

**BEFORE CENTRAL GOVT. INDUSTRIAL TRIBUNAL CUM –  
LABOUR COURT NO. II, NEW DELHI**

**I.D. No. 10/2003**

**Sh. Santosh Kumar Sharma and Ors. vs. O.N.G.C.**

S. No.	Name	Father's Name	Address	Current Status
1	<b>Santosh Kumar Sharma</b>	Sh. Hari Nand Sharma	H. No. A-327, Budha Marg, Mandawali, Fazalpur, Delhi-110092	<b>Left</b>
2	<b>Pawan Kumar</b>	Sh. Jagdish Ram Sharma	H. No. 327-A, Budha Marg, Mandawali, Fazalpur, Delhi-110092	Working
3	<b>Laxmi Pati</b>	Sh. Padma Dutt	H. No. 43, East Guru Angad Nagar, Street No. 1, Patparganj, Delhi-110092	Working
4	<b>Rakesh Kumar</b>	Sh. Moti Lal Rajak	T-510/C-82, Baljit Nagar, New Delhi-110008	Working
5	<b>Ravinder Kumar Singh</b>	Sh. Ajmer Singh	Flat No. 69, Pocket C-9, Sector-5, Rohini, Delhi-110085	<b>Left</b>
6	<b>Basant Kumar Rout</b>	Late Sh. Batu Rout	B-1272, Gharoli Dairy Farm, Mayur Vihar Phase-III, Delhi-110096	Working
7	<b>Chandan Singh</b>	Sh. Mohan Singh	S-209, G.K.-II, New Delhi	Retired (30.04.2026)
8	<b>Satish Kumar</b>	Sh. Ram Sarup	S-58, Dashinpuri, Delhi-110062	<b>Left</b>
9	<b>Ram Krishan</b>	Sh. Bali Ram	B-46, Khel Gaon, New Delhi-110049	<b>Deceased (23.09.2011)</b>
10	<b>Harish Kumar</b>	Sh. Shambu Ram	B-44, Khel Gaon, New Delhi-110049	<b>Deceased (27.03.2024)</b>
11	<b>Prakash Chand</b>	Sh. Ani Ram	J-21, Saket, New Delhi	<b>Deceased (23.08.2014)</b>
12	<b>Ramesh Chand</b>	Sh. Ani Ram	K-33, Green Park, New Delhi-110016	Retired (31.10.2025)
13	<b>Karan Singh</b>	Sh. Masi Charan	5/404, Khichripur, Delhi-110092	Working
14	<b>Rajinder Kumar</b>	Sh. Fhakhir Chand	10/82, Trilok Puri, Delhi-110092	<b>Deceased</b>
15	<b>Karan Veer</b>	Sh. Kewal Kishan	BT-8, Baljit Nagar, New Delhi-110008	<b>Retired (31.03.2025)</b>
16	<b>Sumeer Singh</b>	Sh. Bhool Singh	101, Todarmal Colony, Nazafgarh, Delhi	<b>Retired (31.10.2019)</b>
17	<b>Harsh Pal</b>	Sh. Vijay Singh	E-48, Sangam Park, Makanpur, Noida (U.P.)	Working

<b>S. No.</b>	<b>Name</b>	<b>Father's Name</b>	<b>Address</b>	<b>Current Status</b>
18	<b>Bachitter Singh</b>	Sh. Durga Das	H. No. 871, Sector-2, R.K. Puram, New Delhi	<b>Left</b>
19	<b>Hem Raj</b>	Sh. Inder Ram	C-165, Sector-C, Albat Square, Gole Market, New Delhi-110001	<b>Retired (31.03.2025)</b>
20	<b>Shambu Dyal</b>	Sh. Shyo Lal	C-32-A, Udyan Marg, Gole Market, New Delhi-110001	<b>Retired (28.02.2025)</b>
21	<b>Pan Singh</b>	Sh. Jawahar Singh	56-A, West Vinod Nagar, Gali No.3, Delhi-110092	<b>Deceased (14.07.2021)</b>
22	<b>Rajiv Singh</b>	Sh. Tilak Singh	B-29, Mandakini Apartment, Garhwal Housing, Pitampura, Delhi-110034	<b>Working</b>
23	<b>Gopal Jee</b>	Sh. Muni Lal	Block No. 81-A-1, Railway Colony, Tugalakabad, Badarpur, New Delhi-110044	<b>Retired</b>
24	<b>P.K. Kutti</b>	Sh. P. Karuppan	H-5, Shahpur Jat, New Delhi	<b>Working</b>
25	<b>Dandu Ram Bhatia</b>	Sh. Sheer Singh	M-11, Railway Colony, Vasant Lane, Paharganj, New Delhi-110001	<b>Retired</b>
26	<b>Dev Nath Chaudhary</b>	Sh. Ram Vilas Chaudhary	H. No. 678, Sector-19, Faridabad (Haryana)	<b>Retired (31.05.2022)</b>
27	<b>Babu Lal</b>	Sh. Nand Lal	E-764, Ali Vihar, Badarpur, New Delhi-110044	<b>Working</b>
28	<b>Daya Ram Bhatta</b>	Sh. Om Nath Bhatta	47, Pitampura Village, Pitampura, Delhi-110034	<b>Working</b>
29	<b>Ranvir Singh Rawat</b>	Sh. Nagta Singh Rawat	E-290, MCD Colony, Azadpur, Delhi-110033	<b>Working</b>
30	<b>Venkatesh Narayan Ojha</b>	Sh. Tripti Nath Ojha	Qtr. No. S-61, Pandav Nagar, Mother Dairy, Delhi-110092	<b>Working</b>
31	<b>Sri Ram Giri</b>	Late Sh. Jagnarayan Singh	513, Hind Vihar, Prem Nagar-III, Nangloi, Delhi-110041	<b>Working</b>
32	<b>Murari Lal</b>	Sh. Ram Chand	S-83/57, Begumpur Juggi, Malviya Nagar, New Delhi-110017	<b>Retired (31.03.2023)</b>
33	<b>Chandra Shekhar Azad</b>	Sh. Naterapal Singh Azad	H. No. B-46, Prakash Nagar, Khora Colony, Noida (U.P.)	<b>Retired (30.06.2023)</b>
34	<b>Semrender Singh</b>	Sh. Munna Prasad Singh	270, Block-4, Prakash Nagar, Khora Colony, Noida (U.P.)	<b>Working</b>
35	<b>Phool Singh Meena</b>	Sh. Bhagwan Singh Meena	C-15, Parvana Apartment, Mayur Vihar Phase-II, New Delhi	<b>Deceased (23.02.2017)</b>
36	<b>Sujit Kumar</b>	Late Sh. Basist Tiwari	WZ-549A, Naraina Gaon, New Delhi-110028	<b>Working</b>
37	<b>Prem Pal</b>	Sh. Cheadami	35/489, Trilokpuri, Delhi-110091	<b>Deceased</b>

S. No.	Name	Father's Name	Address	Current Status
		Lal		<b>(24.04.2023)</b>
38	<b>Rajesh Kumar</b>	—	H. No. E-44, Okhla Ind. Area, Phase-I, New Delhi	Working
39	<b>Santosh Kumar</b>	Late Sh. Basist Tiwari	WZ-549A, Naraina Gaon, New Delhi-110028	Working
40	<b>Bhim Sen</b>	Sh. Ram Srup	Qtr. No.108, Ward No.2, Mehrauli, New Delhi	<b>Deceased (20.12.2021)</b>
41	<b>Pradeep Kumar</b>	Sh. Raj Pal	H. No. 35/336, Trilokpuri, Delhi	Working
42	<b>Brajesh Kumar</b>	—	H. No. E-624, Inder Puri, JJ Colony, New Delhi	Working
43	<b>Virender-II</b>	Sh. Fool Singh	35/336, Trilokpuri, Delhi-110091	Working
44	<b>Mahesh Kumar</b>	Sh. Bharat Singh	A-112, Kamrudeen Nagar, Nangloi, Delhi	<b>Deceased (26.03.2019)</b>
45	<b>Virender-I</b>	Sh. Ram Charan	E-44, Indrakalyan Vihar, Okhla Phase-I, Delhi	<b>Deceased</b>
46	<b>Inderjeet</b>	Sh. Ram Singh	Block 28/387, Trilokpuri, Delhi-110091	<b>Deceased (22.04.2021)</b>
47	<b>Kamal Kumar</b>	Sh. Pahalad Singh	175, Kamrudeen Nagar, Nangloi, Delhi	Working
48	<b>Dayachand</b>	Sh. Sat Narayan	Gali No.6, Multani Dhanda, Paharganj, New Delhi	Working
49	<b>Rajkumar</b>	Sh. Raj Pal	35/336, Trilokpuri, Delhi-110091	Working
50	<b>Shankar Singh</b>	Sh. Ram Charan	H. No. E-44, Okhla Ind. Area, Phase-I, New Delhi-110002	<b>Deceased (22.04.2019)</b>

