

SUPREME COURT OF INDIA

Himmat Singh & Ors.

Vs.

I.C.I. India Ltd. & Ors.

(Arijit Pasayat and P. Sathasivam JJ.)

C.A.No.7066 of 2001

31.01.2008

JUDGMENT

Arijit Pasayat, J.

1. Challenge in this appeal is to the order passed by a learned Single Judge of the Allahabad High Court dismissing the writ petitions filed by the appellants. Challenge before the High Court was to the order passed by the Presiding Labor Court (II) U.P. Kanpur in Adjudication case-Arbitration dispute No. 164 of 1989.

2. The following question was sent to the Labor Court for decision under Section 4(iv) of the U.P. State Industrial Disputes Act, 1947 (in short the 'State Act):

"Whether 61 laborers mentioned in the Appendix should be declared permanent? If so, then from which date and with what other particulars?"

3. The Labor Court held that 61 laborers connected with the case do not possess the right to be declared permanent under the employer- respondent No. 1. So far as the question to be made permanent under the contractor, it was found that they did not want to be declared permanent under the contractor.

4. Challenge in the writ petition revolved around the question as to the effect of the Contract Labor (Regulation and Abolition) Act, 1970 (in short the "Act"). In the background of the definition of the word "employer" as in clause IV of Section 2(i) (iv) of the State Act, The Indian Explosive Limited is a manufacturer of Urea and is covered under the Act. It is registered under Chapter III of the same Act and has many licensed contractor including one Abdul Rehman (hereinafter referred to as the 'Contractor'). These licensed contractors engaged many persons to do the work contracted with them. Fertilizer Workers Union (hereinafter referred to as the 'Union') filed an application under Rule 25 (v) (a) of the U.P.

Contract Labor (Regularization and Abolition) Rules, 1975 (in short the "Rules") framed under the Act before the Labor Commissioner.

5. This was for the relief that the different persons working under the different licensed contractors are doing work similar to the work assigned to the workmen of the company and should have similar conditions of service regarding wages, holidays etc. Proceedings were initiated. In the proceedings under Rule 25 of the Rules, the Labor Commissioner by his order dated 15.12.1984 allowed the application so far as persons engaged by the Contractor Rehman and one more licensed contractor but for rest of the persons application for the Union was dismissed. The order of the Labor Commissioner was upheld by the High Court. During pendency of the proceedings, under Rule 25 disputes were raised by the Union which is the subject matter of consideration for the benefit of the workmen engaged by the Contractor-Rehman. As noted above, the Labor Court rejected the application.

6. Mr. P.K. Jain, learned counsel for the appellants submitted that the High Court's approach is hyper technical and the benefits intended by various beneficial Statutes have not been kept in view.

7. Learned counsel for the respondents on the other hand supported the judgment.

8. A few observations made by the High Court which are relevant need to be noted. It was held by the High Court as follows:

"The labor court has held that the petitioners were not working as helpers to the fitters; they were not paid by the company; and were engaged on contract for intermittent work i.e. they did not have regular or permanent work. The work that the petitioners do may be similar to the work of the workman of the company, but they are not doing the work that is ordinary part of the industry. This is for reason that they-

? Did not have permanent work;

? Were engaged in intermittent work and

? Themselves claimed to be workmen of the contractor Rehman in proceedings under Rule 25 of the Labor Contract Act and got benefit under the same."

9. Similarly, the Labor Court noted that contractor Rehman had applied to the administration for license under the State Contract Labor Act and considering the nature of the contract license has been granted to him.

10. In *Steel Authority of India Ltd. v. Union of India & Ors*¹ it was inter-alia held as follows:

"The workmen whether before the Labor Court or in writ proceedings were represented by the same union. A trade union registered under the Trade Unions Act is entitled to espouse the cause of the workmen. A definite stand was taken by the employees that they had been working under the contractors. It would, thus, in our opinion, not lie in their mouth to take a contradictory and inconsistent plea that they were also the workmen of the principal employer. To raise such a mutually destructive plea is impermissible in law. Such mutually destructive plea, in our opinion, should not be allowed to be raised even in an industrial adjudication. Common law principles of estoppels, waiver and acquiescence are applicable in an industrial adjudication."

11. In view of the factual position highlighted above and the ratio of the decision in Steel Authority's case (supra), the inevitable result is that the appeal is sans merit, deserves dismissal, which we direct with no order as to costs.

Cases Referred

12006 12 SC 0233