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\* IN THE HIGH COURT OF DELHI AT NEW DELHI

% Date of Decision: 09.10.2025

+ <u>W.P.(C) 12648/2019, CM APPL. 51634/2019</u>

EAGLE HUNTER SOLUTIONS LTD

.....Petitioner

Through: Mr. Ram Prakash Sharma, Adv.

versus

**KULDEEP CHATURVEDI** 

....Respondent

Through: Mr. Suhail Khanna, Adv.

**CORAM:** 

HON'BLE MS. JUSTICE TARA VITASTA GANJU

TARA VITASTA GANJU, J.: (Oral)

- 1. The present Petition seeks to challenge an Award dated 05.12.2018 passed by the learned Tribunal [hereinafter referred to as "Impugned Award"]. By the Impugned Award, the Respondent/Workman has been granted relief of reinstatement along with full back wages and continuity of service.
- 2. The learned Counsel for the Petitioner submits that in the first instance there are no findings set out in the Impugned Award, secondly, he contends that although the Petitioner/Management had attempted to file its Written well Statement take the proceedings, as as to part in Petitioner/Management was not permitted to be heard. He submits that the Petitioner has good case on merits. The learned Counsel for the Petitioner further submits that initially the Petitioner appeared in the matter, however, on account of illness of a family member of the Authorised Representative,

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the Petitioner was unable to be represented and was proceeded against *exparte* on 31.08.2015. Thereafter, the Petitioner filed an Application dated 16.11.2015 seeking to set aside the *ex-parte* order, along with Written Statement, however, the Application was dismissed by the learned Tribunal on 05.09.2016.

- 3. The learned Counsel further submits that the Impugned Award also wrongly sets out that the Respondent/Workman's cross examination was of no consequence, when in fact the Respondent/Workman had admitted therein that he had not served any demand notice on the Petitioner/Management and that he was not willing to join the Petitioner/Management again.
- 4. A perusal of the record shows that the Respondent/Workman filed a Statement of Claim stating that he was terminated on 22.03.2012 without any notice. He further stated that a demand letter was made claiming reinstatement and back wages, however, since the Management did not act thereon, the Claim Petition was filed.
- 5. Based on the Terms of Reference No.F-24(239)/Lab/SD/2013/14696 dated 31.07.2013, the following issue was framed by the learned Tribunal:-
  - "(a) Whether the workman named Sh. Kuldeep Chaturvedi S/O Late Sh. Krishan Chaturvedi is absconding from the duty or his services have been terminated illegally and/or unjustifiably by the management; and if so, to what relief is he entitled and what directions are necessary in this respect"?
- 6. As stated above, The Impugned Award records since the Petitioner/Management did not appear, its defence was struck off by the learned Tribunal. The Impugned Award further records that although the Management was cross examined by the Claimant, this cross examination is





of 'no consequence'. The relevant extract of the Impugned Award is reproduced below:-

## <u>"PART-B</u> <u>MANAGEMENT'S STAND/REPLY</u>

7. The management despite being served with the notice of claim petition did not put up appearance and accordingly its defence was struck off vide order dated 31.08.2015.

## <u>PART-C</u> <u>WORKMAN'S EVIDENCE</u>

- 8. In support of his claim workman examined himself as WWl and deposed along the lines of statement of claim and also proved on record documents in support.
- 9. The management had cross-examined the claimant but in the absence of the defence of the management available on record, the said cross-examination is of no consequence as no presumption can be raised against the claimant on the basis of said cross-examination."

[Emphasis supplied]

7. Thereafter, the Impugned Award sets out that since the Management has not come forward to file any Written Statement, the evidence remains uncontroverted and directed that the Respondent/Claimant is entitled to reinstatement and full back wages along with continuity of service, in the following manner:-

## <u> "PART-D</u> <u>FINDINGS/CONCLUSION</u>

- 10. After considering the claim, reply. document and the evidence led on record, decision of the court is as under:-
- 11. As the management has not come forward to file any Written Statement or to cross-examine the claimant, the evidence of the claimant remain uncontroverted and unrebutted and as such accepted on its face value.
- 12. <u>Hence, the claimant is held entitled to the relief of reinstatement with full back wages and continuity of service.</u>
- 13. Reference answered accordingly."

