2026 INSC 1024

REPORTABLE

IN THE SUPREME COURT OF INDIA
CIVIL APPELLATE JURISDICTION

CIVIL APPEAL NO.   /2026
[ARISING OUT OF SPECIAL LEAVE PETITION (CIVIL) NO.24331/2025]

THE PRESIDENT, CANARA BANK STAFF UNION   APPELLANT(S)

VERSUS

THE GENERAL MANAGER, CANARA BANK   RESPONDENT(S)

WITH

CIVIL APPEAL NO.   /2026
[ARISING OUT OF SPECIAL LEAVE PETITION (CIVIL) NO.10128/2026

O R D E R

1. Leave granted.

2. These two appeals impugn a common judgment and order of the High Court[1] dated 1st April 2025 passed in Writ Petition No.1318/2025 filed against the order of the Regional Labour Commissioner (Central), Pune[2] dated 18th September 2024 in the proceedings initiated by the Canara Bank Staff Union[3] under the Minimum Wages Act, 1948[4] on behalf of 53 workers.

1[1] The High Court of Judicature at Bombay
2[2] The Commissioner
3[3] The Union
4[4] The Act

By the order of the Commissioner, the claim application of the Union was partly allowed to the extent of 36 workers and the Bank was directed to pay an amount of Rs.42,38,265/- (Rupees Forty Two Lakhs Thirty Eight Thousand Two Hundred and Sixty Five Only) along with 10% compensation amounting to Rs.4,23,828/- (Rupees Four Lakhs Twenty Three Thousand Eight Hundred and Twenty Eight Only), totaling Rs.46,62,093/- (Rupees Forty Six Lakhs Sixty Two Thousand and Ninety Three Only) towards less payment of minimum wages and compensation, and further directed the Bank to deposit the said amount directly in the bank accounts of the workers, or to deposit by demand draft in favour of Assistant Labour Commissioner (Central), Mumbai.

3. The Union, representing 53 workmen, had applied under Section 20 of the Act complaining about payment of wages to its members at rate(s) less than the minimum prescribed under the Act for the period 01.04.2019 to 31.08.2022. The said claim application was filed more than six months after the date when the amount became payable. However, the Commissioner exercising its power under the second proviso to Section 20 of the Act condoned the delay in filing the claim application and accepted the case of the Union to the extent it related to 36 workers.

4. **Aggrieved by the order of the Commissioner, Canara Bank preferred writ petition before the High Court which came to be disposed of by the impugned order.**

5. **The High Court maintained the order of the Commissioner to the extent it found 36 workers deprived of the minimum wages as payable to them under the Act for the specified period. However, while disposing of the writ petition, though the High Court was of the view that denial of minimum wages generated a recurring cause of action, by placing reliance on two decisions of this Court, namely, *Union of India vs Tarsem Singh*[5] and *State of Madhya Pradesh vs. Yogendra Shrivastava*[6] held that the relief would have to be limited up to the period of limitation prescribed for presentation of the application; and therefore, it limited the payment of minimum wages for the period starting from 1 May 2022, that is for a period of six months prior to the date of filing the claim application i.e., 31.10.2022. The operative portion of the impugned order is reproduced hereinbelow:**

> **"6. However, though the Claim Application was within limitation, at the same time, the first Respondent-Union could not have allowed the claim in respect of period exceeding six months before filing of the Claim Application on 31**

5[5] (2008) 8 SCC 648
6[6] (2010) 12 SCC 538

October 22. In Union of India & Anr. vs. Tarsem Singh 2008 (8) SCC 648, the Apex Court has held that though issue relating to payment of salary gives rise to a continuous cause of action, in respect of grant of consequential relief of recovery of arrears of the past period, the principles relating to recurring/successive wrongs would apply. <u>It is further held that the consequential relief of payment of arrears will have to be necessarily restricted to the period of limitation prescribed under the statute</u>. This principle is reiterated by the Apex Court in State of Madhya Pradesh & Ors. vs. Yogendra Shrivastav 2010 (12) SCC 538. <u>In my view therefore, the only modification that is warranted in the impugned order passed by the Authority is to restrict the claim of difference in the amount of wages to six months prior to filing of Claim Application dated 31 October 2022. In other words, the concerned 36 members of the first Respondent-Union would be entitled to difference of wages from the month of May 2022 onwards.</u>

