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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

Reserved on: 29.01.2026
Date of decision: 10.03.2026
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+ W.P.(C) 628/2008

TEK CHAND

.....Petitioner

Through: Mr. Rajesh Ranjan Singh & Ms.Preeti
Chaudhary, Advs.

versus

JPFL FILMS PRIVATE LIMITED

.....Respondent

Through: Mr. Harvinder Singh & Mr. Bipender
Singh, Advs.

CORAM:
HON'BLE MS. JUSTICE SHAIL JAIN

JUDGMENT

SHAIL JAIN, J.

1. The present writ petition has been filed by the Petitioner/Workman, Shri Tek Chand, under Articles 226 and 227 of the Constitution of India, *inter alia*, seeking quashing of the Award dated 27.11.2006 (*hereinafter referred to as the "Impugned Award"*) passed by the learned Presiding Officer, Labour Court-XVI, Delhi in Industrial Dispute No. 666/2006. The said dispute arose out of a reference made at the instance of the Petitioner/Workman concerning his service, wherein the Respondent/Management had raised a preliminary objection regarding the territorial jurisdiction of the Labour Court at Delhi, which came to be decided by way of the Impugned Award.



FACTUAL BACKGROUND

2. The brief factual matrix, as borne out from the record, is that the Petitioner/Workman, Shri Tek Chand, was issued an appointment letter dated 20.11.2003 by the Respondent/Management, Jindal Polyester Ltd., through its Human Resources Office at 56, Hanuman Road, New Delhi, 110001, appointing him as a Plant Operator. Pursuant thereto, he was posted at the Nasik Plant of the Respondent/Management in the State of Maharashtra, where he joined his duties and was subsequently confirmed in service upon successful completion of probation. The workman's last drawn wages were Rs. 8,425/- per month.

3. During the course of his employment at the Nasik Plant, the Petitioner/Workman met with an accident on 18.05.2004 while operating machinery, resulting in grievous injuries, including amputation of his right upper limb below the elbow. He was admitted to a Hospital at Nasik, where he remained under treatment till 28.06.2004, and was thereafter advised rest for a further period of 66 days, i.e., from 17.07.2004 to 20.09.2004. It is his case that although he was paid wages up to September, 2004, he was not permitted to resume duties thereafter, and no formal order of termination was issued to him.

4. The Petitioner/Workman has averred that upon recovery, he approached the Respondent/Management and requested permission to resume duties. However, he was not allowed to join with effect from 20.09.2004 and no written order of termination was issued. It is his case that neither notice nor notice pay in lieu thereof was given and that his services were illegally brought to an end orally.

5. The record further reflects that the Petitioner/Workman addressed



several communications to the Respondent/Management, including letters dated 02.11.2004, 16.11.2004, 02.12.2004, and 20.12.2004, requesting release of salary, compensation, and grant of suitable alternative or light duty in view of his medical condition.

6. In response, the Respondent/Management, *vide* letter dated 30.12.2004, advised the Petitioner/Workman to visit its Nasik Plant for discussions. The Petitioner/Workman accordingly visited the Nasik Plant in January, 2005. It is his case that although he was assured release of compensation and arrears, he was not permitted to resume duties.

7. Thereafter, the Petitioner/Workman issued a legal notice dated 03.03.2005 seeking payment of compensation and arrears of wages. He also initiated proceedings under the Workmen's Compensation Act, 1923 before the Commissioner at Delhi, which culminated in an order dated 04.08.2005 awarding compensation of Rs.3,67,201.20/-, and the said amount was paid to him.

8. Before the Labour Court, the Respondent/Management filed its Written Statement contesting the claim and raised a preliminary objection that the Labour Court at Delhi lacked territorial jurisdiction. The Petitioner/Workman filed his Rejoinder thereto and reiterated the averments made in the Statement of Claim.

9. On the basis of the pleadings of the parties, the Labour Court framed issues, *inter alia*, with respect to territorial jurisdiction, abandonment of service, and the legality of termination. The parties thereafter led their respective evidence by way of affidavits, and the witnesses were cross-examined.

10. Upon consideration of the material on record, the learned Labour



Court, *vide* Impugned Award dated 27.11.2006, upheld the preliminary objection and held that it lacked territorial jurisdiction to entertain the dispute, and consequently did not return findings on the remaining issues.

11. Aggrieved by the aforesaid Impugned Award, the Petitioner/Workman filed the present Writ Petition before this Court under Articles 226 and 227 of the Constitution of India.