...Applicants/Claimants

Versus

**1. Oil and Natural Gas Corporation,**

Having its registered office at Jeevan Bharati Building, Tower 11, 8th Floor, New Delhi-110001. (Through its Chairman)

**2. O.N.G.C. VIDESH LTD.**

6th Floor, "Kailash" 26, Kasturba Gandhi Marg, New Delhi-110001. (A subsidiary of O.N.G.C.) (through its Chairman)

**( HEREINAFTER REFERRED TO AS "THE MANAGEMENT" )**

3. M/s. Professional Group, 4/20, WEA, Karol Bagh, New Delhi. (through its Proprietor)
4. M/s. Sterling and Wilson Electricals (P) Ltd., 202-205, G.K. House, 187-A Sant Nagar, East of Kailash, New Delhi. (through its Proprietor)
5. M/s Watch Dog Security Detective Agency, 112, Skipper Corner, 88, Nehru Place, New Delhi-110019 (through its Proprietor)

**(HEREINAFTER REFERRED TO AS "THE CONTRACTORS").**

**...Managements/respondents**

**Counsels:**

For Applicants/ Claimants:

*Sh. Anurag Tiwari, U.K. Sharma and Ms. Urmila Sharma, Ld. AR.*

For Management/ Respondent (ONGC):

*Sh. Rakesh Sinha, Md. Ghulam Akbar, Sh. Sushant Shekhar, Ms. Suman Lata and Sh. Jeemon Raju K., Ld. ARs.*

**Award**

**22.05.2026**

The Central Government, Ministry of Labour, New Delhi, exercising its power under Section 10(1) of the **Industrial Disputes Act, 1947 (hereinafter referred to as "the Act")**, vide Order No. L-3001/81/2002 [IRM] dated the January, 2003, expressed its opinion that an Industrial Dispute exists between the employers in relation to the Management of O.N.G.C. and their Workmen. The said dispute was consequently referred to this Central Industrial Tribunal cum Labour Court (hereinafter referred to as "the Tribunal") for adjudication on the following matter, as specified in the Schedule:

*"Whether the action of the Management of O.N.G.C., New Delhi in not regularizing the services of 50 Workmen (as per list) from the date of their initial appointment is just, fair and legal? If not, what relief the 50 Workmen are entitled to, and from which date?"*

2. Upon receipt of the reference, notices were issued to the concerned parties. Consequently, the **50 Claimants** (Workmen) filed their joint Statement of Claims through their authorized signatories, impleading O.N.G.C. and O.N.G.C.-V.L. as Managements, along with M/s Professional Group, M/s Sterling and Wilson Electrical P. Ltd., and M/s Watch Dog

Security Detective Agency as Contractors. The Claimants include Stenographer/Typist (1), Attendants (13), Electricians (2), Security Guards (20), and Sweepers (14). The **Management/ONGC** opposed the claim by filing its detailed Written Statement, denying the claims and the reliefs sought, though it did not specifically oppose the admitted facts regarding ONGC's status, the issuance of the relevant government notification, the filing of the previous writ petitions, or the ratio of the case law referred in the Statement of Claim. The claimants filed a Rejoinder, reiterating the facts mentioned in their Statement of Claim. There was no appearance or written statement filed by the management of ONGC-VL (ONGC Videsh Ltd.), or any of the contractors. Thus, the background of the case depends upon the assertions made by the Claimants and responses and counter-replies made by the management of ONGC (management-1).

3. Though, the claimants had made the contractors M/s. Professional Group, M/s. Sterling and Wilson Electricals (P) Ltd. and M/s Watch Dog Security Detective Agency, as respondent no. 3, 4 and 5, but neither they have appeared nor have they filed their respective written statements. As the relief is sought against management-1 and management-2, who are in fact one institution.

4. During the pendency of the reference, the claimants filed application under Section 33 of the Act, seeking interim relief, which was allowed vide order dated 16.04.2007. The Management/ONGC had been restrained from terminating or dismissal of the services of the workmen without strict compliance with the statutory provisions and prior approval from this Tribunal.

5. Further procedural developments involved the death of five Claimants (at serial numbers 9, 11, 14, 35, and 45). Their respective Legal Representatives (LRs) were brought on record by order dated 21.05.2018, with the observation that the Management was at liberty to verify and point out the legitimacy of the person entitled to receive any eventual relief. Subsequently, some other workmen also passed away during pendency of the proceedings, and their legal heirs were brought on record.

6. Moreover, an application was filed under Order 1 rule 10 CPC to delete the names of claimants/workmen, who left the employment, accordingly in the order dated 21.05.2018, the names of such workmen mentioned in paragraph 5 of the application were deleted from the array of parties.

7. The controversy is about whether the engagement of the Workmen through contractors is a genuine contractual arrangement or a mere sham and camouflage intended to deprive them of the status of direct employees and the consequential benefits of regularization.

8. The fifty Workmen filed a joint Statement of Claims asserting that they are the direct employees of the Management (ONGC and its subsidiary, ONGC-VL), which is an instrumentality of the State under Article 12 of the Constitution, and that their engagement through the named service providers/contractors is merely a "camouflage," "not genuine," and a "sham" arrangement used with the specific mala fide/ulterior motive to deny them equal wages for equal work, job security, and service benefits.

9. The three Contractors are those entities through whom the Workmen were presently appointed/employed by the Management in their offices and establishments at New Delhi. The Management is knowing well that the jobs being performed by the workmen are of a permanent and perennial nature but they employed the Workmen through different Contractors from time to time with ulterior motive to deprive them of equal wages for equal work, security of job and other service benefits and facilities. The Contractors are, and have always been, only name-lenders with no control, supervision and discipline over the Workmen, their employment and terms and conditions of service. The Workmen have been and are working under the direct control and supervision of the Management.

10. The employment / engagement of these Workmen through the Contractors is only a camouflage, and if the veil is lifted it would come to the fore that there is a direct relationship of employer and employees between the Management and the Workmen. The Contractors have been introduced by the Management to cover up the true nature of master and servant relationship between the Workmen and the Management. The Contractors are acting merely as the agents of the Management. The Workmen are, just for pretence, shown to have been employed as Contract Labourers and at present they were engaged through the above-named Contractors. The Workmen have been continuing to work for the Management over long period (as detail given in the List) but the Contractors were replaced from time to time. The claimants-workmen have always been treated as the employees of the Management for all practical purposes of (i) control, (ii) discipline, (iii) supervision, (iv) sanctioning of

leave, (v) overtime allowance, (vi) posting and deployment, etc., though they are just shown to have been engaged through those Contractors to maintain the cover-up of contract employment.

