before such settlement could be given effect to, the workmen were terminated from service.

9. It was contended by those workmen that the Gas Agency was closed between 15.12.1994 to 16.12.1994 and when they went to offer their services on 17.12.1994, they found the letter of termination hung over an outer wall of the Agency. They were not given one month's notice nor were paid the salary of one month as mandated under Section 25F of the I.D. Act, 1947. There was a specific statement by the workmen before the Tribunal that they had remained unemployed



for all the while.

10. The management/employer firstly contended that the referral to the Labour Court under the I.D. Act, 1947 was wrong and that such dispute could have been resolved only under the Shops and Establishments Act, 1948. The contention of the workmen that they were not being afforded minimum wages and privileges and facilities to which they are entitled under the labour laws was sought to be negated by urging that no charter of demand by them was ever put forth to the employer or in the conciliation proceedings before the Labour Superintendent. In fact, during the conciliation proceedings, the Labour Superintendent was made aware of the fact that the services offered by the workmen was absolutely deficient. One of them was found to be issuing refills to consumers without cash-memo, whereas another was charged with issuing domestic consumer cards to persons without any authorization from the Agency/employer. There were allegations of fake and false receipts and of irregular



attendance of those workmen. No explanation was offered by the workmen for their unauthorized absence. Apart from this, the overall performance of these workmen was absolutely unsatisfactory and, therefore, their services were done away with as they were only *ad-hoc* employees.

11. The Tribunal came to the conclusion that since there was an admission on the part of the employer that in the conciliation proceeding before the Labour Superintendent, the employer had participated and which had ended in a tripartite agreement, the charter of demands of the workmen was therefore known to the employer. However, the Tribunal did not find any document or evidence to come to any definite finding that the workmen were given notice of removal or that the requirement under Section 25F of the I.D. Act, 1947 was followed. All the workmen were found to have worked for more than a year continuously, which fact could not be disputed.

12. The contention of the employer that in



case of removal on account of indiscipline, there is no requirement of following the mandate under Section 25F of the I.D. Act, 1947 was rejected and the Tribunal came to the conclusion that the workmen are entitled to full back wages from 17.12.1994 to the date of payment.

13. What is noticeable in the award is that while deciding *Issue No. 2*, namely, the relief to which the workmen were entitled, the Tribunal has categorically held that since they (workmen) had failed to prove that they were not gainfully employed for all this while, therefore no order of reinstatement was passed.

14. The management/employer of the Gas Agency was directed to pay full back wages to the workmen, who are the appellants/respondents in the two Appeals referred to above.

15. The management/employer challenged the aforesaid award before this Court *vide* C.W.J.C. No. 18188 of 2015, which was decided on 05.08.2019. After going through the award and the submissions advanced on behalf of the parties, the learned Single



Judge found that since the Gas Agency had been closed, therefore there was no question of reinstatement of the workmen. The award, therefore, was modified to the extent that in place of reinstatement with back-wages, the employer/management would be required and was directed to pay Rs. 75,000/- by way of compensation to each of the seven workmen. The Executing *Munsif*, Aurangabad was directed by the learned Single Judge to proceed in the execution matter at the earliest.

16. The aforesaid order passed by the learned Single Judge has been put to challenge by the workmen and the employer, both in these Appeals.

17. In L.P.A. No. 1291 of 2019, preferred by the workmen, Mr. Alok Kumar Sinha, the learned Advocate, has raised the plea that the learned Single Judge was not correct in holding that the Tribunal had directed for reinstatement of the workmen. The Tribunal had only directed for payment of back wages from the date of their retrenchment till the date of payment. Thus, there was no need of any modification of the



award by the learned Single Judge with respect to reinstatement.