7. I accordingly proceed to pass the following order:

i) Order dated 18 September 2024 passed by the Authority Under the Minimum Wages Act, 1948 shall stand modified to the limited extent that the 36 workers who are members of the first Respondent-Union and in whose favour the order is passed shall be entitled to difference in the minimum rates of wages and the wages actually paid to them from 1 May 2022 onwards.

ii) Petitioner-Bank shall accordingly calculate the difference of wages payable to the said 36 workers from 1 May 2022 onwards and pay the same to them within a period of four weeks.

iii) Compensation at the rate of 10% awarded by the Authority shall accordingly apply to the modified sum to be ascertained by the Petitioner-Bank as directed above.”

(Emphasis Supplied)

6. The Union has assailed the order passed by the High Court

to the extent it limits the amount payable to the period of six months prior to filing of claim application whereas the Bank has separately questioned the order of the High Court to the extent it fails to consider that there was no reason for condonation of delay in filing the claim application.

7. Besides above, the Bank has also raised an objection to the order passed by the Commissioner, partly affirmed by the High Court, on the ground that there has been a settlement between the Workers' Union and the Bank and based on those settlements, the application for minimum wages was not maintainable as the rights would be governed by the settlement.

8. Insofar as the plea regarding settlement between the Workers' Union and the Bank is concerned, we could not find any material on the record to demonstrate that any such plea was ever raised either before the Commissioner or the High Court. On our query to the counsel representing the Bank, as to whether any such plea was ever raised before the Commissioner or the High Court, the learned counsel representing the Bank fairly conceded that no such plea was ever raised.

9. In such circumstances, we decline to consider the plea of there being a Settlement proscribing consideration of the

application. Thus, the issues that arise for our consideration are: (a) whether the Commissioner was justified in condoning the delay; and (b) whether the High Court was justified in limiting the benefits of arrears to the period of six months prior to the filing of Claim Application.

10. As far as the condonation of delay in filing the claim application is concerned, second proviso to sub-section (2) of Section 20[7] of the Act empowers the Authority to condone

7[7] **Section 20 Claims. –** (1) The appropriate Government may, by notification in the Official Gazette, appoint any Commissioner for Workmen's Compensation or any officer of the Central Government exercising functions as a Labor Commissioner for any region, or any officer of the State Government not below the rank of Labour Commissioner or any other officer with experience as a Judge of a Civil Court or as a stipendiary Magistrate to be the Authority to hear and decide for any specified area all claims arising out of payment of less than the minimum rates of wages or in respect of the payment of remuneration for days of rest or for work done on such days under clause (b) or clause (c) of sub-section (1) of section 13 or of wages at the overtime rate under section 14 to employees employed or paid in that area.

(2) Where an employee has any claim of the nature referred to in sub-section (1), the employee himself, or any legal practitioner or any official of a registered trade union authorized in writing to act on his behalf, or any inspector, or any person acting with the permission of the Authority appointed under sub-section (1), may apply to such Authority for a direction under sub-section (3):

Provided that every such application shall be presented within six months from the date on which the minimum wages or other amount became payable:

Provided further that any application may be admitted after the said period of six months when the applicant satisfies the Authority that he had sufficient cause for not making the application within such period.

(3) When any application under sub-section (2) is entertained, the Authority shall hear the applicant and the employer, or give them an opportunity of being heard, and after such further inquiry, if any, as it may consider necessary, may, without prejudice to any other penalty to which the employer may be liable under this Act, direct –

(i) in the case of a claim arising out of payment of less than the minimum rates of wages, the payment to the employee of the amount by which the minimum wages payable to him exceed the amount actually paid, together with the payment of such compensation as the authority may think fit, not exceeding 10 times the amount of such excess;

(ii) in any other case, the payment of the amount due to the employee, together with the payment of such compensation as the Authority may think fit, not exceeding 10 rupees,

and the authority may direct payment of such compensation in cases where the excess or the amount due is paid by the employer to the employee before the disposal of the application.