12. During the pendency of the present petition, the matter was referred to the Delhi High Court Mediation and Conciliation Centre, “*Samadhan*”. However, in terms of the Mediation Report dated 17.01.2019, the proceedings were concluded as “*Not Settled*”, and the matter was accordingly returned to the Court.

SUBMISSIONS ON BEHALF OF PETITIONER

13. Learned counsel for the Petitioner/Workman submitted that the impugned Award suffers from patent illegality, as the Labour Court failed to exercise jurisdiction vested in it. It was contended that the petitioner was appointed pursuant to an appointment letter issued from the respondent’s Human Resources Office at Delhi after undergoing interview and selection there, and thus, the employer–employee relationship originated at Delhi. It was argued that since the respondent’s registered and corporate office was situated at Delhi, and administrative and disciplinary control over the petitioner was exercised from there, the Labour Court at Delhi had the territorial jurisdiction to entertain the dispute.

14. It was further submitted that following the accident dated 18.05.2004 at the Nasik Plant, which resulted in permanent disability, the petitioner requested the respondent to provide him with suitable alternate duties in



view of his condition. However, neither was any alternate employment provided to him nor was he permitted to resume duties, and no formal order of termination was issued. It was contended that despite his continued willingness to work, the respondent failed to accommodate him, and the denial of employment and non-payment of salary from October 2004 amounted to illegal termination.

15. Learned counsel also submitted that the petitioner had initiated proceedings under the Workmen's Compensation Act, 1923 at Delhi, where compensation was awarded, thereby establishing a nexus with Delhi. It was contended that since the appointment letter was issued from Delhi and the respondent's principal office was situated there, part of the cause of action arose within the territorial jurisdiction of Delhi.

16. It was further submitted that the Labour Court erred in declining jurisdiction without examining the merits of the dispute, and that the issue of territorial jurisdiction ought to have been decided in favour of the petitioner.

17. Learned counsel for the Petitioner has placed reliance upon the judgment of the Hon'ble Supreme Court in ***Ramesh Chandra Sankla Etc. v. Vikram Cement Etc.***, Civil Appeal No. 4223 of 2008, as well as the judgment of the Hon'ble High Court of Madhya Pradesh in ***M/s Agrawal Coals and Logistics (Partnership) v. Debts Recovery Tribunal Civil Lines BOI Building Near Civil Lines Police Station Jabalpur & Ors.***, W.P. No. 6213 of 2023, decided on 17 March 2023, to contend that jurisdiction can be invoked at a place where a part of the cause of action has arisen and that the proceedings would not be rendered without jurisdiction merely because certain events occurred outside the territorial limits, so long as a sufficient nexus with the forum is established.



SUBMISSIONS ON BEHALF OF RESPONDENT

18. *Per contra*, learned counsel for the Respondent/Management supported the Impugned Award and submitted that the Labour Court rightly held that it lacked territorial jurisdiction, as the entire cause of action arose at Nasik. It was contended that the petitioner was appointed as a Plant Operator specifically for the Nasik Plant and had at all times discharged his duties there. The petitioner was never posted at Delhi nor did he perform any work there, and therefore, the Labour Court at Delhi had no jurisdiction to entertain the present dispute. It was further submitted that no order of termination was issued from Delhi, and the dispute, if any, arose solely at Nasik.

19. Learned counsel further submitted that the accident dated 18.05.2004, which forms the genesis of the present dispute, occurred at the Nasik Plant, and the petitioner had himself claimed and received compensation under the Employee's Compensation Act, 1923 on the basis of 100% disability in relation to his duties as Plant Operator. It was contended that the petitioner was advised to furnish a medical fitness certificate if he was in a position to resume duties; however, he failed to do so, and therefore, the respondent cannot be said to be at fault.

20. Learned counsel further submitted that the proceedings under the Employee's Compensation Act, 1923 were initiated at Delhi only because the respondent's registered office was situated there, as permitted under Section 21 of the said Act and such proceedings would not confer territorial jurisdiction under the Industrial Disputes Act, 1947, which contains no such provision. It was contended that the mere issuance of the appointment letter from Delhi, or the existence of the registered office there, would not confer



territorial jurisdiction in the absence of the employment being carried out there or the cause of action arising there.