18. The other ground of assail on behalf of the workmen is that there is nothing on record to indicate the method by which the learned Single Judge came to a finding that an amount of Rs. 75,000/- to each of the workmen who have been retrenched would suffice and would be proportionate recompense to the period of service that they have rendered. No effort was made by the learned Single Judge, it has been argued, to find out the salary of the each of the workmen and the period of service that they had rendered and, thus, the calculation of Rs. 75,000/- is without any foundation or basis. The workmen were employed at different pay-levels, which was very paltry even with the current standard of payment at the time when retrenchment was made. Directing for payment of such lump-sum amount, which has been quantified arbitrarily, evinces non-application of mind and such order cannot be sustained in the eyes of law. If at all the learned Single Judge was



of the view that the workmen were wrongly retrenched and were not compensated in terms of Sections 25F and 25FFF of the I.D. Act, 1947 it was only incumbent upon him to have remitted the matter to the Tribunal or to have taken upon itself to calculate the amount payable to each of such workmen on the basis of their respective date of entry in service as well the agreement between the employer and the employees for the monthly remuneration for their services.

19. On the aforesaid two grounds, it has been urged that the order passed by the learned Single Judge cannot be sustained in the eyes of law.

20. As opposed to the aforesaid contention, the employer/appellants, in L.P.A. No. 1128 of 2019, has submitted that the learned Single Judge was called upon to decide whether the award was justified but he went beyond the mandate and fixed the amount to be paid by the employer by way of compensation. The fixation of amount according to the employer also is arbitrary and as it does not take into account that the



Gas Agency had been wound up in the month of January, 2009. Prior to its complete closure, one of the partners had died and the remaining working partner had also tendered his resignation. For all practical purposes, the Gas Agency was not in operation.

21. It has further been urged on behalf of the employer/appellants that on the basis of mere bald statement of the workmen that they were not gainfully employed in the meanwhile, no such award should have been passed by the Tribunal in the absence of the fact of their non-employment not being established conclusively.

22. It has further been submitted that neither the Tribunal nor the learned Single Judge took note of the fact that the Agency was inspected by the HPCL, under whose license the agency had been working, which had found the services offered by the agency deficient mainly on account of the workmen not doing their duty and indulging in wrong activities, like issuing refills without cash-memo, issuing domestic consumer cards to persons without any authorization by



the company and not remaining present during the service hours. A positive advisory was doled out by the HPCL to remove the aforesaid workmen.

23. It was thus argued that the award should have been set-aside by the learned Single Judge. Instead, a whopping amount of Rs. 75,000/- has been ordered to be paid to each of the workmen as compensation for their retrenchment.

24. In support of the aforesaid contention, the employer/appellants has referred to ***J.K. Synthetics Vs. K.P. Agrawal & Anr. : 2007 (2) SCC 433***, wherein it was held that the manner in which the back wages are being ordered by the Tribunals and Courts, has undergone a significant change and it is no longer an automatic or natural consequence of any reinstatement.

25. While referring to various judgments (refer to ***U.P. State Brassware Corporation Ltd. Vs. Udai Narain Pandey : 2006 (1) SCC 479; Allahabad Jal Sansthan Vs. Daya Shankar : 2005 (5) SCC 124 and Kendriya Vidyalaya Sangathan Vs. S.C. Sharma : 2005 (2) SCC 363***), the Supreme Court in this instance found



that a person would not be entitled to get something only because it would be lawful to do so. It was observed that if this principle was followed and applied, the functions of an Industrial Court would lose much of its significance. However, the Bench agreed that there could be no rule of thumb that in every case where the Industrial Tribunal gives a finding that the termination of service of an employee is in violation of Section 25F of the I.D. Act, 1947, the entire back wages should be awarded. A host of factors like the manner and method of selection and appointment of such workmen, the nature of their appointment and other cognate factors have to be weighed and balanced in taking a decision regarding award of back wages. The length of service would be a very important factor to be taken into account.

