



2025:DHC:4780



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

% Date of Decision: 29.05.2025

+ **W.P.(C) 7350/2025**

M/S CHELSEA MILLS

.....Petitioner

Through: Mr. Ajit Upadhyay and Mr.  
Ghanshyam Mishra, Advocates.

versus

SHRI TARKESWAR SINGH AND ANR

.....Respondents

Through: None.

**CORAM:**

**HON'BLE MR. JUSTICE MANOJ KUMAR OHRI**

**JUDGMENT (ORAL)**

1. The present petition has been instituted under Article 226/227 of the Constitution seeking setting aside of the award dated 05.04.2024 passed by the learned Industrial Tribunal-1, Rouse Avenue Courts, New Delhi in the context of an industrial dispute vide ID No.576/2016, whereby, the claim filed by the workmen was partly allowed and directed petitioners to pay a lumpsum compensation of Rs.1 lac per head along with interest of 8% per annum with effect from date of termination i.e. 29.09.2007 till realization.

2. Before proceeding further, it is deemed apposite to note the relevant facts in nutshell.

3. The workmen approached the Labour Department, GNCTD and claimed to be employed with the petitioner, alleging that the management is running a garment industry involving garment fabrication and export. It was claimed that the management had various factory units in Delhi where more than 500 workers were employed. It was claimed that the workers were not



provided with any appointment letter, provident fund or ESI benefits. The ESI cards provided to some of the workmen deliberately carried incorrect joining dates. The conciliation not being fruitful, the following reference was made to the Tribunal:-

*“...Whether the transfer of S/Sh. Tarkeshwar Singh s/o Late Sh. Babu Ram and 418 others as shown in Annexure A (27-pages) from Delhi Units to 173-174, Sector-S, IMT, Manesar, Haryana is legal and/or justified and if not, whether it amounts to lockout and if so, to what relief the workmen are entitled, including the wages for the lockout period?...”*

4. In the statement of claim, it was further claimed that a complaint before the Provident Fund Department was filed on which, raid was conducted at the petitioner’s factory premises on 26.09.2007. In the raid, it was discovered that hundreds of workmen were found working, all of them were not covered under the PF Act. Within three days of the raid, the management perturbed by the sequence of events, put up a circular dated 29.09.2007 on the notice board wherein it was stated that the factory premises located at A-201, WHS, Kirti Nagar, New Delhi-15 were transferred to 173/174, Sector-5, IMT Manesar, Haryana. It was claimed by the management that the said relocation was done at the instance of the buyers. The workmen further claimed that the said transfer was only an unfair labour practice, carried out illegally to indirectly terminate the services of the workmen. The relocation to a different State required consent of the workmen, who were also to be adequately compensated. The new factory premises were about 60 kilometres away, which would have required not only extra time but also involve considerable transport expenses. Apparently, about 419 workmen joined the claim application.



5. The claim petition was resisted by the management.
6. Before this Court, it was submitted on behalf of the management that except 17 workmen, the claim of the others were duly settled. It is contended that on account of relocation, the workmen were adequately compensated by offering a sum of Rs.150 per month towards special allowance. The said amount was later revised to Rs.350/- per month.
7. On consideration of facts and the material placed on record, the learned Tribunal came to the conclusion that the issuance of transfer order by the management appeared to be an exercise carried out to harass/victimize the workmen knowing well that they would not be able to join at the new place which, as noted above, was 60 km away from the previous place of work. The said act was found to be unfair labour practice as stipulated in Entry No.7 of the Fifth Schedule read with Section 2 (ra), punishable under Sections 25T and 25U of the Industrial Disputes Act. Further, the act of management in offering only Rs.150/- or Rs.350/- per month is not adequate. The learned Tribunal did not find favour with the prayer for reinstatement and directed a lump sum compensation amount of Rs.1 lac each to all the workers. The management's contention that the offer of Rs.150/-, which was later claimed to be revised to Rs.350/- per month during the pendency of the proceedings before the Tribunal, was a bonafide act. By no stretch of imagination offer of Rs.150/- per month (or Rs.350/- per month as claimed) does not in any manner appear to be justifiable. Moreover, the management was also found to be acting in violation of the provisions of the EPF and MPF Act, 1952, wherein an inquiry under Section 7-A was initiated against the management.



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8. In view of the aforementioned backdrop and in view of the fact that the scope in a writ petition is limited, I find no merit in the petition and the same is accordingly dismissed. The impugned award passed by the Tribunal is upheld.

9. No costs.

**MANOJ KUMAR OHRI**  
**(JUDGE)**

**MAY 29, 2025/rd**