21. Reliance was placed upon the judgment of the Supreme Court in ***V.G. Jagdishan v. Indofos Industries Ltd.*, (2022) 6 SCC 167**, wherein it was held that where the workman was employed, working, and terminated at Ghaziabad, the Labour Court at Delhi would not have jurisdiction merely because the head office of the management was situated at Delhi or the demand notice was issued from there.

22. Learned counsel also relied upon the judgment of the Supreme Court in ***D.L.F. Universal Ltd. vs. Govt. of National Capital Territory, Delhi and Ors.*, MANU/DE/0386/2002**, and the Division Bench judgment of this Court in ***J Balaji v. The Hindu New Delhi And Anr*, LPA 640/2022, dated 29th August, 2023** to contend that territorial jurisdiction is determined by the situs of employment and the place where the cause of action substantially arises, and not by incidental factors such as the location of the head office.

23. It was, therefore, submitted that the Labour Court correctly applied the settled legal principles and rightly held that it lacked territorial jurisdiction, and the present writ petition, being devoid of merit, is liable to be dismissed.

ANALYSIS AND FINDINGS

24. Having considered the rival submissions, it is evident that the controversy lies in a narrow compass. At the outset, it is well settled that the jurisdiction of this Court under Articles 226 and 227 of the Constitution of India is supervisory and not appellate in nature. This Court does not sit in appeal over the findings of the Labour Court, nor does it re-appreciate



evidence or substitute its own findings on facts. Interference is warranted only where the adjudicating authority has acted without or in excess of jurisdiction, or where the Impugned Award suffers from patent illegality, perversity, or misapplication of settled principles of law. So long as the findings are based on appreciation of evidence and are plausible, no interference is called for merely because another view may also be possible.

25. A perusal of the Impugned Award shows that the Labour Court did not adjudicate the industrial dispute raised by the workman alleging illegal termination of his services and seeking reinstatement & confined its decision to the preliminary issue of territorial jurisdiction only.

26. In the Statement of Claim, the workman averred that he was appointed as a Plant Operator *vide* appointment letter dated 20.11.2003 issued from the management's Human Resources Office at Delhi, reflecting that his appointment was for the Nasik Plant, where he discharged his duties and suffered an accident during the course of his employment. He claimed that thereafter he was neither assigned duties nor served with any termination letter, despite demanding reinstatement and his dues. In the Written Statement, the Management raised a preliminary objection to the territorial jurisdiction of the Labour Court at Delhi, contending that the Workman was employed at Nasik and that the alleged cessation of employment had also occurred there. It was further stated that the Workman had abandoned his services and had already received compensation under the Workmen's Compensation Act, 1923. In the Rejoinder, the workman denied the said assertions and reiterated his claim.

27. On the basis of the pleadings, the Labour Court framed the following issues for determination *vide* order dated 17.03.2006 :-



1. Whether there is no dispute as workman has himself abandoned the services of his own of the management ?

2. Whether this Court has no territorial jurisdiction?

3. Whether the workman has lost lien in the services by virtue of Standing Order?

4. Whether the services of the workman has been terminated illegally and unjustifiably?

No other issue was pressed or arose for consideration.

28. The Impugned Award further shows that the Labour Court proceeded to first decide Issue No. (ii) relating to territorial jurisdiction. In doing so, the Labour Court noted the contention of the Workman that although he was posted at the Nasik Plant, the appointment letter had been issued from the Delhi office and he had also been interviewed there, and that he was not permitted to resume duty despite approaching the Management. *Per contra*, the stand of the Management was that the Workman was employed at Nasik, that the *situs of employment* was at Nasik, and that the alleged cessation of employment had also occurred there, and therefore, the Labour Court at Delhi lacked territorial jurisdiction.

29. Upon considering the rival submissions of the parties and the judicial precedents, the Labour Court has placed reliance upon *D.L.F. Universal Ltd. v. Government of NCT of Delhi & Ors.(supra)* and the judgment of this Court in *Ziauddin Ansari v. Presiding Officer, Labour Court No. I* [W.P.(C) No. 2653/2005, decided on 26.09.2006], and observed that **the situs of employment and the place where the services were terminated are determinative of territorial jurisdiction.** The Labour Court further



relied upon *M/s Juggat Pharma (P) Ltd. v. Deputy Commissioner of Labour, Division-I, Madras- 6& Ors* [(1982) 2 LLJ 71], and held that since the Workman was employed at the Nasik Plant and the alleged cessation of employment had also occurred there, the Labour Court at Nasik would have jurisdiction. The decision in *Associates Traders & Engineers Pvt. Ltd. v. Shri Bir Singh & Ors.* [ILR (1976) 1 Del 688] relied upon by the Workman, was distinguished on facts and held to be not applicable to the present case, as the factual matrix therein was materially different.

