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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
% Reserved on : 27.01.2026
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+ **W.P.(C) 3388/2019 & CM APPLs 38679/2022, 54646/2024**

UNION BANK OF INDIAPetitioner
Through: Mr. Rajat Arora, Mr. Niraj Kumar
and Mrs. Sourabh Mahla, Advocates.

versus

CHEDDA LAL SHARMARespondent
Through: Mr. Atul T.N. and Ms. K.Pallavi,
Advocates

CORAM:
HON'BLE MR. JUSTICE MANOJ KUMAR OHRI

JUDGMENT

1. The present petition has been filed under Articles 226/227 of the Constitution of India by the petitioner-Union Bank of India, assailing the award dated 04.12.2018 passed by the learned Presiding Officer, CGIT-I, Dwarka Courts, New Delhi, in ID No. 154/2013, whereby the respondent/workman has been held to be entitled to reinstatement alongwith 50% back wages.

2. Briefly, the workman had preferred a claim application, inter alia, stating that he was engaged by the petitioner since the year 1998 and continued to work till June 2011, performing duties of book binding/*daftry* work at various branches. It was further claimed that his services were terminated without issuing any notice or complying with the provisions of the Industrial Disputes Act, 1947(hereinafter referred to as the 'Act'). It was also stated that the workman had earlier approached the Conciliation Officer, however, the appropriate Government initially declined to refer the



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dispute. Subsequently, a certificate Section 2A of the Act was issued, pursuant to which the workman filed the 'Statement of claim' before the Tribunal seeking reinstatement with continuity of service and back wages.

3. Learned counsel for the petitioner contends that the impugned award is perverse and contrary to law. It is submitted that the workman was merely engaged on a casual, job-work basis for book binding as and when required. It is also submitted that the Tribunal failed to appreciate that no documentary evidence was produced by the workman to substantiate his claim of being in continuous service since 1998. It is further submitted that the workman has been regularly paid wages under Section 17B of the Act from February 2021 till 31.12.2025, and a total amount of Rs.10,66,000/- has already been disbursed to him.

4. *Per contra*, learned counsel for the workman supports the impugned award being well-reasoned and based on proper appreciation of evidence on record. It is contended that the workman had been continuously engaged by the petitioner for several years and had worked for more than 240 days in a year, thereby attracting the protection under the Act. It is further submitted that the nature of duties performed by the workman, including book binding/*daftry* work, was of perennial nature.

5. I have heard learned counsel for the parties and perused through the records.

6. A perusal of the record shows that the workman has consistently asserted in his affidavit that he was engaged with the petitioner from the year 1998 till 21.06.2011 and had been performing duties relating to stitching/binding of vouchers, maintenance of records, including cash books/day books and current deposit records, under the supervision and



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control of Bank officials at different branches. He has further stated that he was working as per the instructions of the Management and that the nature of his duties was perennial. In support of his claim, the workman has placed on record his bank statements and cheque deposit slips reflecting payments credited to his account over a considerable period of time. He has also filed copies of cover notes of cash books/day books maintained by him as well as photographs to show that he was working within the bank premises.

7. Notably, the petitioner, through its witness Sh. *Roop Lal Meena* examined as MW-1, has admitted in cross-examination that the workman was engaged by the Bank on a casual basis for carrying out book binding work over a prolonged period from 1998 to 2011. Significantly, the witness has also admitted that the Bank did not maintain any attendance records of such casual workers, including the workman, and that such non-maintenance of records was not confined to a single branch but was a general practice across various branches of the Bank. The witness further acknowledged that the workman had worked at different branches of the Bank. It has further come on record that payments for the said work were made to the claimant under the head of book binding/miscellaneous expenses and were credited to his account through cheque or ECS. The witness also stated that such payments would have been duly reflected in the Bank's General Register and/or Cash Book maintained by the branch.

8. In this context, it is also pertinent to note that the workman was engaged as a casual worker. This Court in '*Delhi Cantonment Board v. CGIT & Ors.*'¹, has held that the Act makes no distinction between a permanent employee and a temporary employee, whether a probationer,

¹ 2006 SCC OnLine Del 97



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casual, daily wager or ad hoc employee, and as long as a person is employed to do manual, unskilled, skilled, technical, operational, clerical or supervisory work for hire or reward, he would fall within the definition of 'workman' under Section 2(s) of the Act and be entitled to its protection, and where such workman has put in 240 days of service, compliance with Section 25F is a condition precedent to termination, failing which such termination would be illegal.

9. Insofar as the issue of completion of 240 days is concerned, the Tribunal returned a finding that the workman had completed the requisite period of service as contemplated under Section 25-B of the Act and was engaged in work of a perennial nature. The said finding was arrived at not only on the basis of documents such as bank statements and deposit slips reflecting payments made to the workman, but also on account of the failure of the management to produce relevant employment records

10. Before proceeding further, this Court takes note of the limited scope of writ jurisdiction in exercise of powers conferred under Article 226 of the Constitution of India. It is well settled that the challenge is not in the nature of appeal, but to seek if the order is passed without jurisdiction, is perverse or did not follow principle of natural justice [Ref: Syed Yakoob v. K.S. Radhakrishnan²]. The same principle was reiterated by the Supreme Court in International Airport Authority of India v. International Air Cargo Workers Union³. This Court has also considered the scope of its writ jurisdiction in 'Ritz Theatre Private Limited v. Ramesh Chandra'⁴.

