

SUPREME COURT OF INDIA

Hindustan Wire Products Ltd.

Vs.

Jaspal Singh

(S. R. Babu and S.N. Variava JJ.)

16.11.2000

ORDER

1. 219 workmen were retrenched by the appellant - company. 108 workmen challenged the same by raising an industrial dispute which was referred for adjudication to labour court. By a common Award made on 3.8.1987 the labour court rejected the reference. 28 workmen preferred three sets of petitions before the High Court and those proceedings ultimately ended up in a compromise between the parties in Letters Patent Appeal before the High Court.

2. 12 workmen preferred Writ Petition No. 4047/1990 on 18.3.1990. The High Court dismissed the same on the ground of laches. 10 workmen preferred a special leave petition before this Court and this Court set aside the order made by the High Court and remitted the matter for fresh consideration in accordance with law. That writ petition was allowed holding that the retrenchment is bad for not complying with Section 25-N of the Industrial Disputes Act. Thereafter, the matter was carried to this Court in which leave was granted and order made by the High Court stood stayed.

3. Another Writ Petition No. 8866/1991 filed by a batch of six workmen on 18.7.1991 came to be dismissed on the ground of laches. Against that order special leave petition was preferred before this Court and that special leave petition also stood dismissed.

4. Two workmen preferred Writ Petition No. 2739/1991 on 25.2.1991 which also stood dismissed on the ground of laches. Against that order a special leave petition was preferred before this Court on 26.2.1991 which was disposed of by an order dated 2.1.1996.

5. Another set of 9 workmen preferred Writ Petition No. 12482/1992 on 3.12.1992 challenging the said Award which again was dismissed and that matter was not carried on any further and became final.

6. On 8.8.1991 in Writ Petition No. 13419/ 1991, two workmen preferred the writ petition challenging the said Award which was allowed by the High Court holding the retrenchment to be bad for the same reasons as stated in Writ Petition No. 4047/ 1990. Against this order special leave petition has been preferred by the company. Leave was granted and that order made by the High Court stood stayed.

7. In these proceedings we are concerned with fourteen writ petitioners in proceedings arising out of

Writ Petition No. 4047/ 1990 and Writ Petition No. 13419/1991. We are not concerned with other proceedings to which we have adverted to now.

8. Shri M.L. Verma, learned senior Advocate appearing for the company did not address so much on the merits of the matter as to impress upon us that there was certain uncertainty in the state of law as to whether the appellant had to obtain permission from the Government under Section 25-N of the Industrial Disputes Act or not - certain decisions favouring that view and certain other decisions opining to the contrary. In those circumstances, the appellant had not obtained the permission of the Government and that has led to the present predicament. Further while the challenges of some of the writ petitioners have been upheld, some have been dismissed on ground of laches and those orders have become final. He emphasised that most workmen have gone away with retrenchment, it is only in case of these fourteen workmen, matter is still hanging fire. He brought to our notice that the appellant is in financial doldrums and is facing proceedings before the BIFR under the Sick Industrial Companies Act and, therefore, is in difficulty to give effect to the order made by the High Court. In his submission appropriate course is to examine the question of adequately compensating the respondents in these cases and putting a quietus to the matter.

9. Shri Prag Tripathi, learned senior Advocate for the respondents submitted that inasmuch as the workmen waited for long years it is not appropriate to disappoint them by denying the relief granted by the High Court and substitute it by other benefit by way of monetary compensation; that on the other hand, proper course would be to direct their reinstatement with due adjustment so far as back wages are concerned. At the same time he also fairly submitted that if the financial constraints on the appellant are taken note of and that fact is raised before the Court then appropriate compensation could be made to the respondents in lieu of reinstatement and back wages.

10. Having examined the records and having considered various aspects of the matter and after hearing learned Counsel at length we are of the view that appropriate course to be adopted in this case is to award a sum of Rs. 1 lac by way of compensation to each of the workmen in these cases and which sum shall be paid by the appellant within a period of two months. In the event the said amount is not paid, we make it clear that the order made by the High Court shall stand revived and be given effect to. The order made by the High Court shall stand modified accordingly. The appeals are disposed of in the aforesaid terms.