11. The claimants were appointed/employed by the Management through the contractors and the entire arrangement/contract with the contractors employing the workmen is camouflage, not genuine and sham. The workmen are the employees of the Management. Moreover, it is the Management, who pays the salary to the Workmen in its offices/establishments under its discipline, control and supervision. There is a direct master and servant relationship between the Management and the Workmen; as such, they are direct employees of the Management for all intents and purposes. They have been working continuously for several years without any break since their joining, and, some of them have been working since 1983, 1984 and onward; in every case, they have been working for more than 240 days, and doing the jobs of permanent and perennial nature, which satisfies all the requirements of Section 10 of the Contract Labour (Regulation and Abolition) Act, Moreover, the Govt. of India, Ministry of Labour, New Delhi, had already issued Notification dated the 8th September, 1994, u/s 10 (1) of the Act, by prohibiting various kinds of employment of the Contract Labour including the jobs of typists, clerks, steno-typists, stenographers, attendants/helpers/ peons, instrument technicians, etc., in the establishments of the ONCG/Management in the country. A few of such jobs are also being performed by the claimant-workmen for more than 240 days in the establishment of the Management. Thus, engagement of the Contract Labour by the Management is not only in violation of the notification and law but also it is unfair Labour practice by the Management. The Contractors can-not be recognized in the eyes of law, since the status between the Management and Workmen is camouflage, and sham. The Workmen-claimants, who belong to the prohibited jobs, are, to be treated and declared as the regular employees of the Management. The Workmen in the facts and circumstances, are to be declared to be the direct employees of the Management. The Management ought to have absorbed the Workmen and regularized their services instead of exploiting them by engaging them without break from time to time but through the different Contractors. In addition, over the long years of employment of the claimant-workmen, there is just change of Contractors from time to time but the work, the Workmen and the Management/ONGC are permanently and continuously remained same as hitherto.

12. Further, the claimants-workmen also plead, [which is also especially denied by the Management], that they are being given lesser wages than the regular employees. The Management is also depriving them the other service benefits and facilities of employment. The Workmen, by virtue of their long years of employment, nature of job being done by them that too under the direct control and supervision of ONCG/Management, it entitles them to be treated as the direct and regular employees of the Management. They are also entitled to receive the same wages, benefits and other facilities from the Management as are being received by the regular employees (which are many times more than what is being given to claimant-workmen), who are performing similar work as being done by the claimant-workmen. The Workmen are furnishing a Chart, showing the difference in salary between the two similarly-situated class of employees doing the same work i.e. the regular employees of the Management and the Workmen herein. This Chart also indicates 11 other facilities and perks which are being given to the regular employees but denied to the claimants-workmen. The Management is not treating the workmen as their employees under mala-fide to deprive them of their eligible rights, privileges, service benefits and the same conditions of service alike other regular employees getting from the Management. This is sheer exploitation of the Workmen through the pretend of Contract Labour.

13. The Workmen made various representations/demands to the Management from time to time to regularise them in regular service in its establishment against their existing posts and to look into their legitimate grievances regarding payment of equal wages for equal work but the Management instead of looking into their demands sympathetically, threatened to terminate their services through the Contractors. The Management keeps constantly the sword of Damocles of termination of service hanging over the heads of the Workmen. But there had been demonstrations, industrial unrest in the establishments of the Management because of anti-labour practice by the Management from time to time and those differences and disputes are still existing between the Management and the Workmen; the Management has failed to resolve and settle the disputes between the Management and the Workmen.

14. Thence for want of settlement of dispute or to give any fruitful results, and also in view of the threat of termination of their services, the Workmen filed Civil Writ Petitions No. 1522/1997, 1666/1997 and 4965/1997 in the Hon'ble High Court of Delhi challenging the action of the

Management with prayer that the Management be directed to absorb the Workmen in their regular services from the date of their initial appointment and pay them the same / equal wages and salary and all other consequential service benefits as are being given to the regular employees of the Management. The Workmen had been relying upon the Judgement of the Hon'ble Supreme Court of India in AIR India case in all these matters, but now the Hon'ble Supreme Court of India has overruled the Judgement of AIR India in SAIL's matter (reported in 'JT 2001 (7) SC Page 268') wherein the Hon'ble Supreme Court has observed and directed that in a case like this where the contract is sham and not genuine, the Industrial Adjudicator will alone be the appropriate forum for determination of the industrial disputes between the Management and the Workmen, and not by invoking the extra-ordinary powers under Article 226 of the Constitution of India [The ONGC in its written statement states that status of rulings is matter of record as well as the writ petition and orders therein are matter of record subject to their verification].

15. But then Management, after the said Judgement of the Hon'ble Supreme Court of India, started harassing the workmen and acting prejudicially to their interest while threatening to victimize them. There is serious apprehension of the termination of their services by the Management, for which the Management is looking out for an appropriate opportunity. The Management is adopting unfair and anti-labour practice which is creating industrial unrest.

16. However, in view of the recent SAIL's Judgement the only remedy which remained available to the workmen in these matters is to proceed under the Industrial Disputes Act for settlement/adjudication of the industrial disputes for their regularisation and absorption in the services of the management. Further, considering SAIL's matter, on 19.10.2001 the Workmen filed Conciliation proceedings before the learned Assistant Labour Commissioner (Central), New Delhi, for the settlement of their Industrial Disputes with the Management. The Workmen candidly brought to the Notice of the learned Assistant Labour Commissioner that they were appointed/employed by the Management under the contracts which were camouflaged, not genuine but sham. The Workmen, in fact and in law, were the employees of the Management. There was direct master and servant relationship between the Management and the Workmen. The Workmen were the direct employees of the Management for all intents and purposes. They specifically high-lighted that they have

already been on the jobs with the Management for long years and placed on record before the learned Assistant Labour Commissioner. The Management was deliberately circumventing the operation of Law of the Land and indulging in anti-labour and unfair trade practices and exploiting the Workmen through sham, camouflaged and not genuine contracts. The Workmen also urged the Assistant Labour Commissioner to prevail upon the Management to settle the matter either through the conciliation proceedings, or through voluntary Arbitration and joint reference as per Section 10A and 10(2) of the Industrial Disputes Act, but the Management did not agree even to this reasonable offer. The conciliation proceedings thus ended in failure owing to the unreasonable attitude of the Management.

17. That the Industrial dispute raised by the Workmen are of issues viz. ( i) perennial nature of their jobs; (ii) their several years' of long employment on those jobs in the offices/establishment of the Management; (iii) non-regularization of their services despite working for, far beyond 240 days; (iv) discriminatory treatment meted out to them vis-à-vis other regular employees of the establishment ;(v) non-payment of equal wages for equal work and other service benefits etc.; (vi) sham and camouflaged contracts under which services of the workmen are employed to deprive them of their rightful service benefits.

18. The Workmen are victim of anti-labour practice by the Management, on the aforesaid account, from time to time and the said differences and disputes are still subsisting due to Management's high handedness, being a stronger party, although the workmen have been working with devotion and sincerity for long years continuously without any break on the jobs of permanent and perennial nature. Moreover, to the knowledge of the claimants-workmen, neither the Management are registered under the provisions of the Contract Labour (Regulation and Abolition) Act and Rules, nor the Contractors through whom the Workmen were engaged at different times, including the present ones, were, or are the licensed Contractors under the said Act/Rules and, as such, the employment of the Workmen as Contract Labour by the Management is illegal, being in direct contravention of Act and Rules made thereunder. In any case, the Management needs the services of all the Workmen since the work which is being performed by these Workmen is perennially available from the very inception of their employment in the establishments of the

Management. They/workmen fulfill the requisite qualifications under the relevant Recruitment Rules and Regulations of the O.N.G.C.

19. The proceedings have, therefore, been initiated in accordance with law under the Industrial Disputes Act, lest Workmen are thrown out of their jobs on the road by the Management at any opportune time. The Central Government, Ministry of Labour, New Delhi while expressing their opinion that an Industrial Dispute exists between the Management and the Workmen herein, has issued Order No. L-3001/81/2002 [IRM]] dated the 10<sup>th</sup> January, 2003 and referred the said dispute to the Tribunal for adjudication.