[Emphasis supplied]





- 8. The record also reflects that a Written Statement was filed by the Management along with an Application for setting aside the order proceedings with *ex-parte*. The Application dated 16.11.2015 sets out that the Written Statement could not be filed in time on account of an illness of the Authorised Representative of the Petitioner/Company and hence the Petitioner/Company was unable to attend the case. However, once they were informed of the same, they filed an Application to set aside the order and also filed the Written Statement. This fact is not disputed.
- 9. In addition, the Cross Examination which was conducted by the Management also reflects that the Respondent/Workman did not serve any demand notice upon the Management and also was not ready to join the duty unless back wages were paid. The relevant extract of the Cross Examination of the Respondent/Workman is set out below:-

"ID No. 637/16

31.10.2018

WW 1- statement of Shri Kuldeep Chaturvedi S/o Late Shri Krishan Chaturvedi R/o RZ-14 Gali No.20 Indira Park Palam New; Delhi: 110044.

On S.A.

I tender my affidavit of evidence which is Ex. W W 1/1 which bears my signature at Point A & B. I rely upon documents which is Ex. W W 1/A to W/W/1

XXXXXXXXXX . By Sh. Vivek Sharma Ld counsel for the management

I have not served any demand notice upon the management prior to filling my statement of claim. I have no knowledge whether any demand notice has been served upon the management or not. I have not given any authority to any one at any point of time to serve demand notice to the management. It is further wrong to suggest that Ex. WWI/H is false and fabricated. I live in my own residential place. I am not ready to join the duty if the management is not willing to provide me the back wages

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for the period which, I was terminated till date....."

[Emphasis supplied]

- 11. The learned Labour Court in Part C and D of the Impugned Award, has held that the Respondent examined himself and deposed in line with his statement of claim, and proved documents in support of his case. It was further held that since the Petitioner/Management has failed to appear, the evidence of the Respondent remains uncontroverted and unrebutted and was therefore accepted at face value. It is on this basis alone that the Labour Court granted the relief of reinstatement with full back wages and continuity of service. However, the Award discloses no findings on the actual Terms of Reference, nor any reasoning in support of the conclusions reached.
- 12. The Supreme Court in the case of *Uttar Pradesh State Road Transport Corporation vs. Jagdish Prasad Gupta*<sup>1</sup> has held that it is the duty of the Court to ensure that reasons are provided in the order so as to introduce clarity in the order indicating the application of mind thereby avoiding arbitrariness in the decision. It was held that the failure to give reasons amounts to a denial of justice. The relevant paragraph of the *Jagdish Prasad Gupta* case is reproduced hereunder:-
  - "8. "5. … Reasons introduce clarity in an order. On plainest consideration of justice, the High Court ought to have set forth its reasons, howsoever brief, in its order indicative of an application of its mind, all the more when its order is amenable to further avenue of challenge. The absence of reasons has rendered the [High Court's judgment] not sustainable. …
    - 6. Even in respect of administrative orders, Lord Denning, M.R. in Breen v. Amalgamated Engg. Union [(1971) 2 QB 175: (1971) 2 WLR 742: (1971) 1 All ER 1148 (CA)] observed: (WLR p. 750 G). 'The giving of reasons is one of the fundamentals of good administration.' In

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<sup>1 (2009) 12</sup> SCC 609





Alexander Machinery (Dudley) Ltd. v. Crabtree [1974 ICR 120] it was observed:

Failure to give reasons amounts to denial of justice. Reasons are live links between the mind of the decision-taker to the controversy in question and the decision or conclusion arrived at.'