30. In light of the above discussion, the operative portion of the impugned Award reads as under:

*“12. In the light of reasons and discussions as above, I am of the considered opinion that Delhi Labour Court has no territorial jurisdiction to entertain the present dispute. **This issue is accordingly decided.***

13. Because this court has no territorial jurisdiction to entertain the industrial dispute in question, I do not think it appropriate to give findings on other issues. An award is passed in these terms. File be consigned to the record room after necessary compliance by Ahlmad.”

[Emphasis Supplied....]

31. In view of the foregoing findings returned in the Impugned Award, the short question that arises for consideration before this Court is whether the Labour Court at Delhi possessed the territorial jurisdiction to entertain and adjudicate the present industrial dispute, or whether the jurisdiction would lie with the Labour Court at Nasik, where the workman was employed and where the cause of dispute is stated to have arisen.

32. To examine the above question, it becomes necessary to consider the material facts relating to the place of employment of the Workman. It is not



in dispute that the workman was appointed as a Plant Operator and was posted at the Nasik Plant of the Petitioner/Management, where he discharged his duties, and where the accident in question also occurred during the course of his employment at the said establishment. It is an admitted position that the workman was never posted or worked at Delhi at any point of time, though the appointment letter had been issued from the management's Human Resources Office at Delhi. The grievance raised by the workman regarding his alleged non-continuation in employment also arises from his posting at the Nasik Plant, where, according to him, he was not permitted to resume duties following the accident. The record further indicates that the Workman addressed communications to, and was called upon by the Management to visit, the Nasik Plant in connection with his employment, compensation, and the further course of action, which he accordingly did. Although the workman subsequently initiated proceedings under the Workmen's Compensation Act, 1923 before the competent authority at Delhi, where compensation was awarded to him, the material facts giving rise to the present dispute pertain to his place of employment and the events that occurred at the Nasik Plant.

33. It is also relevant to note that the present case is not one of termination simpliciter, as no formal order of termination has been placed on record. The case of the workman, as borne out from the pleadings, is that following the accident during the course of his employment, he was neither assigned duties nor taken back in service, whereas the stand of the management is that the workman had abandoned his services. The dispute, therefore, pertains to the alleged cessation or denial of employment after the accident, which remains to be adjudicated on merits. In such cases, the cause



of action ordinarily arises at the place where the workman was employed and where he is alleged to have been denied further employment. In the present case, the alleged denial of employment relates to the Nasik Plant where the workman was employed, thereby giving rise to the present dispute.

34. The issue of territorial jurisdiction in industrial disputes is no longer *res integra*. Although the Industrial Disputes Act, 1947 does not contain any express provision governing territorial jurisdiction, the principles determining such jurisdiction are well settled through judicial pronouncements.

35. It is firmly established that territorial jurisdiction in industrial disputes is determined primarily with reference to the **situs of employment and the place where the cause of action has arisen**. Ordinarily, the Labour Court within whose territorial limits the workman was employed and discharged his duties would have jurisdiction, as the employer–workman relationship is rooted in the place of employment. Likewise, the place where the workman was denied employment, discontinued from service, or where the material facts giving rise to the dispute occurred would constitute the place where the cause of action arises. *The determinative test, therefore, is the place where the employment existed and where the dispute relating to employment or non-employment substantially arose.*

36. Conversely, incidental factors such as the place of issuance of the appointment letter, the location of the head office, or administrative correspondence would not, in the absence of a direct and substantial nexus with the employment, by themselves confer territorial jurisdiction.

37. The concept of **cause of action**, which is a determinative factor in



deciding territorial jurisdiction, has been explained by the Hon'ble Supreme Court in *Om Prakash Srivastava v. Union of India & Anr*, (2006) 6 SCC 207. In the said case, the Apex Court was examining whether a writ petition could be entertained by a High Court in the absence of material facts giving rise to the dispute within its territorial jurisdiction. While explaining the meaning and scope of cause of action, the Hon'ble Supreme Court held as under:

“7. The question whether or not cause of action wholly or in part for filing a writ petition has arisen within the territorial limits of any High Court has to be decided in the light of the nature and character of the proceedings under Article 226 of the Constitution. In order to maintain a writ petition, a writ petitioner has to establish that a legal right claimed by him has prima facie either been infringed or is threatened to be infringed by the respondent within the territorial limits of the Court's jurisdiction and such infringement may take place by causing him actual injury or threat thereof.”