20. The Management is an instrumentality of the State, yet it has failed to act and perform as an ideal employer vis-a-vis the workmen who have rendered, and are rendering their services not only with discipline, dedication and efficiency but also to the entire satisfaction of the Management. There is no other remedy available to the Workmen except to file the Statement of Claims in view of the Judgement of the Hon'ble Supreme Court of India, for settlement and adjudication of the industrial disputes between the Management and the Workmen. But all the relevant original documents and records of this matter are in the possession and control of the Management, they are to be directed to produce before Tribunal for just and fair determination of the dispute. The claimants-workman seek (i) to determine all the issues involved in the matter as detailed in this Statement of Claims ; (ii) to declare that all the Workmen herein are performing the jobs of permanent and perennial nature for several years ; much beyond 240 days; (iii) to lift the veil and pierce through the Labour Contracts to find and see the true nature and existence of employer-employees relationship between the Management and Workmen herein ;(iv) to direct and order payment of equal pay for equal work and other consequential benefits to the Workmen including their absorption and regularization of service in the establishment of the Management ; and (v) to pass such further appropriate orders, directions and / or observations to the appropriate Government / Authorities and those other concerned.

21. The ONGC denies the case of claimants, as already mentioned in paragraph 3 above. The matrix of the case, as set up in written statement by the ONGC/Management, is that it is Public Sector Enterprise. By way of abundant caution, the Management is registered under the provisions of

the Contract Labour (Regulation and Abolition) Act and Rules. The service providers with whom the Workmen were working if at all, at different times, were and are the licensed Contractors under the said Act/Rules. Therefore, the employment of the Workmen by the service provider is legal, under the aforesaid Act and Rules made thereunder.

22. The claimants are on the rolls of M/s Professional Group/M/s Sterling and Wilson Electrical P Ltd/M/s Watch Dog Security Detective Agency, who have agreements with the Management no.1 (ONGC) or with Management no.2 (ONGC-VL) for providing services on principal-to-principal basis. The Management no.2 is a separate legal entity, being independent from Management no.1. The claimants are employees of and working for M/s Professional Group, M/s Sterling and Wilson Electrical P Ltd and M/s Watch Dog Security Detective Agency. Neither the claimants are employees or ex-employees of ONGC or of other Management no.2, thus the reference is not valid as contemplated u/s 2k of the Act, 1947 and claim is not maintainable. The Management is interacting and dealing with service providers on principal-to-principal basis and requirement of the management for providing allied services keep on varying according to the requirements. The persons deployed by the service provider are covered under the EPF and MP Act, 1952 and the ESI Act by the independent agency, who are depositing every month the statutory contributions in their own code number allotted by the government agencies. The service provider is complying with other social security enactments such as the Payment of Gratuity Act, the Payment of Bonus Act, etc. that too without any intervention, direction, control or supervision by Management. Moreover, the service provider is also disbursing the wage, without there being any intervention by the Management. The Management has also no control or power for initiating disciplinary action over the persons deployed by the service provider nor control over the salary or deciding the terms and conditions of the manpower deployed by the service provider except to ensure that the statutory legal requirements are being complied with by the service provider in its letter and spirit. The Management has no concern, role (either directly or indirectly) and relation with the selection, appointment and termination/removal of the manpower deployed by the allied services provider. The continuation of any allied services being provided by the services provider depends exclusively on the existence and continuation of any valid contract arrived at on principal-to-principal basis. The salary being paid by the service provider, are much higher than the

minimum wages as decided by the appropriate government from time to time. The service provider is disbursing the salary to their employees / claimants in accordance with law,

23. The said notification issued by the appropriate authority under section 10 of the Act is not sustainable in the eyes of law and reflects total non-application of mind, or in view of the prohibition, the management could not engage or continue the workers through the service providers. Otherwise, the notification has been stayed by the Hon'ble High Court of Andhra Pradesh. The Management/ONGC never engaged any employees through the contractors.

24. The service provider deployed the manpower for providing allied services according to the requirements, which kept on varying from time to time. The claimants are not deemed to be the direct employee of the management. The contractors (actually service providers) in such cases have recognition in the law.

25. The appointments in ONGC are made only as per R&P policy and Rules, as applicable, and by following the prescribed procedures including comparative assessment of all competing candidates on the touch stone of eligibility and minimum criteria: age, medical, educational and thereafter fair assessment of comparative merits of all eligible candidates. The claimants cannot try to gain back door entry which is not at all permissible and justifiable.

26. The manpower employed by the service provider are being provided prescribed facilities as per law under various applicable labour laws. The Management has not taken any over-time work from the claimants. On the contrary the services based on the requirements may vary for duration and claimants are adequately compensated by the service providers.

27. The so-called Chart, purporting to show difference in salary, is of no relevance or advantage to the claimants between the two dissimilarly-situated class of employees not doing the same work (*viz.* the regular employees of the Management/ONGC and the claimant-workmen). The same position prevails with regard to the perquisites referred. The reference made by the Central Government, Ministry of Labour, New Delhi is invalid and illegal and vitiated by non-application of mind and does not reflect the real dispute if at all. The statement of claim is neither valid nor

proper since its authors do not possess the proper authorization, the claimants are not entitled for any of relief against the Management.

28. Though no separate issues were formally framed for adjudication in the present case, the terms of reference were treated as the issue for determination. Accordingly, this Tribunal is required to examine whether the action of the Management of O.N.G.C., New Delhi in not regularizing the services of the concerned 50 Workmen from the date of their initial appointment was just, fair and legal, and if not, the nature of relief to which they are entitled and the date from which such relief is to be granted.

29. On behalf of the Claimants/Workmen, **Devnath Chaudhary** led evidence as a witness, who was cross-examined in detail by the Management/ONGC. In support of the claim and case, he tendered the following documents:

- Ex.WW1/1: List of the workmen (workmen No. 1 to 41) indicating their respective service details and particulars.
- Ex.WW-1/2: Photocopy of the Government of India, Ministry of Labour, notification dated 8th September 1994 under Section 10(1) of the Contract Labour (Regulation and Abolition) Act, 1970, prohibiting contract labour for specified jobs including typists, clerks, steno-typists, stenographers, attendants/helpers/peons, instrument technicians, etc., in establishments of the management.
- Ex.WW-1/3: Chart showing difference in salary and service benefits between regular employees of the management and the workmen herein, including 11 other facilities/perks given to regular employees but denied to the workmen.
- Ex.WW-1/4: List of security guards posted by the management (ONGC), including the workmen herein.
- Ex.WW-1/5 (Colly): Shift reports of various workmen maintained by the management.
- Ex.WW-1/6: Copy of gate pass issued by the Security Officer (ONGC) to security guards (workmen herein).
- Ex.WW-1/7 (Colly): Copy of attendance/duty roster/shift report of the years 2003–04, 2004–05, and 2008.
- Ex.WW-1/8 (Colly): Working sheets/papers of the management (ONGC) showing engagement, placement, and requirement of workmen at various points of time.
- Ex.WW-1/9 (Colly): Identification proof/I-cards of various workmen issued by the management (ONGC).

- Ex.WW-1/10 (Colly): Copy of character certificates of workmen issued by the management.
- Ex.WW-1/11: Copy of letter dated 19.2.1998 showing details regarding deposit of ESI/Provident Fund of the workmen.

The workman was cross-examined at length, whereby he admitted:

- The contractors worked under the control of the management of ONGC.
- Their work was not supervised by the supervisor of the contractors.
- His wages, including those of other workmen, were not paid by the contractors.
- His wages used to be paid monthly; the date was not fixed.
- It used to be paid through cheques.
- It is wrong to suggest that ESI was paid through contractors.
- He denied that other workmen didn't authorise him to depose on their behalf.
- He admitted that no test for recruitment was conducted.
- He stated that he started working with the management since 1986.
- He was appointed as an unskilled labourer on a wage of Rs. 500/- per month.
- He stated that he was employed as a Security Guard.
- He stated that no information regarding vacancy was published.
- He denied that he and the other workmen were not working on the allotted posts.