26. The Supreme Court also took note of the fact that it was necessary for the Tribunal to factor in the issue of quality of service and the charge against the employee so terminated. The latest trend, as was noted



by the Apex Court in that instance was that the earlier interpretation of law which leaned in favour of grant of back wages in all cases of illegal termination, fostered indiscipline at the work place/industrial undertakings. With the change in the economic policy of the country, it was observed that it would be only proper not to allow the employees/workmen to break the discipline with impunity.

27. However, with respect to the burden of proving the factum of non-employment of the workman during the period for which has not been is not paid by the employer, it was categorically held that it would be necessary for the employee to plead that he was not gainfully employed from the date of his termination. While an employee cannot be asked to prove the negative, he has at least to assert on oath that he was neither employed nor engaged in any gainful business or venture and that he did not have any income. The reverse burden then would shift on the employer.

28. It has further been urged on behalf of



the employer/appellants that in the event of the Tribunal not deciding the issues raised by the employer, namely, the removal because of indiscipline, the nature of employment, the employees not proving to the hilt as to the date of their entry in service or the quantum of salary paid to them, the learned Single Judge ought not to have himself filled in the gaps and taken a decision without there being any evidence that the workmen were required to be compensated in view of their termination without following the provisions of Section 25F of the I.D. Act, 1947. The learned Single Judge ought to have taken note of the fact that the Agency was out of operation; one of the partners had died and the other had resigned and that the licensor (HPCL) had advised for the removal of those workmen at the earliest as they were found, on inspection, to be highly deficient in rendering their services.

29. The Tribunal was absolutely unjustified in holding that because of the demands of the employees, the employer chose to terminate their



services without there being any basis for the same. In fact, in the Reference, those were not the issues and while deciding the issue with respect to the entitlement of the workmen, a very lop-sided approach was adopted by the Tribunal which, in fact, was further exacerbated by a unilateral finding of the learned Single Judge that workmen would be entitled to an amount of Rs. 75,000/- per month by way of compensation.

30. Mr. Alok Kumar Sinha, the learned Advocate for the employees/appellants however has submitted by referring to ***Anoop Sharma Vs. Executive Engineer, Public Health Division No. 1 Panipat (Haryana) : 2010 (5) SCC 497***, that the learned Single Judge was not justified in modifying the award of the Tribunal when there was no direction of any reinstatement. Once there was a finding of the Labour Court on the issue of non-compliance of Section 25F of the I.D. Act, 1947, which was not without any basis and no error of law apparent on face record could be discerned, the learned Single Judge ought not to have



assumed anything on his own.

31. It has further been argued that the jurisdiction under Article 226 of the Constitution of India with respect to such matters have been clearly defined and explained by the Constitution Bench in ***Syed Yakoob Vs. K.S. Radhakrishnan : 1964 (5) SCR 64***, wherein in it has been held that the jurisdiction to issue a writ of *certiorari* and the Court exercising it is not entitled to act as an Appellate Court.

32. The limitations, it has been urged, which have been spelt out in ***Syed Yakoob*** (supra) necessarily means that the findings of fact reached by the Tribunal after appreciating the evidence cannot be re-opened or questioned in writ proceedings, even if there were grave errors of facts. Only in cases of findings based on “no evidence” that it be regarded as an error of law which only could be corrected by a writ of *certiorari*.

33. However, while dealing with these category of cases also, the Constitution Bench in ***Syed Yakoob*** (supra) has sounded a caution that the adequacy



or sufficiency of evidence led on the point and the inference of fact to be drawn from said findings being in the exclusive domain of the Tribunal, a writ Court ought not to tinker with the aforesaid findings. It is within these limits that the jurisdiction conferred in the High Courts under Article 226 to issue a writ of *certiorari* could be legitimately exercised.

33. On the aforesaid ground, the workmen have urged that once it was found that the retrenchment was not in accordance with Section 25F of the I.D. Act, 1947, they were required to be taken back in service and given their back wages.

34. It appears that the fact of the company having been wound up though was not brought to the notice of the Tribunal but the Tribunal, in its wisdom, has only directed for payment of back wages and not for their reinstatement.