.....

11. It is settled law that “cause of action” consists of a bundle of facts, which give cause to enforce the legal inquiry for redress in a court of law. In other words, it is a bundle of facts, which taken with the law applicable to them, gives the plaintiff a right to claim relief against the defendant. It must include some act done by the defendant since in the absence of such an act no cause of action would possibly accrue or would arise. [See South East Asia Shipping Co. Ltd. v. Nav Bharat Enterprises (P) Ltd. [(1996) 3 SCC 443]

.....

15. In Halsbury's Laws of England (4th Edn.) it has been stated as follows:

“ ‘Cause of action’ has been defined as meaning simply a factual situation, the existence of which entitles one person to obtain from the court a remedy”



against another person. The phrase has been held from earliest time to include every fact which is material to be proved to entitle the plaintiff to succeed, and every fact which a defendant would have a right to traverse. 'Cause of action' has also been taken to mean that a particular act on the part of the defendant which gives the plaintiff his cause of complaint, or the subject-matter of grievance founding the action, not merely the technical cause of action."

[...Emphasis Supplied]

38. The aforesaid precedent makes it clear that territorial jurisdiction must be determined with reference to the place where the material facts giving rise to the cause of action have occurred.

39. The significance of **situs of employment** in determining jurisdiction was considered by the Hon'ble Supreme Court in **V.G. Jagdishan v. Indofos Industries Ltd.,(Supra)**. In that case, the Workman was employed and his services were terminated at Ghaziabad, but he sought to invoke jurisdiction at Delhi on the ground that the head office was situated there. Rejecting the contention, the Hon'ble Supreme Court held that jurisdiction would lie only at the place where the Workman was employed and his services were terminated. The relevant observations are as follows:

"10. From the findings recorded by the Labour Court, Delhi and the learned Single Judge and the Division Bench of the High Court, it is not much in dispute that the workman was employed as a driver at Ghaziabad office. He was working at Ghaziabad. His services were retrenched at Ghaziabad. All throughout during the employment, the workman stayed and worked at Ghaziabad. Only after the retrenchment/termination the workman shifted to Delhi from where he served a demand notice at Head Office of the Management situated at Delhi. Merely because the workman after termination/



retrenchment shifted to Delhi and sent a demand notice from Delhi and the Head Office of the Management was at Delhi, it cannot be said that a part cause of action has arisen at Delhi. Considering the facts that the workman was employed at Ghaziabad; was working at Ghaziabad and his services were terminated at Ghaziabad, the facts being undisputed, only the Ghaziabad Court would have territorial jurisdiction to decide the case.”

[...Emphasis Supplied]

40. The Supreme Court thus held that the place where the workman was employed and where the cessation of employment occurred constitutes the place where the cause of action arises.

41. Similarly, in *Eastern Coalfields Ltd & Ors. v. Kalyan Banerjee*, (2008) 3 SCC 456, the workman was employed and his services were terminated in Jharkhand, whereas the head office of the management was situated in West Bengal. The question before the Hon’ble Supreme Court was whether the mere location of the head office of the employer would confer territorial jurisdiction upon the Calcutta High Court. Answering the issue in the negative, the Court held as under:

“13. In view of the decision of the Division Bench of the Calcutta High Court that the entire cause of action arose in Mugma area within the State of Jharkhand, we are of the opinion that only because the head office of the appellant Company was situated in the State of West Bengal, the same by itself will not confer any jurisdiction upon the Calcutta High Court, particularly when the head office had nothing to do with the order of punishment passed against the respondent.”

[...Emphasis Supplied]

42. The abovementioned judgment clearly establishes that territorial



jurisdiction must be determined with reference to the place where the cause of action arises, and not merely by the location of the corporate or head office of the employer.