30. On behalf of the Management/ONGC, **Ms. Nirmala Patel, Chief Manager (HR)**, entered the witness box for leading evidence. She was cross-examined in detail by the Claimants' representative. In support of the Management's case, she tendered the following documents:

- **Ex.RW1/1:** Copy of ONGC Recruitment and Promotion Regulations, 1980 (governs all employment matters and recruitment procedures in ONGC).
- **Ex.RW1/2 & Ex.RW1/3:** Certificates of registration of the management under Section 7 of the Contract Labour (Regulation and Abolition) Act, 1970.
- **Ex.RW1/4:** Inter-office memo dated 25.06.2009 regarding publication of Notice Inviting Tenders (NIT) in leading newspapers.
- **Ex.RW1/5:** Copy of Notice Inviting Tender (NIT) published in newspapers.

- **Ex.RW1/6:** Detailed Notice Inviting Tender including description of work, eligibility criteria for bidders, scope of work, and submission timelines.
- **Ex.RW1/7:** Proceedings of the Tender Committee deliberating on bids received in response to the NIT.
- **Ex.RW1/8 to Ex.RW1/12:** Letters of Intent (LOIs) issued to BVG India Ltd. on various dates.
- **Ex.RW1/13 & Ex.RW1/14:** Agreements dated 24.03.1994 and 12.06.1996 executed with the contractor.
- **Ex.RW1/15 to Ex.RW1/18:** Agreements executed with BVG India Ltd., Krystal Integrated Services Pvt. Ltd., Kapshill Services, and Jupiter Hospitality Services Pvt. Ltd.
- **Ex.RW1/19 to Ex.RW1/22:** Certificates of Incorporation of M/s Watchdog Security, M/s Professional Group (two entries), and M/s BVG India Ltd.
- **Ex.RW1/23:** Copies of bills raised by contractors for services rendered under the agreements.
- **Ex.RW1/24:** Typical offer of employment issued by BVG India Ltd. to its employees.
- **Ex.RW1/25 to Ex.RW1/27:** Lists of employees of respective contractors.
- **Ex.RW1/28:** Details of EPF and Pension Scheme contributions made by M/s Professional Group for the period 01.04.2002 to 31.03.2003.
- **Ex.RW1/29 & Ex.RW1/30:** ESIC and EPF challans dated 13.08.2005 for contributions by M/s Watchdog Security.
- **Ex.RW1/31 & Ex.RW1/32:** Receipt and challan for BVG India Ltd.'s contributions to EPF and ESIC.
- **Ex.RW1/33 & Ex.RW1/34:** EPF and ESIC challans dated 25.02.2010 for Jupiter Hospitality Services Pvt. Ltd.
- **Ex.RW1/35 to Ex.RW1/38:** EPF/ESIC contribution records and declarations by Jupiter Hospitality Services Pvt. Ltd.
- **Ex.RW1/39:** Provident Fund Account Number list (2008–2009) of employees of Krystal Trade Com Pvt. Ltd.
- **Ex.RW1/40 & Ex.RW1/41:** Professional Group registers of employment and remuneration dated 05.12.2013 and 07.01.2004.
- **Ex.RW1/42 & Ex.RW1/43:** Wage sheets of BVG India Ltd. (November 2007) and Jupiter Hospitality Services Pvt. Ltd. (February 2010).
- **Ex.RW1/44:** Letter dated 17.06.2010 from Jupiter Hospitality Services Pvt. Ltd. enclosing list of employees and wage slips.
- **Ex.RW1/45:** Wage slips of Jupiter Hospitality Services Pvt. Ltd. for May 2010.

- **Ex.RW1/46:** Letter dated 25.03.2011 appointing a supervisor at the management's premises by the contractor.

The witness was cross-examined at length, where she admitted that:

- The witness joined ONGC in August 1993 as Assistant Industrial Relations Officer and was promoted to Chief Manager (HR) in 2014. Since November 2010, she has been posted in Delhi at ONGC Energy Centre.
- She previously served in Agartala and Ahmedabad and has filed several writ petitions on behalf of ONGC, including W.P. No. 2210/2003 (Exh. WW1/12).
- Exh. MW1/2 is a photocopy related to contract labour registration; she neither signed nor verified the original and cannot identify its custodian. It was provided by the concerned department.
- She did not personally verify the originals of documents filed with her affidavit (Exh. MW1/A); verification was done by respective departments, usually by section heads or senior officers.
- Most documents bear departmental seals but do not indicate custodianship or requisition by her or ONGC counsel.
- The dispute was referred to the Tribunal on 10.01.2003. Exhibits MW1/15 to MW1/45 pertain to the post-2003 period, during which she was not posted in Delhi and is not a signatory to those documents.
- She is familiar with MM and CC departments but has never worked there. Some exhibits (e.g., MW1/4, MW1/7) contain file numbers; others (MW1/5, MW1/6) do not.
- She cannot identify signatures on Exh. WW1/5 or confirm its issuance from her office.
- She reviewed some documents (e.g., contracts, registration certificates) before filing her affidavit but not all, including Exh. WW1/5 (23 pages).
- She is unaware of procedures for engaging casual/contingent workers before 2004 and did not verify related files.
- Her office submits reports on contractual workers to the Head Office. Currently, ONGC has no casual workers.
- She cannot explain recruitment of Attendant Grade III or Group D employees.
- She cannot identify signatures on a letter by Devnath Chaudhary or confirm any action taken on its endorsements.
- ONGC's Central Office is in Dehradun. No personal files are maintained for contractual workers; contractors submit worker lists.

- She can obtain the 1987 worker list but cannot confirm postings of officers in 1990 or authenticate documents marked A–D.
- Exh. MW1/2 is a 1986 registration certificate under the Contract Labour Act; she is unaware of any prior registration or contractors before 1986. Contractors post-1986 include Jupiter Hospitality, Sub-facility Services, and Watch Dog.
- Exh. MW1/3 (2003) authorized 400+ contract workers for housekeeping; Exh. MW1/2 includes allied, security, and maintenance services but not housekeeping.
- She is unfamiliar with ONGC documents prior to 1986. “Loss prevention” in 2003 includes security.
- No record exists of workers engaged before May 2003. She denies claimants worked since 1980.
- Exh. MW1/13 is a contract document; she cannot confirm the agreed amount or number of workers.
- She cannot name ONGC officers who certified minimum wage payments. No wage scrolls or reimbursement bills are on record.
- Contractor “Prime Security” was blacklisted for non-payment.
- She cannot confirm publication of Exh. MW1/6 (tender document). Contractors did not submit separate wage scrolls but followed minimum wage norms.
- She is unaware of permanent housekeeping staff or whether such services are perennial.
- ONGC has adopted a Fair Wage Policy (date unknown), applicable to contractor employees but not contingent workers.
- Claimants have worked continuously despite contractor changes, but she cannot confirm if they performed the same work for 20 years.
- ONGC works with joint venture OPEL, which has separate management.
- ONGC made payments to workers when contractors defaulted, informing the Labour Commissioner.
- She confirms ONGC filed CW No. 2210/2003.
- She cannot verify authenticity of some documents shown during cross-examination but confirms claimants’ documents filed on 14.03.2019 were sent for verification.
- She received no departmental instructions on cheque authenticity.
- Tender publication is handled by MM Department. She relied on departmental verification for documents filed with her affidavit.
- She did not verify newspaper tender publications. Contractors usually submit pay scrolls for payments.

- She cannot confirm attestation details on Exh. MW1/14 and MW1/15 but denies they were unauthenticated or that claimants' documents were accepted without verification.