35. Would it mean that the Tribunal was cognizant of the complete closure of the Gas Agency?

36. There could be yet another inference



from a reading of the award passed by the Tribunal. The last/concluding portion of the award indicates that because the workmen could not establish the factum of their non-employment during the period that they were out of service of the Agency or that they were employed at the time when the award was being passed, that no order of reinstatement was passed. In that case, the basis for the direction to pay Rs. 75,000/- as compensation remains in complete obscurity.

37. The issue with respect to payment of back wages consequent upon reinstatement in service was given an anxious consideration in ***Deepali Gundu Surwase Vs. Kranti Junior Adhyapak Mahavidyalaya (D.Ed.): AIR 2014 (Supp) 121.*** The issue in the aforesaid case was whether a workman was entitled to wages for the period during which she was forcibly kept out of service by the management of a school. In that case, the Tribunal had found that the workman was kept under suspension and was not gainfully employed after the termination of her service and so it was declared that



she was entitled for full back wages. When the aforesaid award by the School Tribunal was put to challenge by the management, the learned Single Judge, relying upon the judgment in ***J.K. Synthetics Vs. K.P. Agrawal*** (supra), set-aside such direction.

38. After referring to several judgments of the Supreme Court and of High Courts, the Supreme Court culled out (paragraph 33 of the judgment) position of law in that regard, which is as follows:-

i) In cases of wrongful termination of service, reinstatement with continuity of service and back wages is the normal rule.

ii) The aforesaid rule is subject to the rider that while deciding the issue of back wages, the adjudicating authority or the Court may take into consideration the length of service of the employee/workman, the nature of misconduct, if any, found proved against the employee/workman, the financial condition of the employer and similar other factors.

iii) Ordinarily, an employee or workman whose services are terminated and who is desirous of getting back wages is required to either plead or at least make a statement before the adjudicating authority or the Court of first instance that he/she was not gainfully employed or was employed on lesser



wages. If the employer wants to avoid payment of full back wages, then it has to plead and also lead cogent evidence to prove that the employee/workman was gainfully employed and was getting wages equal to the wages he/she was drawing prior to the termination of service. This is so because it is settled law that the burden of proof of the existence of a particular fact lies on the person who makes a positive averments about its existence. It is always easier to prove a positive fact than to prove a negative fact. Therefore, once the employee shows that he was not employed, the onus lies on the employer to specifically plead and prove that the employee was gainfully employed and was getting the same or substantially similar emoluments.

iv) The cases in which the Labour Court/Industrial Tribunal exercises power under Section 11-A of the Industrial Disputes Act, 1947 and finds that even though the enquiry held against the employee/workman is consistent with the rules of natural justice and / or certified standing orders, if any, but holds that the punishment was disproportionate to the misconduct found proved, then it will have the discretion not to award full back wages. However, if the Labour Court/Industrial Tribunal finds that the employee or workman is not at all guilty of any misconduct or that the employer had foisted a false charge, then there



will be ample justification for award of full back wages.

v) The cases in which the competent Court or Tribunal finds that the employer has acted in gross violation of the statutory provisions and/or the principles of natural justice or is guilty of victimizing the employee or workman, then the concerned Court or Tribunal will be fully justified in directing payment of full back wages. In such cases, the superior Courts should not exercise power under Article 226 or 136 of the Constitution and interfere with the award passed by the Labour Court, etc., merely because there is a possibility of forming a different opinion on the entitlement of the employee/workman to get full back wages or the employer's obligation to pay the same. The Courts must always be kept in view that in the cases of wrongful / illegal termination of service, the wrongdoer is the employer and sufferer is the employee/workman and there is no justification to give premium to the employer of his wrongdoings by relieving him of the burden to pay to the employee/workman his dues in the form of full back wages.

vi) In a number of cases, the superior Courts have interfered with the award of the primary adjudicatory authority on the premise that finalization of litigation has taken long time ignoring that in majority of cases the parties are not responsible for such delays.