43. Similarly, in *D.L.F. Universal Ltd. v. Government of NCT of Delhi & Ors*, MANU/DE/0386/2002, (*Supra*) which was also relied upon by the labour court. Where the workman, though appointed pursuant to an appointment letter issued from the Head Office at Delhi, had been working at Gurgaon from the inception of his employment. While examining the question of territorial jurisdiction, this Court referred to the Full Bench decision of the **Patna High Court in *Paritosh Kumar Pal v. State of Bihar & Ors.***, MANU/BH/0179/1984 : 1984 Lab I.C. 1254, which authoritatively laid down that the *situs of employment* is the paramount factor for determining territorial jurisdiction in industrial disputes arising out of termination of service. The Full Bench, *inter alia*, held that once it is established that the workman was employed in a particular territory, the termination of his services therein would have a direct and obvious nexus with that territory, since it is at the place of employment that the order of termination operates and the workman ceases to hold his post and loses his right to wages. It was further emphasised that the nexus must be between the industrial dispute and the place of employment, and not with the location of the head office. The relevant observations read as under:

“5. Admittedly, though the order of appointment has been issued from the Head Office of the petitioner at Delhi, the registered officer of the petitioner is at Gurgaon. However, that is not the material consideration. Respondent No. 5 from day one had been working at Gurgaon as an Architect. Company leased accommodation was also provided to the



respondent No. 5 at Gurgaon. Thus the situs of the employment has throughout been in Gurgaon and not at Delhi. The termination letter dated 30.4.1998 was also issued at Gurgaon which is the cause for respondent No. 5 raising the disputes and consequently seeking reference. Whatever tests are applied in the case of the petitioner as laid down in Paritosh Kumar Pal's case (supra), the only conclusion would be that the jurisdiction would be of the competent Courts at Gurgaon and it is for the concerned Government to consider whether a reference is or is not liable to be made."

[...Emphasis Supplied]

44. The Labour Court, in consonance with the above judgment, rightly held that territorial jurisdiction would lie at the place where the workman was employed.

45. The settled principles stand authoritatively reiterated by the Division Bench of this Court in ***J Balaji v. The Hindu New Delhi and Anr. (Supra)*** wherein the issue before the Court was whether the Labour Court at Delhi could assume territorial jurisdiction when the workman had been transferred to and was working at Chennai at the time of termination. This Court held that the determinative factor is the situs of employment and the place where the dispute arose, and that incidental circumstances such as the location of the head office or issuance of correspondence from Delhi would not confer jurisdiction in the absence of a direct nexus with the employment. It was further observed that territorial jurisdiction must be determined on the basis of the bundle of material facts constituting the cause of action. The relevant observations read as under:

"22. The detailed discussion as aforesaid brings forth that the appellant was employed in Chennai when his



services were terminated. The termination order was also issued in Chennai. Thus, the cause of action for challenging the termination order arose entirely in Chennai. Merely because respondents have a full-fledged office in Delhi or that appellant was posted in Delhi immediately before his transfer to Chennai, would not confer territorial jurisdiction on the Delhi Courts. The judgments as relied upon by appellant do not come to his aid, as the said matters involve cases where cause of action had arisen within the territorial jurisdiction of the place in question. However, that is not the position in the present matter as no cause of action has arisen within the territorial jurisdiction of Delhi, in terms of the discussion herein above. Consequently, it is held that Delhi Courts have no territorial jurisdiction in the present case.

[...Emphasis Supplied]

46. The above judgment clearly reinforces the settled position that territorial jurisdiction is determined by the **situs of employment and the place where the cause of action arises**, and not by the location of the head office or prior posting.

47. Thus, the consistent position emerging from the aforesaid authoritative pronouncements is that territorial jurisdiction in industrial disputes is determined primarily by the place where the workman was employed and where the dispute relating to employment or non-employment arose, and not by the location of the Head Office or the place from which administrative communications were issued. This principle applies with even greater force in cases where the dispute relates to cessation, termination, or denial of employment, since the cause of action would arise at the place where such cessation or denial of employment is alleged to have occurred.



48. Thus, upon a comprehensive consideration of the factual matrix, the findings of the Labour Court, and the settled legal principles governing territorial jurisdiction, this Court finds that the situs of employment of the workman was at the Nasik Plant, for which he was appointed, where he discharged his duties, and where the incident giving rise to the present dispute occurred. It is also at the said establishment that the alleged cessation or denial of employment is stated to have taken place. The grievance of the workman regarding denial of further employment is, therefore, directly relatable to the Nasik Plant, and the material facts giving rise to the industrial dispute arose there, having no direct or substantial nexus with Delhi.

49. In these circumstances, the mere issuance of the appointment letter from the Human Resources Office at Delhi, or the initiation of proceedings under the Workmen's Compensation Act 1923 at Delhi, would not, by themselves, confer territorial jurisdiction upon the Labour Court at Delhi, in view of the settled legal position that jurisdiction is determined by the place of employment and where the cause of dispute substantially arises. These factors, being incidental in nature, do not alter the territorial nexus of the dispute.

