



*Amulya M. Bhat*  
*Associate*

## **HIGH COURT ON THE AMBIT OF DEFINITION OF WORKMEN**

The Karnataka High Court (**HC**) in the *N. Bhuvaneshwari* case<sup>1</sup> held that the persons carrying managerial and supervisory responsibilities do not fall within the scope of a ‘workman’, as defined under Section 2(s) of the Industrial Disputes Act, 1947 (**ID Act**). It further held that once it is determined that the person is not a ‘workman’ under the Act, the Labour Court (**LC**) does not have jurisdiction to adjudicate whether their termination was proper or not.

### **Brief Facts:**

N. Bhuvaneshwari, who was employed as executive secretary with Ambuthirtha Power Pvt. Ltd. (**APPL**), was relieved from her post by issuing termination notice as per her appointment order with three months’ notice. She challenged her termination in the LC. She also expressed no interest in re-joining APPL.

The LC held that: Bhuvaneshwari qualified as a ‘workman’ under Section 2(s) of the ID Act; directed APPL to pay her compensation of Rs. 5,00,000 in addition to reinstating her along with benefits such as back wages.

Thereafter, she appealed before the HC contending that the LC did not provide suitable relief or compensation. Subsequently, APPL also appealed before the HC challenging the LC’s ruling.

On clubbing both the appeals, the main contention before the HC was: *“Whether the applicant Smt. Bhuvaneshwari employed as an “Executive Secretary” in Ambuthirtha falls within the expression ‘Workman’ as defined under Section 2(s) of the [ID Act]?”*

### **HC’s Judgement & Analysis:**

The HC:

- On analysing Section 2(s) of the ID Act, observed that the exception to this section encompasses individuals who are in managerial and administrative roles, or those in supervisory positions who earn wages exceeding Rs. 10,000 per month. This applies to individuals whose job responsibilities primarily involve managerial duties or are supervisory duties.<sup>2</sup>
- Observed, from her appointment letter and resume, that her primary duty involved assisting the Chairman, Managing Director, and Director of APPL in their day-to-day tasks, including, managing their travel arrangements, ensuring timely payment of bills related to travel expenses, updating schedules, and

<sup>1</sup> *N. Bhuvaneshwari v.s The Management of M/s Ambuthirtha Power Pvt. Ltd*, 2024 LiveLaw (Kar) 198.

<sup>2</sup> Paragraph 13 of the Judgement.

adhering to established company policies and procedures.<sup>3</sup> Also, she was appointed as an ‘executive secretary’ based on her work experience of 17 years and documents clearly establish that her role cannot be envisaged as ‘workman’ under the ID Act. Thus, the LC was not justified in categorising her as a workman.<sup>4</sup>

- Further observed that *“even assuming the applicant is doing clerical work as contended by the party-in-person, N. Bhuvaneshwari, the clerical work, if any, is only incidental to the principal work, which she is undertaking as a Manager to the post of ‘Executive Secretary’. The work assigned to the applicant is of responsibility and she was discharging the managerial and supervisory duties as per the appointment order, these surrounding circumstances clearly indicate that the applicant is not a ‘workman’ as defined under Section 2(s) of the ID Act.”*<sup>5</sup>
- Held regarding her termination: *“The question of termination whether it is proper or not, is not a question to be adjudicated before the Labour Court, as the applicant has failed to establish that she is a ‘workman’ as defined under Section 2(s) of the ID Act. In the said circumstances, the Labour Court was not justified in arriving at a conclusion that the applicant is entitled for Rs. 5,00,000/- in lieu of reinstatement, continuity of service, full backwages and all other consequential benefits.”*<sup>6</sup>

Accordingly, the HC dismissed Bhuvaneshwari’s appeal, allowed APPL’s appeal and set aside the order passed by the LC.

\*\*\*\*\*

This *Counselence Connect* contains information in a nutshell on a recent change in law. This is not legal advice and must not be treated so. For any clarifications, please contact us at: [info@counselence.com](mailto:info@counselence.com). Past issues of *Counselence Connect* are available at the ‘Newsletters’ page of our website ([www.counselence.com](http://www.counselence.com)).

---

<sup>3</sup> Paragraph 14 of the Judgement.

<sup>4</sup> Paragraph 15 of the Judgement.

<sup>5</sup> Ibid.

<sup>6</sup> Paragraph 16 of the Judgement.

© 2024 Counselence