Lack of infrastructure and manpower is the principal cause for delay in the disposal of cases. For this the litigants cannot be blamed or penalised. It would amount to grave injustice to an employee or workman if he is denied back wages simply because there is long lapse of time between the termination of his service and finality given to the order of reinstatement. The Courts should bear in mind that in most of these cases, the employer is in an advantageous position vis-à-vis the employee or workman. He can avail the services of best legal brain for prolonging the agony of the sufferer, i.e., the employee or workman, who can ill afford the luxury of spending money on a lawyer with certain amount of fame. Therefore, in such cases it would be prudent to adopt the course suggested in Hindustan Tin Works Private Limited v. Employees of Hindustan Tin Works Private Limited (AIR 1979 SC 75) (supra).

vii) The observation made in J.K. Synthetics Ltd. v. K.P. Agrawal (supra) that on reinstatement the employee/workman cannot claim continuity of service as of right is contrary to the ratio of the judgments of three Judge Benches referred to hereinabove and cannot be treated as good law. This part of the judgment is also against the very concept of reinstatement of an employee/workman.

(Emphasis provided)



39. As is noted in the aforesaid set of propositions, the observations made in ***J.K. Synthetics Ltd. Vs. K.P. Agrawal*** (supra) on the issue of reinstatement of the employee/workman that they cannot claim continuity of service as of right is contrary to the ratio of the judgments of Larger Benches and, therefore, it cannot be treated as good law.

40. However, we have noticed that this was only with respect to reinstatement which is not the issue before this Court.

41. The Tribunal has not directed for reinstatement nor the workmen claim it as a matter of right. It is one of the major planks of challenge of the workmen that without there being any order with respect to reinstatement in service, the learned Single Judge, while hearing the matter wrongly observed that the Tribunal not consider that the company had already been wound up and, therefore, there could not have been any order of reinstatement. It was thus argued by the workmen that *sub silentio*, the Tribunal took into account



that no reinstatement was possible because of the closure of the company and, therefore, only directed for payment of back wages in the event of their termination not being in accorded with Section 25F of the I.D. Act, 1947.

42. There could be no dispute with respect to the fact that the workmen were not noticed or that the provisions contained in Section 25F of the I.D. Act, 1947 was ever followed. The natural corollary of this would be that the order of termination would be unsustainable in the eyes of law.

43. However, the */is* here is with respect to payment of back wages which has been ordered by the Tribunal and which has been accepted in part by the learned Single Judge, who has quantified the same and, thereby, modified the award passed by the Tribunal.

44. The appellant/employer was directed to make payment of Rs. 75,000/- to each of the seven terminated employees as part of their back wages and compensation. This quantification is under challenge by



the appellants in both the Appeals. The only ground which has been raised by both the parties is that there is complete absence of any recognizable indice on which such a figure has been arrived at.

45. On behalf of the workmen, Mr. Alok Kumar Sinha, the learned Advocate, submits that each of the seven employees were working on a different pay-scales and, therefore, if the Tribunal had awarded back wages to such workmen, it should have been calculated on the basis of the salary being received by them for the number of years that the employer/organization remained in operation. This was only reasonable when the termination of the workmen was found to be not in accord with the provisions of the I.D. Act, 1947.

46. The employer, however, has challenged the aforesaid finding on some of the other grounds including the absence of any material which could have made the learned Single Judge come to a figure of Rs. 75,000/- as reasonable compensation.

47. The other grounds of challenge by the



employer is that neither the Tribunal nor the learned Single Judge took note of the fact that the ouster of the workmen was on account of their indiscipline and not doing their work properly and under the advise of the licensor, namely, the HPCL. Neither the Tribunal nor the learned Single Judge ever took into account that these workmen were *ad-hoc* employees, who were only asked to render their services in the absence of other regular employees, who were either on leave or had left the organization.

