

SUPREME COURT OF INDIA

Bihar Caustic & Chemicals Ltd.

Vs.

Kripa Pandey

C.A.No.1389 of 2001

(Arijit Pasayat and P. Sathasivam JJ.)

18.01.2008

JUDGMENT

Arijit Pasayat, J.

1. Challenge in this appeal is to the judgment of the Division Bench of the Patna High Court dismissing the Letters Patent Appeal filed by the appellant. Challenge in the Letters Patent Appeal was to the judgment of the learned Single Judge of the said High Court. Before the High Court challenge was to the award of the Labor Court, Ranchi in Reference Case No.41/85. The respondent had raised a dispute, inter alia, alleging illegal termination. According to him he was working in the appellants factory continuously from 1.8.1983 to 12.8.1984 and he was removed from service on 21.9.1984 without any reason. Following dispute was referred to the Labor Court for adjudication:

“Whether the termination of services of Shri Kripa Pandey, Driver by the management is proper and justified? If not, whether he is entitled to reinstatement and/or any other relief”

2. The aforesaid reference was made by notification dated 1.11.1985. Stand of the appellant before the Labor Court was that during the period from 1981 to 1984 when the factory of the appellant was under construction it had engaged several contractors including one M/s Mishra Brothers for the purpose of various works for construction of the factory. During the aforesaid period the said Contractor who was authorized to engage contract labor under the provisions of the Contract Labor (Regulation and Abolition) Act, 1970 (for short Contract Labor Act) by license deed dated 13.3.1982 engaged the respondent as a tractor driver. It was the case of the appellant that at no point of time respondent was employee of the appellant and there was no relationship of employer and employee between them. No appointment letter was ever issued to the respondent by the appellant. The respondent used to get salary from the Contractor. After construction of the work was completed in 1984, the appellant did not require services of the contractor and in turn the contractor did not require the services of the employees including respondent engaged by it.

3. In the written statement filed before the Labor Court the above plea was taken and it was stated that the respondent was not a workman within the meaning of Section 2(s) of the Industrial Disputes Act, 1947 (in short the Act) and, therefore, the reference as made was maintainable in law. Before the Labor Court the contractor was also examined and he stated that the respondent was working under his contract and he was employed by him and, therefore, he paid the wages to him. In the gate pass it was clearly mentioned that he was the employee of the Contractor.

4. The Labor Court held that the termination was illegal and unjustified and the respondent was entitled to reinstatement and back wages from the date of the institution of claim i.e. 28.11.1985.

5. Writ petition was filed before the High Court and as noted above, it was dismissed by the learned Single Judge. The Division Bench dismissed the Letters Patent Appeal.

6. In support of the appeal, learned counsel for the appellant submitted that no finding on the plea taken by the appellant regarding the respondent being employed by the contractor has been recorded and the plea has not been considered. Additionally, after this Court granted leave and the stay was restricted to payment of back wages, respondent was reinstated on 21.3.2001 and superannuated on 6.3.2006. According to his own case, he was getting Rs.400/- p.m. It is unbelievable that he was not employed elsewhere. Further, during the pendency of the writ petition and Letters Patent Appeal, payment in terms of Section 17-B was being made. Therefore, it is submitted that direction of back wages is not in order.

7. Learned counsel for the respondent on the other hand submitted that on the plea taken by the appellant that respondent was gainfully employed, an inquiry was conducted and it was concluded that the respondent was not gainfully employed.

8. Few dates need to be noted. Date of reference is 1.11.1985 and the case was registered by Labor Court on 20.11.1985. The award is dated 28.7.1989. It was published on 30.10.1989. The learned Single Judge dismissed the writ petition on 7.10.1999 and the Letters Patent Appeal was dismissed on 29.6.2000.

9. Considering the facts that the specific stand of the appellant about the respondent being employee of the Contractor was not considered by the Labor Court and the High Court, in normal course we would have remitted the matter to the High Court for consideration of that aspect. But taking into account the fact that even after reinstatement, the respondent has superannuated, ends of justice would be best served if 50% of the back wages in terms of the Labor Courts award is paid to the respondent. The payment shall be made within three months. If any payment has already been made as back wages, the same shall be adjusted from the amount payable in terms of this order.

10. The appeal is allowed to the aforesaid extent with no order as to costs.

