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DEFINITION OF WORKMAN EXPLAINED

In October 2024, the Supreme Court (SC), in the *Lenin Kumar Ray* case,¹ held that an employee did not come within the definition of ‘workman’ under Section 2(s) of the Industrial Disputes Act, 1947 (Act) because he was employed in a supervisory capacity and drew wages exceeding the limit mentioned under the Act.

Brief Facts

Lenin Kumar Ray (Ray) was hired by Express Publications (Madurai) Ltd. (EPML), as a Junior Engineer (Electronics and Communication) in 1997 at Bhubaneswar.

Ray was later promoted to the position of Assistant Engineer (E&C) in 2000.

EPML terminated his employment in 2003, providing one month's salary in lieu of notice as per the terms of his offer letter.

He contested the termination, arguing that he was a ‘workman’ under the Act and therefore entitled to certain protections.

Conciliation efforts failed, leading to a referral to the Labour Court (LC) in Bhubaneswar.

In 2010, LC issued an award in favor of Ray, ordering his reinstatement with compensation of Rs. 75,000 in lieu of back wages.

EPML appealed this decision to the High Court of Orissa at Cuttack (HC), which partially allowed the appeal, setting aside the reinstatement and compensation while upholding the LC’s finding that the employee qualified as a workman.

Both parties then filed appeals with SC.

Contention of the Parties

Ray asserted that his termination was unlawful, arguing that EPML did not have a valid reason to terminate him. He also claimed that as a workman he was entitled to due process and protections under the Act which were not provided to him.

EPML contended that Ray was not a workman because he held a supervisory position, and his salary exceeded the statutory limit for that role. It maintained that the Ray’s termination was conducted in accordance with the terms stipulated in his appointment and confirmation letters, specifically Clause 14 which permitted termination with one month’s notice or equivalent salary.

SC’s Judgement and Reasoning

The SC:

- Dismissed Ray’s appeal and allowed EPML’s appeal.²
- Set aside the portion of the HC order which upheld LC’s finding that Ray was a workman due to his supervisory responsibilities though his salary exceeded the statutory threshold.³

¹ *The Management, M/s. Express Publications (Madurai) Ltd v. Lenin Kumar Ray*, arising out of SLP (C) 12876 of 2024, 2024 LiveLaw (SC) 841.

² Paragraphs 17 and 18 of the Judgement.

³ *Ibid.*

- Upheld the HC’s decision to overturn the LC’s order, which directed the reinstatement of the employee and compensation.⁴
- Considered the terms of Ray’s appointment and confirmation letters. It highlighted that these documents explicitly allowed EPML to terminate his employment by providing either one month’s notice or a corresponding payment. It acknowledged that EPML had adhered to this procedure by providing Ray with the requisite payment, which he accepted without protest.⁵
- Reviewed the definition of workman as per Section 2(s) of the Act and noted that to be classified as a workman the individual must be engaged in specific types of work.

It observed that:

- The definition also excludes certain categories of employees, including those in supervisory roles whose wages surpass a specified limit.⁶
- The determination of whether an employee qualifies as a workman depends on their principal duties and functions, not solely their job title.⁷
- The burden of proof in establishing workman status rests upon the individual making the claim.⁸

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⁴ *Ibid.*

⁵ Paragraph 17 of the Judgement.

⁶ Section 2(s) of the Act: “*workman*’ means any person (including an apprentice) employed in any industry to do any manual, unskilled, skilled technical, sales promotion, operational, clerical or supervisory work or any work for the promotion of sales for hire or reward, whether the terms of employment be expressed or implied, and for the purposes of any proceeding under this Act in relation to an industrial dispute, includes any such person who has been dismissed, discharged or retrenched in connection with, or as a consequence of, that dispute, or whose dismissal, discharge or retrenchment has led to that dispute, but does not include any such person—

(i) who is subject to the Air Force Act, 1950 (45 of 1950), or the Army Act, 1950 (46 of 1950), or the Navy Act, 1957 (62 of 1957); or

(ii) who is employed in the police service or as an officer or other employee of a prison; or

(iii) who is employed mainly in a managerial or administrative capacity; or

(iv) who, being employed in a supervisory capacity, draws wages exceeding ten thousand rupees per mensem or exercises, either by the nature of the duties attached to the office or by reason of the powers vested in him, functions mainly of a managerial nature.”

⁷ Paragraph 15 of the Judgement.

⁸ *Ibid.*