31. Ld. AR for the Workmen advanced his arguments by asserting that the dispute must be adjudicated in context of long, continuous service and the constitutional principles of natural justice, opposing that the contractual arrangements through independent contractors were merely sham contracts intended only to deprive the Claimants of their rightful status and benefits, submitting that every single workman, has been employed at the ONGC Headquarters in New Delhi for more than 30 years, was performing perennial nature of work, so vital to the organization that the entire headquarters would clearly collapse if their services were removed, thus fulfilling legal requirements of the Integration Test and the Continuity of Service Test. He submitted that it was undisputed that each workman was employed through various independent contractors, but opposed that the contractors consistently changed over the period of 25 years while the Workmen remained the same, which presents the strongest evidence of the sham nature of the arrangement. Therefore, the workmen's job was both perennial and the workmen were truly integrated into the operations of principal employer, which, he claimed, had not been opposed by ONGC in their submissions or evidence. The Counsel argued that the Management was exercising total supervision and control over the workmen's daily activities, a fact supported by the four fundamental legal tests laid down by the Supreme Court, Supervision and Control Test, Economic Control Test, Integration Test, and Continuity of Service Test, all of which, he submitted, were met by the Claimants through documents brought on record, including attendance registers, service certificates, and deployment orders. A central point of the Workmen's case was the issue of adverse inference under Section 114 of the Evidence Act, arising from the Management's failure to produce original records. The management was asked to produce the originals of the photocopies filed by the workmen, however, the management asserted that the relevant documents had been "stolen from our office," a submission that, should be drawn against the Management. Furthermore, the Ld. Counsel also pointed to the direct evidence of Economic Control, quoting particular documents (Workmen's Document at Page 97) and reading cross-examination of the Management's Witness, Ms. Nirmala Patel, (dated 21.01.2020) which suggesting that ONGC was issuing salary cheques directly to a workman, and not only

ensuring compliance as a principal employer, which further demonstrated the contracts as completely sham and the lack of a proper, bonafide contract where the amount payable to the contractor was not even specified. The Counsel opposed the Management's primary defence based on the judgment of Hon'ble Supreme Court of India dated 10.04.2006 in **State of Karnataka vs. Uma Devi and Ors., Civil Appeal Nos. 3595-3612 of 1999**, wherein back door entry into public employment was specifically barred. He submitted that in a recent judgment delivered by the Hon'ble Supreme Court of India In the **case *Shripal & Anr. v. Nagar Nigam, Ghaziabad (Civil Appeal No. 8157 of 2024)*** , the court explicitly held as under:

*The principle of 'equal pay for equal work' cannot be disregarded when workers have performed perennial duties under the direct supervision of the employer... Uma Devi cannot be used as a shield to justify exploitative employment practices that persist for years without legitimate recruitment processes.*

32. He further averred that the Hon'ble Supreme Court of India in **State of Karnataka vs. M.L. Kesari (2010) 9 SCC 247**, and in the latest ruling in **Jaggo v. Union of India (2024 INSC 1034)**, has settled the law that it does not apply to appointments that are merely irregular, or where the employee has rendered continuous service of more than 10 years performing perennial duties, which confers a legitimate expectation and a right to regularization. The Counsel argued that procedural formalities or initial temporary status cannot continuously deny fundamental rights accrued through decades of continuous and crucial service, highlighting that the misuse of temporary contracts and the use of outsourcing as a shield to escape long-term obligations, squarely falls within the systemic issues addressed by the Hon'ble Supreme Court. Denial of their demand, simply because the original agreement did not explicitly mention it, would be against principles of fairness and equity. He further pointed out that the Hon'ble Supreme Court, in **Harjinder Singh v. Punjab State Warehousing Corporation (2010) 3 SCC 192**, mandated that in employer-workman disputes, where there is a *prima facie* opinion of continuity of service, the court must "lean in favour of the workman and not adopt a hyper-technical approach," a mandate he requested the Tribunal to follow.

33. On the other hand, the Ld. Counsel for the Management raised the preliminary objection regarding the lack of a valid industrial dispute due to the absence of proper espousal by regular ONGC employees, arguing

that the Claimants, not being direct workmen, could not maintain the dispute, and further emphasized on the principle of prohibiting regularization against sanctioned posts without complying with the constitutional recruitment processes (Articles 14 and 16), which would amount to an impermissible back door entry. On the merits, stated that principal-to-principal agreements existed between them and the contractors, and the statutory compliance (EPF, ESI, etc.), used to be carried out independently by the contractors. He argued that the Management's control was only supervisory and restrictive to ensure quality service, and not the deep and pervasive control required to establish a direct master-servant relationship. He opposed the 1994 CLRA Notification, stating that it was legally flawed, indicated non-application of mind, and had been stayed by the Hon'ble High Court of Andhra Pradesh, thus rendering it ineffective. Furthermore, he opposed the workmen's claim of parity, arguing that the Claimants did not do the same job as regular employees, and hence the principle of 'equal pay for equal work' was not applicable. The Ld. AR for the management further stated that the reference was invalid, that the contracts were genuine, and the claimants were not entitled for regularization under any constitutional or statutory provision.

34. The Ld. Counsel for the Management further stated that the Claimants' entire case rests on a fatal contradiction. It is an admitted position of the Workmen themselves that they were in the direct employment of the contractors and not in the employment of the principal Management (ONGC or ONGC-VL), which legally prevents them from claiming a master-servant relationship with ONGC. The Counsel argued that the workmen's claim that they were employees of the contractors and yet were also the employees of the Management, contradict their own statement. Furthermore, the Management emphasized the complete failure of proof on the most basic element of employment, i.e., payment. There is nothing on record to prove that the salaries of the workmen were ever paid by the management. Instead, the entire payment for the workers during the period of their engagement was made by the contractors. The Claimants have failed to prove even an iota of payment, or any continuous payment for 240 days, made directly by ONGC to the Workmen, which refutes the claim of economic control by the principal employer. Consequently, the Workmen, knowing they were in the direct employment of the contractors and receiving all their wages from them, have no right to claim employment or regularization against ONGC. The Counsel called the

Claimants' attempt to seek regularization as an opportunistic and unprincipled action, pointing out that the workers knowingly secured employment, a source to live their life, through the contractors, knowing full well that this route was not the way for direct or indirect recruitment in ONGC, as they worked exclusively under the contractors. The workmen's attempt to backstab the very agency that provided them employment through the contractual system is legally and morally untenable. The Management emphasized that the use of contract labour is a universal scenario, employed not only by Public Sector Undertakings (PSUs) like ONGC but also by private sector companies, various institutions, and even by the Courts themselves, and that working for a fixed term or for many years under a contractor in such a setup, even for over 240 days, does not automatically create a vested right to regularization against the principal employer. The Management asserted that the workmen had failed to produce a single document showing that they were appointed by the management. The Management did not issue wage slips nor did it comply with statutory compliance (EPF, ESI, etc.), which used to be carried out independently by the contractors. The counsel further submitted that they were not involved in the actual hiring decision, stating, "I was told 20 or more people are to be working in my organization... Who these people would be is not to my knowledge," which denotes that the duty of employing and interviewing the claimants rests entirely with the contractor, and the Management is only informed of the workmen when the contractor sends them to the work location; therefore, the Claimants were very much aware from the very beginning that their ID cards, wages, ESI, gratuity, and account details were all being issued and managed by the contractors, and their argument that they were unaware of being a contractor's employee is baseless. The Counsel challenged the Workmen to prove with a single document that any wages for 240 days were paid by the Management on a regular basis, stating that "Not a single document is there on record" in the pleadings or the evidence to substantiate such a claim, and that the Claimants, cannot attempt to take a benefit and point fingers at the Management.