² 1963 SCC OnLine SC 24

³ (2009) 13 SCC 374

⁴ 2024 SCC OnLine Del 3633



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11. Upon a cumulative consideration of the aforesaid, this Court does not find any apparent illegality or perversity in the findings returned by the Tribunal so as to warrant interference in exercise of writ jurisdiction. The findings returned by the Tribunal are based on due appreciation of the oral and documentary evidence on record and is, therefore, not liable to be interfered with.

12. However, insofar as the relief granted is concerned, this Court finds that the direction of reinstatement with 50% back wages requires reconsideration in light of settled legal principles. In 'Jagbir Singh v. Haryana State Agriculture Mktg. Boar'd'⁵, the Supreme Court clarified that reinstatement with back wages is not automatic, and in appropriate cases, compensation may be granted instead, relevant paragraph has been reproduced hereinunder:-

7. It is true that the earlier view of this Court articulated in many decisions reflected the legal position that if the termination of an employee was found to be illegal, the relief of reinstatement with full back wages would ordinarily follow. However, in recent past, there has been a shift in the legal position and in a long line of cases, this Court has consistently taken the view that relief by way of reinstatement with back wages is not automatic and may be wholly inappropriate in a given fact situation even though the termination of an employee is in contravention of the prescribed procedure. Compensation instead of reinstatement has been held to meet the ends of justice.

13. Similarly, the Supreme Court in Bharat Sanchar Nigam Limited Vs. Bhurumal⁶, observed that in cases where termination is found to be illegal due to procedural defects, compensation in place of reinstatement may be appropriate. The relevant portion is as follows: -

⁵ (2009) 15 SCC 327

⁶ (2014) 7 SCC 177



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33. It is clear from the reading of the aforesaid judgments that the ordinary principle of grant of reinstatement with full back wages, when the termination is found to be illegal is not applied mechanically in all cases. While that may be a position where services of a regular/permanent workman are terminated illegally and/or mala fide and/or by way of victimisation, unfair labour practice, etc. However, when it comes to the case of termination of a daily-wage worker and where the termination is found illegal because of a procedural defect, namely, in violation of Section 25-F of the Industrial Disputes Act, this Court is consistent in taking the view that in such cases reinstatement with back wages is not automatic and instead the workman should be given monetary compensation which will meet the ends of justice. Rationale for shifting in this direction is obvious.

34. The reasons for denying the relief of reinstatement in such cases are obvious. It is trite law that when the termination is found to be illegal because of non-payment of retrenchment compensation and notice pay as mandatorily required under Section 25-F of the Industrial Disputes Act, even after reinstatement, it is always open to the management to terminate the services of that employee by paying him the retrenchment compensation. Since such a workman was working on daily-wage basis and even after he is reinstated, he has no right to seek regularisation [see *State of Karnataka v. Umadevi* (3) [(2006) 4 SCC 1 : 2006 SCC (L&S) 753]]. Thus when he cannot claim regularisation and he has no right to continue even as a daily-wage worker, no useful purpose is going to be served in reinstating such a workman and he can be given monetary compensation by the Court itself inasmuch as if he is terminated again after reinstatement, he would receive monetary compensation only in the form of retrenchment compensation and notice pay. In such a situation, giving the relief of reinstatement, that too after a long gap, would not serve any purpose.

35. We would, however, like to add a caveat here. There may be cases where termination of a daily-wage worker is found to be illegal on the ground that it was resorted to as unfair labour practice or in violation of the principle of last come first go viz. while retrenching such a worker daily wage juniors to him were retained. There may also be a situation that persons junior to him were regularised under some policy but the workman concerned terminated. In such circumstances, the terminated worker should not be denied reinstatement unless there are some other weighty reasons for adopting the course of grant of compensation instead of reinstatement. In such cases, reinstatement should be the rule and only in exceptional cases for the reasons stated to be in writing, such a relief can be denied.



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14. In the present case, the workman is stated to be about 57 years of age and had rendered long years of service with the petitioner. There is no material on record to indicate that he was gainfully employed after his termination, and at this stage of his life, securing alternative employment would be difficult. It is also noted that he is near the age of superannuation. In view of these peculiar facts and circumstances, this Court considers it just and appropriate to award lump sum compensation in lieu of reinstatement.

15. It is noted that, in compliance with the directions of this Court, the petitioner has deposited a portion of the amount awarded under the impugned award with the Registrar General of this Court. The said amount, along with any interest accrued thereon, shall be released to the workman. The balance of the awarded amount shall also be paid to the workman by the petitioner. In addition, the petitioner is directed to pay a lump sum compensation of Rs.2,00,000/- to the workman within a period of 4 weeks from today, failing which the said amount shall carry interest at the rate of 12 % per annum from the date of default until realization.

16. Accordingly, the award is modified in the above terms.

17. In view of the aforesaid, the present petition is dismissed alongwith pending applications.

(MANOJ KUMAR OHRI)
JUDGE

APRIL 27, 2026

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