50. The contention of the Petitioner that the compensation proceedings were entertained at Delhi also deserves to be examined in the light of Section 21 of the Employee's Compensation Act, 1923, which reads as under:

21. Venue of proceedings and transfer.—

(1) Where any matter is under this Act to be done by or before a Commissioner, the same shall, subject to the provisions of this Act and to any rules made



hereunder, be done by or before the Commissioner for the area in which —

(a) the accident took place which resulted in the injury; or

(b) the employee or in case of his death, the dependant claiming the compensation ordinarily resides; or

(c) the employer has his registered office:

51. A plain reading of the above provision makes it clear that the statute confers jurisdiction upon the Commissioner at the place where the employer has its registered office or where the employee ordinarily resides, irrespective of the place of employment. It is in exercise of this statutory provision that the Commissioner at Delhi entertained and adjudicated the petitioner's claim for compensation. However, the Industrial Disputes Act, 1947 contains no analogous provision conferring jurisdiction upon the Labour Court on the basis of the location of the registered office or the residence of the workman. Territorial jurisdiction under the Industrial Disputes Act 1947, is determined by the *situs of employment* and the place where the cause of dispute substantially arises. The adjudication of compensation proceedings at Delhi under Section 21 of the Employee's Compensation Act 1923 would not, therefore, confer territorial jurisdiction upon the Labour Court at Delhi in respect of the present industrial dispute.

52. The reliance placed by the petitioner on ***Ramesh Chandra Sankla Etc. v. Vikram Cement Etc., Civil Appeal No. 4223 of 2008***, is misplaced and does not advance his case. The said decision concerned the maintainability of claims in the context of voluntary retirement and the disputed existence of an employer–employee relationship, and did not deal with the issue of territorial jurisdiction. The present case relates solely to



territorial jurisdiction, which is governed by the situs of employment and the place where the cause of dispute arose. The said judgment is, therefore, clearly distinguishable and inapplicable to the facts of the present case.

53. The petitioner has also placed reliance on *M/s Agrawal Coals and Logistics v. Debts Recovery Tribunal Civil Lines BOI Building Near Civil Lines Police Station Jabalpur & Ors.* [W.P. No. 6213 of 2023] (Madhya Pradesh High Court), which is also distinguishable. The said decision arose in the context of proceedings under Section 17 of the SARFAESI Act and related to the maintainability of an application before the Debts Recovery Tribunal upon repossession of a secured asset. The issue therein did not concern territorial jurisdiction in an industrial dispute. The present case, on the other hand, pertains solely to territorial jurisdiction under the Industrial Disputes Act, 1947, which is governed by the situs of employment and place where the cause of dispute arose. The said judgment is therefore inapplicable to the facts of the present case.

54. This Court finds that the reasoning adopted by the Labour Court is consistent with the principles laid down by the Hon'ble Supreme Court and this Court and does not suffer from any perversity, illegality, or jurisdictional error warranting interference in exercise of powers under Articles 226 and 227 of the Constitution of India. The submissions advanced on behalf of the petitioner do not persuade this Court to take a view different from that taken by the Labour Court.

CONCLUSION

55. In view of the aforesaid discussion, this Court is of the considered opinion that the Labour Court rightly examined the issue of territorial



jurisdiction and correctly concluded that it lacked jurisdiction to entertain the present industrial dispute. The dispute being directly connected with the employment of the workman at the Nasik Plant, jurisdiction to adjudicate the same would lie with the competent Labour Court having territorial jurisdiction over the said establishment and not with the Labour Court at Delhi.

56. It is, however, clarified that the Petitioner/Workman shall be at liberty to approach the competent Labour Court having territorial jurisdiction over the Nasik Plant for adjudication of the dispute on merits, if so advised. In such an event, the competent Labour Court shall consider the dispute in accordance with law, and the Petitioner/Workman shall also be entitled to seek the benefit of Section 14 of the Limitation Act, 1963, in respect of the period spent in pursuing the present proceedings.

57. Accordingly, no ground is made out to interfere with the impugned Award. The writ petition is dismissed. Pending applications, if any, also stand disposed of. There shall be no order as to costs.

**SHAIL JAIN
JUDGE**

MARCH 10, 2026

RM