48. Mr. Nandlal Kumar Singh, the learned Advocate for the appellant/employer has further argued that the workmen never established before the Tribunal that they were not gainfully employed after their termination. He further submits that in the award, though there is a reference that the workmen had denied that they were in employment after their termination from the Gas Agency, but it was never established and, therefore, no occasion arose for the appellant/employer to have accepted the reverse burden of proving



otherwise. He, therefore, concludes that notwithstanding the judgments in ***J.K. Synthetics Vs. K.P. Agrawal*** (supra) and ***Deepali Gundu Surwase Vs. Kranti Junior Adhyapak Mahavidyalaya*** (supra), the situation had not become ripe before the Tribunal for the appellant/employer to have rebutted the contention of the workmen that they were not gainfully employed after their termination from service.

49. Mr. Singh, thereafter, referred to a latest case of the Supreme Court in ***Salim Ali Centre for Ornithology & Natural History, Coimbatore & Anr. Vs. Dr. Mathew K. Sebastian: 2022 SCC On-line SC 451***, where it has been held that once a workman asserts that he remained out of employment for a particular period and that he was not gainfully employed during the said period, he was not required to lead any further evidence to prove the negative. However, such workman had to at least assert on oath that he was neither employed nor engaged in any gainful business or venture and that he did not have any income. Once such an assertion is



made, the onus shifts to the employer positively and that the principle of "no work no pay" in such cases are not applicable.

50. The learned counsel for the employer/appellant has, therefore, red-flagged the issue that mere bald statement that a workman was not gainfully employed in the interregnum is not sufficient; rather it is to be asserted on oath.

51. In response to the aforesaid argument, Mr. Alok Kumar Sinha, the learned Advocate, submits that any statement made before the Tribunal assumes the quality of a statement under oath which has been taken note of by the Tribunal.

52. After having heard the counsel for the parties, we are of the considered opinion that the appellant/employer could not demonstrate before the Tribunal that the requirement under Section 25F of the I.D. Act, 1947 was followed. The employer also could not establish that the workmen were removed from service because of the deficiency in the service as for



that also, the requirements under the I.D. Act, 1947 had to be fulfilled. Thus, for all practical purposes, if the termination of the workmen was found to be bad and not in accord with the provisions contained in I.D. Act, 1947, the Tribunal was absolutely correct in directing for payment of back wages.

53. We have noted that notwithstanding the Tribunal not having been informed by either of the parties about the current status/position of the employer, no direction was given in the award for reinstatement of the workmen into service.

54. We, therefore, are constrained to take the view that the Tribunal was aware that the company did not exist on the date of passing of the award and, therefore, the back wages meant the wages for the period that the workman would be deemed to have worked till the closure of the company.

55. Be that as it may, considering the fact that the termination of the workmen was found to be bad in the eyes of law and they were directed to be paid



their back wages and that the contention of the employer/appellant that the company was wound up on 09.01.2009, we are of the view that for such period the workmen ought to be paid.

56. A chart has been provided by the employer which indicates different pay-scales to each of the seven terminated workmen. They had been terminated on 17.12.1994. The normal way of calculating the back wages would have had been to compute it on the basis of the salary chart brought to our notice.

57. However, since neither was there any positive assertion of the workmen that they were not gainfully employed nor could the same be established by the employer, we are of the view that justice would be met if the amount so fixed by the learned Single Judge, though without any basis, is allowed to be retained in larger interest, keeping in mind that the company also is now wound up and for good number of years, the management had gone into hands of others.



58. We, therefore, affirm that part of the order of the learned Single Judge by which the employer/appellant has been directed to pay Rs. 75,000/- to the terminated workmen.

59. We further direct for expeditious execution of the order passed by the learned Single Judge.

60. Both the Appeals are, accordingly, disposed off.

61. I.A., if any, also stands disposed off.

(Ashutosh Kumar, J)

(Anjani Kumar Sharan, J)

Praveen-II/-

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CAV DATE	N/A
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Transmission Date	N/A