(4) … (5) … (6) … (7) ….

the delay on being satisfied that the claimant has sufficient cause for not making the application within the period of six months as specified in the first proviso to sub-section (2) of Section 20 of the Act. Here, the Authority i.e., the Commissioner has taken notice of the fact that the workers whose cause was espoused by the Union belong to the poor and illiterate section of the Society having no easy access to legal aid and, therefore, it deemed it appropriate to condone the delay in filing the application.

11. Having regard to the nature of the relief sought by the Union on behalf of its members, we do not find a good reason to take a different view and interfere with the discretion exercised by the Commissioner in condoning the delay in moving the application. More so, when the High Court went a step forward in holding that there was no delay whatsoever as depriving a worker of the minimum wages payable to him under the Act would generate a recurring cause of action as and when wages are paid. Even if we assume that an application would have to be within six months from the date of default to seek a direction for payment of the defaulted amount, the power to condone the delay vests in the Authority. Here, the Authority has

exercised that power in favour of the workmen upon consideration of their financial and social conditions as also that they have limited means to access legal remedies. In such circumstances, we decline to interfere with the discretion exercised by the Authority in condoning the delay. Accordingly, we affirm the finding of the Commissioner to the extent it deemed it appropriate to condone the delay in filing the claim application. Issue (a) is decided accordingly.

12. The second question that arises for our consideration is whether the High Court was justified in limiting the benefit to the amount which fell due within six months prior to the date of filing of the application.

13. In this regard, the submission on behalf of the Union is that the general principles laid down in *Tarsem Singh* (supra) followed in *Yogendra Shrivastava* (supra) are in the context of writ proceedings or such proceedings where no period of limitation is provided and where there is no specific provision regarding condonation of delay. It has been urged that the second proviso to sub-section (2) of Section 20 of the Act specifically empowers the authority to condone the delay, if any, after expiry of six months. It is urged, once such power is exercised, and exercise of

that power is not faulted, there are no fetters on the power of the Authority to direct payment of any amount paid in short than what is payable under the Act, for any length of period.

14. ***Per contra*, on behalf of the Bank reliance has been placed on a three-Judge Bench decision of this Court in *Sitaram Ramcharan v. M.N. Nagarshana*[8], to contend that there could be no automatic condonation of delay unless sufficient cause is shown.**

15. We have gone through the decision of this Court in *Sitaram Ramcharan* (supra). In the said case, the delay was not condoned. Rather, the application seeking condonation of delay was rejected. This Court, after considering the submissions made from both sides, took the view that the explanation must cover the whole period of delay and if the authority is not satisfied with the explanation, its decision cannot be lightly questioned. The said decision is not an authority on the point that if delay is condoned, the Authority would have power to award only that much amount which was defaulted within the period of limitation for moving such application.

16. In our view, where the period of limitation is prescribed

8[8] 1959 SCC OnLine SC 89: AIR 1960 SC 260

for moving an application, the application must be filed within the period prescribed. However, where the Court or Authority is conferred with power to condone the delay and in the exercise of that power it condones the delay, then there are no fetters on its power to grant relief as prayed for in the application. Because limitation is a statute of repose. So long the bar of limitation operates, the Court or Authority has no jurisdiction to entertain the application or the claim. But once that bar is lifted upon condonation of the delay, if such condonation is otherwise permissible in law, the Court or Authority which is already vested with the jurisdiction is empowered to grant such relief as the facts of the case may justify. Any view to the contrary would render the delay condonation power meaningless. The decisions in *Tarsem Singh* (supra) and *Yogendra Shrivastav* (supra) deal with situations where the period of limitation is not prescribed and there is no explicit power to condone the delay as there exists under the second proviso to sub-section (2) of Section 20 of the Act. In such situations, this Court adopted the period of limitation prescribed for money claims, or for declaration of rights, under the Limitation Act, 1963.