Reasons substitute subjectivity by objectivity. The emphasis on recording reasons is that if the decision reveals the 'inscrutable face of the sphinx', it can, by its silence, render it virtually impossible for the courts to perform their appellate function or exercise the power of judicial review in adjudging the validity of the decision. Right to reasons is an indispensable part of a sound judicial system, reasons at least sufficient to indicate an application of mind to the matter before court. Another rationale is that the affected party can know why the decision has gone against him. One of the salutary requirements of natural justice is spelling out reasons for the order made, in other words, a speaking-out. The 'inscrutable face of a sphinx' is ordinarily incongruous with a judicial or quasi-judicial performance."

[Emphasis supplied]

- 13. The proposition of law that reasoning is required to be given in judicial pronouncements and by authorities, even for quasi-judicial decisions has been discussed in detail in the decision of the Supreme Court in the case of *Kranti* Associates (P) Ltd. vs. Masood Ahmed Khan & Ors.<sup>2</sup>. The relevant extract is set out below:
  - "47. Summarising the above discussion, this Court holds:
    - (a) In India the judicial trend has always been to record reasons, even in administrative decisions, if such decisions affect anyone prejudicially.
    - (b) A quasi-judicial authority must record reasons in support of its conclusions.
    - (c) Insistence on recording of reasons is meant to serve the wider principle of justice that justice must not only be done it must also appear to be done as well.

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<sup>&</sup>lt;sup>2</sup> (2010) 9 SCC 496





- (d) Recording of reasons also operates as a valid restraint on any possible arbitrary exercise of judicial and quasi-judicial or even administrative power.
- (e) <u>Reasons reassure that discretion has been exercised by the decisionmaker on relevant grounds and by disregarding extraneous considerations.</u>
- (f) Reasons have virtually become as indispensable a component of a decision-making process as observing principles of natural justice by judicial, quasi-judicial and even by administrative bodies.
- (g) Reasons facilitate the process of judicial review by superior courts.
- (h) The ongoing judicial trend in all countries committed to rule of law and constitutional governance is in favour of reasoned decisions based on relevant facts. This is virtually the lifeblood of judicial decision-making justifying the principle that reason is the soul of justice.
- (i) Judicial or even quasi-judicial opinions these days can be as different as the judges and authorities who deliver them. All these decisions serve one common purpose which is to demonstrate by reason that the relevant factors have been objectively considered. This is important for sustaining the litigants' faith in the justice delivery system.
- (j) <u>Insistence on reason is a requirement for both judicial</u> accountability and transparency.
- (k) If a judge or a quasi-judicial authority is not candid enough about his/her decision-making process then it is impossible to know whether the person deciding is faithful to the doctrine of precedent or to principles of incrementalism.
- (1) <u>Reasons in support of decisions must be cogent, clear and succinct. A pretence of reasons or "rubber-stamp reasons" is not to be equated with a valid decision-making process.</u>
- (m) It cannot be doubted that transparency is the sine qua non of restraint on abuse of judicial powers. Transparency in decision-making not only makes the judges and decision-makers less prone to errors but also makes them subject to broader scrutiny. (See David Shapiro in Defence of Judicial Candor [(1987) 100 Harvard Law Review 731-37].)
- (n) Since the requirement to record reasons emanates from the broad doctrine of fairness in decision-making, the said requirement





is now virtually a component of human rights and was considered part of Strasbourg Jurisprudence. See Ruiz Torija v. Spain [(1994) 19 EHRR 553] EHRR, at 562 para 29 and Anya v. University of Oxford [2001 EWCA Civ 405 (CA)], wherein the Court referred to Article 6 of the European Convention of Human Rights which requires, "adequate and intelligent reasons must be given for judicial decisions".

(o) In all common law jurisdictions judgments play a vital role in setting up precedents for the future. Therefore, for development of law, requirement of giving reasons for the decision is of the essence and is virtually a part of "due process"."