35. The Ld. AR for the Management then proceeded to rebut the documentary evidence relied upon by the Workmen to establish supervision and control. First, regarding the ID cards allegedly issued by ONGC, the Management witness was prepared to show that the very basis of the Claimants' reliance on their documents (WW-1/6) that a gate pass or

ID card was issued by ONGC stands defeated, as the document itself contradicts the Claimants' assertion of being an ONGC employee. Second, concerning the Shift Report, {Ex.WW-1/7 (Colly)}, which the Workmen presented as proof of ONGC control, the Management argued that this document is merely a post-service confirmation that certain individuals worked during a specific shift at designated places, not a command or deployment order issued by ONGC; it does not confirm that ONGC directed the work, the document indicated only that the work was completed, and therefore, the Claimants are attempting to manipulate and misinterpret the documents to mislead the Tribunal. Third, with regard to the letter dated 25.01.2008 written by the manager (security) of ONGC to the Station House Officer, Connaught Place, New Delhi, the counsel submitted that it was issued before the celebration of republic day informing the police about presence of persons in their building at Connaught Place, which was part of routine security measures taken just before Republic Day in a highly sensitized and securitized zone like the ONGC premises, requiring the Management to inform authorities of who would be present on duty. Since the premises belong to ONGC and the obligation for security lies with the Management, they must seek permission from the police based on the list provided by the contractor, and this necessary security measure does not mean that ONGC was trying to say that these guys were working as its employees, nor does it establish supervision and control, stating this is merely an attempt to mislead the Tribunal. Fourth, regarding the letters permitting instruments to be carried out of the office, the Ld. Counsel for the Management clarified that this is a security measure to ensure the instruments being carried out are duly authorized, and is "not a means to say that you were in control of me," but simply a gate pass for the instrument itself, not the person. Finally, the Ld. counsel highlighted another crucial document (Page 57) (dated 09.04.2018, signed by Sh. Sushil Kumar, ED-Chief PMBG), which was labelled as "Database for access control, (contingent/ contractual)," arguing that this title explicitly proves the workers were classified as contractual and contingent, which provides clear documentary evidence against the workmen's claim of regular employment or employee status. In summary, the Management concluded that the Workmen were fully aware they were employed through the contractors, they have provided no evidence of direct payment by ONGC, and that their documentary proof of control is nothing more than mislabelled security and administrative procedures necessary for any principal employer. Therefore, the Ld. Counsel submitted that their

contracts were genuine and not sham, and that the claim for regularization is legally and factually untenable.

36. I have heard the arguments, perused the record and evidence examined by both parties in support of their contention.

At the outset, this Tribunal considers it appropriate to deal with the preliminary objection raised by the Management regarding the alleged absence of proper espousal of the industrial dispute. The said objection is found to be devoid of merit. It is an admitted position that the present reference has been made by the Appropriate Government in exercise of its powers under Section 10(1) of the Industrial Disputes Act, 1947, upon forming an opinion as to the existence of an industrial dispute between the parties. The scope of interference with such a reference is limited, and this Court cannot sit in appeal over the satisfaction of the Appropriate Government unless the reference is ex facie without jurisdiction. In the present case, the dispute has been raised collectively by as many as 50 workmen, all of whom are similarly situated and directly affected by the action of the Management. The dispute has been pursued through authorized representatives, and therefore, the requirement of espousal stands duly satisfied. The contention of the Management that the dispute ought to have been espoused by regular employees is legally untenable, as espousal by a substantial body of affected workmen themselves is sufficient in law. Accordingly, the objection regarding maintainability is rejected.

37. The management has taken the objection that the workmen themselves admitted that they were employed through contractors therefore, employee-employer relationship has not been established and workmen cannot seek regularization. However, certain guidelines have been enunciated by the Hon'ble Apex court in ***Jaggo vs. Union of India***, 2024 SCC OnLine SC 3826 and ***Sh. Vinod Kumar & Ors. Vs. Union of India (arising out of SLP (C) Nos.22241-42 of 2016)***. Though, the above said judgments were in reference to the direct contract employees by the Government Establishment, yet the ratio of said judgment is applicable to the case in hand where the management has adopted the unfair labour practice by taking services of the claimants for long years through the contractors. In *Vinod Kumar & Ors. v. Union of India*, it was held that the application of judgment in *Uma Devi* does not fit squarely with the facts at hand, given the specific circumstances under which the appellants were employed and have continued their services.

38. In the said judgment, the Apex court held that long, continuous, and unblemished service cannot be disregarded merely because employees were initially appointed on a contractual or part-time basis, especially where their work is perennial, integral, and indispensable to the organisation. The Court rejected technical objections relating to qualifications or procedural lapses, and held that outsourcing of identical work further demonstrates its necessity. It clarified that *Uma Devi* was not intended to deny regularisation to long-serving employees performing essential functions, but to prevent illegal appointments, and cautioned against its misuse to defeat legitimate claims. The relevant portion in *Jaggo vs. Union of India*, are reproduced herein below:-

*“17. As for the argument relating to educational qualifications, we find it untenable in the present context. The nature of duties the appellants performed—cleaning, sweeping, dusting, and gardening—does not inherently mandate formal educational prerequisites. It would be unjust to rely on educational criteria that were never central to their engagement or the performance of their duties for decades. Moreover, the respondents themselves have, by their conduct, shown that such criteria were not strictly enforced in other cases of regularization. The appellants’ long-standing satisfactory performance itself attests to their capability to discharge these functions, making rigid insistence on formal educational requirements an unreasonable hurdle.*

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*19. It is evident from the foregoing that the appellants’ roles were not only essential but also indistinguishable from those of regular employees. Their sustained contributions over extended periods, coupled with absence of any adverse record, warrant equitable treatment and regularization of their services. Denial of this benefit, followed by their arbitrary termination, amounts to manifest injustice and must be rectified.*

*20. It is well established that the decision in Uma Devi (supra) does not intend to penalize employees who have rendered long years of service fulfilling ongoing and necessary functions of the State or its instrumentalities. The said judgment sought to prevent backdoor entries and illegal appointments that circumvent constitutional requirements. However, where appointments were not illegal but possibly “irregular,” and where employees had served continuously against the backdrop of sanctioned functions for a considerable period, the need for a fair and humane resolution becomes paramount. Prolonged, continuous, and unblemished service performing tasks inherently required on a regular basis can, over the time, transform what was initially ad-hoc or temporary into a scenario demanding fair regularization. In a recent judgment of this Court in Vinod Kumar v. Union of India<sup>5</sup>, it was held that held that procedural formalities cannot be used to deny regularization of service to an employee whose appointment was termed “temporary”*

but has performed the same duties as performed by the regular employee over a considerable period in the capacity of the regular employee. The relevant paras of this judgment have been reproduced below:

“6. The application of the judgment in *Uma Devi (supra)* by the High Court does not fit squarely with the facts at hand, given the specific circumstances under which the appellants were employed and have continued their service. The reliance on procedural formalities at the outset cannot be used to perpetually deny substantive rights that have accrued over a considerable period through continuous service. Their promotion was based on a specific notification for vacancies and a subsequent circular, followed by a selection process involving written tests and interviews, which distinguishes their case from the appointments through back door entry as discussed in the case of *Uma Devi (supra)*.

7. The judgment in the case *Uma Devi (supra)* also distinguished between “irregular” and “illegal” appointments underscoring the importance of considering certain appointments even if were not made strictly in accordance with the prescribed Rules and Procedure, cannot be said to have been made illegally if they had followed the procedures of regular appointments such as conduct of written examinations or interviews as in the present case...”

**21. The High Court placed undue emphasis on the initial label of the appellants' engagements and the outsourcing decision taken after their dismissal. Courts must look beyond the surface labels and consider the realities of employment : continuous, long-term service, indispensable duties, and absence of any mala fide or illegalities in their appointments. In that light, refusing regularization simply because their original terms did not explicitly state so, or because an outsourcing policy was belatedly introduced, would be contrary to principles of fairness and equity.**

**22. The pervasive misuse of temporary employment contracts, as exemplified in this case, reflects a broader systemic issue that adversely affects workers' rights and job security. In the private sector, the rise of the gig economy has led to an increase in precarious employment arrangements, often characterized by lack of benefits, job security, and fair treatment. Such practices have been criticized for exploiting workers and undermining labour standards. Government institutions, entrusted with upholding the principles of fairness and justice, bear an even greater responsibility to avoid such exploitative employment practices. When public sector entities engage in misuse of temporary contracts, it not only mirrors the detrimental trends observed in the gig economy but also sets a concerning precedent that can erode public trust in governmental operations.**