17. The second proviso to Section 20 of the Act empowers the

Authority to condone the delay in filing the application. Here, the Authority i.e., the Commissioner condoned the delay. Therefore, once the delay was condoned, the Authority was under no legal compulsion to limit the benefits to the amount defaulted within the period of six months prior to the date of the filing of the claim application.

18. As it is not in dispute that the authority found good reason to condone the delay and the delay was condoned, and the High Court also did not interfere with the condonation of delay by the authority, in our view, there was no justification for the High Court to limit the benefits to the amount defaulted within six months prior to the date of the filing of the application. Issue (b) is decided accordingly.

19. Consequently, the appeal of the Union i.e., the one arising from Special Leave Petition (C) No.24331/2025 is allowed. The order passed by the High Court to the extent it modifies the order of the Authority (i.e., the Commissioner) is set aside and the award/ order passed by the Commissioner is restored.

20. The appeal of the Bank i.e., the one arising from Special Leave Petition (Civil) No.10128/2026 shall stand dismissed.

21. Pending application(s), if any shall stand disposed of.

…………………………………………J
[MANOJ MISRA]

…………………………………………J
[VIJAY BISHNOI]

NEW DELHI
SEPTEMBER 16, 2026

ITEM NO.11 COURT NO.8 SECTION IX-A

S U P R E M E C O U R T O F I N D I A
RECORD OF PROCEEDINGS

Petition(s) for Special Leave to Appeal (C) No(s). 24331/2025

[Arising out of impugned final judgment and order dated 01-04-2025 in WP No. 1318/2025 passed by the High Court of Judicature at Bombay]

THE PRESIDENT, CANARA BANK STAFF UNION Petitioner(s)

VERSUS

THE GENERAL MANAGER, CANARA BANK Respondent(s)

IA No. 200991/2025 - EXEMPTION FROM FILING O.T.

WITH
SLP(C) No. 10128/2026 (IX)
IA No. 58284/2026 - EXEMPTION FROM FILING C/C OF THE IMPUGNED JUDGMENT, IA No. 58287/2026 - EXEMPTION FROM FILING O.T., IA No. 58296/2026 - PERMISSION TO FILE ADDITIONAL DOCUMENTS/FACTS/ANNEXURES

Date : 16-09-2026 These matters were called on for hearing today.

CORAM :
HON'BLE MR. JUSTICE MANOJ MISRA
HON'BLE MR. JUSTICE VIJAY BISHNOI

For Petitioner(s) :Mr. Anandh K, AOR
Mr. Bhavesh Parmar, Adv.
Ms. Iyer Shruti Gopal, Adv.
Mr. Ram Krishna Nigam, Adv.
Mr. Aman Prasad, Adv.

Mr. Naveen R Nath, Sr. Adv.
Mr. Anant Gautam, AOR
Mr. Vibhu Sharma, Adv.
Mr. Aman Gahlot, Adv.
Ms. Isha Gaur, Adv.
Mr. Rishi Chauhan, Adv.

For Respondent(s) : Mr. Anandh K, AOR
Mr. Bhavesh Parmar, Adv.
Ms. Iyer Shruti Gopal, Adv.
Mr. Ram Krishna Nigam, Adv.

Mr. Naveen R Nath, Sr. Adv.
Mr. Anant Gautam, AOR
Mr. Vibhu Sharma, Adv.
Mr. Aman Gahlot, Adv.
Ms. Isha Gaur, Adv.
Mr. Rishi Chauhan, Adv.

UPON hearing the counsel the Court made the following

O R D E R

1. Leave granted.

2. The appeal arising out of SLP (Civil) No.24331/2025 is allowed and the appeal arising out of SLP (Civil) No.10128/2026 stands dismissed in terms of the signed reportable order which is placed on the file.

3. Pending application(s), if any, shall stand disposed of.

(KAVITA PAHUJA)
ASTT. REGISTRAR-cum-PS

(SAPNA BANSAL)
COURT MASTER (NSH)