[Emphasis supplied]

- 14. Quite clearly and given the fact that Impugned Award does not give any findings or even reasons for the award, the Impugned Award suffers from a material irregularity and cannot be sustained.
- 15. In addition, it is settled law that before finding on award of back wages is given, evidence in this behalf needs to be lead. The Courts have held that the burden initially lies on the workman to plead and prove that he was not gainfully employed after dismissal, though the employer may rebut it with contrary evidence. The discretion to award full, partial, or no back wages depends on the facts, but such discretion must rest on proper pleadings and evidence. The Supreme Court in *Rajasthan SRTC Jaipur v. Phool Chand* (*Dead*) through *LRs*<sup>3</sup> has held as follows:-
  - "12. It is necessary for the workman in such cases to plead and prove with the aid of evidence that after his dismissal from the service, he was not gainfully employed anywhere and had no earning to maintain himself or/and his family. The employer is also entitled to prove it otherwise against the employee, namely, that the employee was gainfully employed during the relevant period and hence not entitled to claim any back wages. Initial burden is, however, on the employee.

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<sup>&</sup>lt;sup>3</sup> (2018) 18 SCC 299





- 13. In some cases, the Court may decline to award the back wages in its entirety whereas in some cases, it may award partial, depending upon the facts of each case by exercising its judicial discretion in the light of the facts and evidence. The questions, how the back wages are required to be decided, what are the factors to be taken into consideration awarding back wages, on whom the initial burden lies, etc. were elaborately discussed in several cases by this Court wherein the law on these questions has been settled. Indeed, it is no longer res integra. These cases are, M.P. SEB v. Jarina Bee [M.P. SEB v. Jarina Bee, (2003) 6 SCC 141], Haryana Roadways v. Rudhan Singh [Haryana Roadways v. Rudhan Singh, (2005) 5 SCC 591], U.P. State Brassware Corpn. Ltd. v. Uday NarainPandey [U.P. State Brassware Corpn. Ltd. v. Uday Narain Pandey, (2006) 1 SCC 479], J.K. Synthetics Ltd. v. K.P. Agrawal [J.K. **Synthetics** *Ltd.* v. K.P. Agrawal, (2007)433], Metropolitan **Transport** Corpn. v. V. Venkatesan [Metropolitan Corpn. v. V. Venkatesan, (2009)9 SCC Transport 6011, Jagbir Singh v. Haryana State Agriculture Mktg. Board [Jagbir Singh v. Haryana State Agriculture Mktg. Board, (2009) 15 SCC 3271 and Deepali Gundu Adhyapak Mahavidyalaya [Deepali Gundu Surwase v. Kranti Junior Surwase v. Kranti Junior Adhyapak Mahavidyalaya, (2013) 10 SCC 324].
- 15. Coming now to the facts of the case at hand, we find that neither the Labour Court and nor the High Court kept in consideration the aforesaid principles of law. Similarly, no party to the proceedings either pleaded or adduced any evidence to prove the material facts required for award of the back wages enabling the court to award the back wages.
- 16. On the other hand, we find that the Labour Court in one line simply directed the appellant (employer) to pay full back wages for a long period to the deceased workman while directing his reinstatement in service.
- 17. We cannot, therefore, concur with such direction of the courts below awarding full back wages to the workman which, in our opinion, has certainly caused prejudice to the appellant (employer)."

[Emphasis Supplied]

- 15.1 Concededly no finding or discussion has been given in the Impugned Award for the award of back wages either.
- 16. In view of the above going discussion, the Impugned Award is set aside.
- 17. The matter is remanded to the learned Tribunal for fresh adjudication.





The parties shall appear before the learned Labour Court on 20.11.2025.

- 17.1 Given the lapse of time, the Petitioner shall file its Written Statement before the learned Tribunal within a period of four weeks from today. Rejoinder, if any, be filed within a period of two weeks thereafter. It is made clear that neither party will take any unnecessary adjournment before the learned Tribunal.
- 18. The present Petition is disposed of in the aforegoing terms. The pending Application also stands closed.
- 19. It is clarified that this Court has not expressed any opinion on the merits of the case. All rights and contentions of the parties are left open to be agitated before the appropriate forum.
- 20. The parties shall act based on the digitally signed copy of the order.

TARA VITASTA GANJU, J

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