
(2000) 11 P&H CK 0232

In the Punjab And Haryana At Chandigarh

Case No : Civil Writ Petition No. 11228 of 1999

Sangrur Ghee Mill Workers Union

APPELLANT

Vs

State of Punjab

RESPONDENT

Date of Decision : 29-11-2000

Acts Referred:

Industrial Disputes Act, 1947 — Section 2, 25, 25(2)

Citation : (2000) 11 P&H CK 0232

Hon'ble Judges : S.S. Sudhalkar, J; Mehtab S. Gill, J

Bench : Division Bench

Advocate : Mr. Baljit Puri, for the Appellant; Mr. Anil Sharma, D.A.G. and Mr. P.K. Mutneja, for the Respondent

Final Decision : Dismissed

Judgement

Mehtab S. Gill, J.—The petitioner has prayed for quashing of order dated July 23, 1999 (Annexure P-9) passed by the Secretary to Government Punjab, Department of Labour & Employment.

2. The petitioner-Union and its workers have been working with respondent No. 2 for more than 10 years. Respondent No. 2-Sangrur Vanaspati Mills Ltd. thereafter referred to as "the Mill") closed down its two units. namely, (i) Soap Section, (ii) Oxygen Section. The workers who were working in these two units were employed in other units of the Mill. Respondent No. 2 Mill moved an application u/s 25(o) of the Industrial Disputes Act, 1947 (hereinafter referred to as "the Act") before respondent No. 1 to formally close down the two non-working sections of the Mill. Notices of the application were sent to the workers for appearance on July 7, 1999. The petitioner-Union appeared before respondent No. 1 on the given date. An advocate was engaged and objections were filed by the workers through their counsel before respondent No. 1 on July 20, 1999, after taking all aspects into consideration, the impugned order was passed.

3. Notice of motion was issued to the respondents. Respondent No. 2-Mill filed written statement.

4. We have heard learned counsel for the parties and perused the petition, written statement and the annexures attached therewith.

5. The respondent-Mill was producing Vanaspati Ghee, which is manufactured from edible oils. Two by-products were produced in the manufacture of Vanaspati Ghee, i.e., soap stock (crude soap) and oxygen gas. The Mill started selling the soap stocks and the oxygen gas in the market. In the year 1997, number of workers was 21. Prior to 1990, the Mill was running in profit, but after 1990 many Mills producing Vanaspati Ghee came up in State of Punjab, especially in the Border areas and substantial concession qua sales tax was given to these units. Respondent-Mill could not compete with these units as it did not have any sales tax exemption and thus, in the year 1997, it had to close down the oxygen and soap units. The workers working in these units were given some odd jobs in the Mill so that better times may come and they may be brought back on to their original jobs, but instead the unit started running into huge losses.

6. On May 14, 1999 an application (Annexure R-2/1) for closure of both these units, namely, (i) Soap Section and (ii) Oxygen Section was moved to the appropriate authorities. The appropriate Government, after taking every thing into consideration, passed a detailed order dated July 23, 1999 which is attached with the petition as annexure P-9. Loss to the Mill as on March 31, 1999 was to the tune of Rs. 39,42 lacs. The Secretary to Government Punjab, Department of Labour and Employment rightly passed the order and granted permission u/s 25(O)(2) of the Act, to the Mill to close down its two aforementioned units. We find no infirmity in the impugned order dated July 23, 1999. For ready reference, Section 25(O)(2) of the Act is reproduced below :

"25(O)(1) xxxxx

(2) Where an application for permission has been made under sub-section (1), the appropriate Government, after making such enquiry as it thinks fit and after giving a reasonable opportunity of being heard to the employer, the workman and persons interested in such closure may, having regard to the genuineness and adequacy of the reasons stated by the employer, the interests of the general public and all other relevant factors, by order and for reasons to be recorded in writing, grant or refuse to grant such permission and a copy of such order shall be communicated to the employer and the workman"

For the reasons recorded above, the writ petition is, thus dismissed.

7. Petition dismissed.