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**24.** *The landmark judgment of the United State in the case of Vizcaino v. Microsoft Corporation<sup>2</sup> serves as a pertinent example from the private sector, illustrating the consequences of misclassifying employees to circumvent providing benefits. In this case, Microsoft classified certain workers as independent contractors, thereby denying them employee benefits. The U.S. Court of Appeals for the Ninth Circuit determined that these workers were, in fact, common-law employees and were entitled to the same benefits as regular employees. The Court noted that large Corporations have increasingly adopted the practice of hiring temporary employees or independent contractors as a means of avoiding payment of employee benefits, thereby increasing their profits. This judgment underscores the principle that the nature of the work performed, rather than the label assigned to the worker, should determine employment status and the corresponding rights and benefits. It highlights the judiciary's role in rectifying such misclassifications and ensuring that workers receive fair treatment.*

**25.** *It is a disconcerting reality that temporary employees, particularly in government institutions, often face multifaceted forms of exploitation. While the foundational purpose of temporary contracts may have been to address short-term or seasonal needs, they have increasingly become a mechanism to evade long-term obligations owed to employees. These practices manifest in several ways:*

- **Misuse of “Temporary” Labels:** *Employees engaged for work that is essential, recurring, and integral to the functioning of an institution are often labeled as “temporary” or “contractual,” even when their roles mirror those of regular employees. Such misclassification deprives workers of the dignity, security, and benefits that regular employees are entitled to, despite performing identical tasks.*

- **Arbitrary Termination:** *Temporary employees are frequently dismissed without cause or notice, as seen in the present case. This practice undermines the principles of natural justice and subjects workers to a state of constant insecurity, regardless of the quality or duration of their service.*

- **Lack of Career Progression:** *Temporary employees often find themselves excluded from opportunities for skill development, promotions, or incremental pay raises. They remain stagnant in their roles, creating a systemic disparity between them and their regular counterparts, despite their contributions being equally significant.*

- **Using Outsourcing as a Shield:** *Institutions increasingly resort to outsourcing roles performed by temporary employees, effectively replacing one set of exploited workers with another. This practice not only perpetuates exploitation but also demonstrates a deliberate effort to bypass the obligation to offer regular employment.*

- **Denial of Basic Rights and Benefits:** *Temporary employees are often denied fundamental benefits such as pension, provident fund, health insurance, and paid leave, even when their tenure spans decades. This lack of social security subjects them and their families to undue hardship, especially in cases of illness, retirement, or unforeseen circumstances.*

26. While the judgment in *Uma Devi (supra)* sought to curtail the practice of backdoor entries and ensure appointments adhered to constitutional principles, it is regrettable that its principles are often misinterpreted or misapplied to deny legitimate claims of long-serving employees. This judgment aimed to distinguish between “illegal” and “irregular” appointments. It categorically held that employees in irregular appointments, who were engaged in duly sanctioned posts and had served continuously for more than ten years, should be considered for regularization as a one-time measure. **However, the laudable intent of the judgment is being subverted when institutions rely on its dicta to indiscriminately reject the claims of employees, even in cases where their appointments are not illegal, but merely lack adherence to procedural formalities. Government departments often cite the judgment in *Uma Devi (supra)* to argue that no vested right to regularization exists for temporary employees, overlooking the judgment's explicit acknowledgment of cases where regularization is appropriate. This selective application distorts the judgment's spirit and purpose, effectively weaponizing it against employees who have rendered indispensable services over decades.**

27. In light of these considerations, in our opinion, it is imperative for government departments to lead by example in providing fair and stable employment. Engaging workers on a temporary basis for extended periods, especially when their roles are integral to the organization's functioning, not only contravenes international labour standards but also exposes the organization to legal challenges and undermines employee morale. By ensuring fair employment practices, government institutions can reduce the burden of unnecessary litigation, promote job security, and uphold the principles of justice and fairness that they are meant to embody. This approach aligns with international standards and sets a positive precedent for the private sector to follow, thereby contributing to the overall betterment of labour practices in the country.”

39. The supreme court reiterating the principles laid down in *Jaggo (supra)* again in the case of ***Shripal v. Nagar Nigam, Ghaziabad***, 2025 SCC OnLine SC 221, held that that employees who have worked continuously and without complaint for long periods in roles that are perennial and essential cannot be arbitrarily terminated or denied regularisation, as such action would be unconstitutional. In such circumstances, the employer cannot rely on technical objections such as absence of a formal selection process, lack of sanctioned posts, or recruitment bans. It further clarifies that *Uma Devi* does not bar regularisation in these cases, particularly where long-standing service reflects a genuine and ongoing need for the work performed. The relevant portion is reproduced herein below: -

“13. By requiring the same tasks (planting, pruning, general upkeep) from the Appellant Workmen as from regular Gardeners but still

*compensating them inadequately and inconsistently the Respondent Employer has effectively engaged in an unfair labour practice. The principle of “equal pay for equal work,” repeatedly emphasized by this Court, cannot be casually disregarded when workers have served for extended periods in roles resembling those of permanent employees. Long-standing assignments under the Employer's direct supervision belie any notion that these were mere short-term casual engagements.*

*14. The Respondent Employer places reliance on Umadevi to contend that daily-wage or temporary employees cannot claim permanent absorption in the absence of statutory rules providing such absorption. However, as frequently reiterated, Uma Devi itself distinguishes between appointments that are “illegal” and those that are “irregular,” the latter being eligible for regularization if they meet certain conditions. More importantly, Uma Devi cannot serve as a shield to justify exploitative engagements persisting for years without the Employer undertaking legitimate recruitment. Given the record which shows no true contractor-based arrangement and a consistent need for permanent horticultural staff the alleged asserted ban on fresh recruitment, though real, cannot justify indefinite daily-wage status or continued unfair practices.*

*15 It is manifest that the Appellant Workmen continuously rendered their services over several years, sometimes spanning more than a decade. Even if certain muster rolls were not produced in full, the Employer's failure to furnish such records—despite directions to do so—allows an adverse inference under well- established labour jurisprudence. Indian labour law strongly disfavors perpetual daily-wage or contractual engagements in circumstances where the work is permanent in nature. Morally and legally, workers who fulfil ongoing municipal requirements year after year cannot be dismissed summarily as dispensable, particularly in the absence of a genuine contractor agreement....”*

40. The principal issue which arises for consideration in the present case is whether the engagement of the workmen through contractors is genuine or merely a sham and camouflage devised to deny them the status and benefits of regular employees. Upon a careful appreciation of the pleadings, documentary evidence and the testimony of witnesses, this Tribunal is of the considered opinion that the contract labour arrangement in the present case is not genuine. Documentary evidence (Ex. DW1/10) where A.L. Bhasin (DGM, GEO-1) certifying one of the claimants working with the management at the post of attendant for the last one year and other similar letter issued to Sh. Laxmi Dutt, Sh. Ram Kishan and letter addressed to Sh. Brijesh on 30.12.2017 by Sh. Dinesh Kumar Sarraf, buttresses the fact that the arrangement between the management of

ONGC and contractors are not genuine. This fact is also buttressed from the direct payments made to the workmen through cheques by the management of ONGC. The material on record clearly demonstrates that the workmen were working within the premises of the Management and were subject to its direct control and supervision. The attendance records, duty rosters, identity cards, gate passes and shift reports (Ex.WW1/5) placed on record unmistakably establish that the day-to-day functioning of the workmen was regulated by the officials of the Management. The Management witness, on the other hand, has admitted lack of personal knowledge regarding crucial aspects of supervision and engagement and has failed to explain the role of the contractors in any meaningful manner. This clearly indicates that the real and effective control over the workmen was exercised by the Management.

41. Further, the evidence also points towards the existence of economic control with the Management. It has come on record that in certain instances, the Management had directly made payments to the workmen when the contractors defaulted. The Management has failed to produce cogent and reliable evidence to establish that the contractors had independent financial control over the workmen or that the wages were exclusively paid by them in a structured and autonomous manner. The absence of proper wage records and supporting documents further weakens the stand of the Management. An equally significant circumstance is the admitted position that while the contractors were changed from time to time, the workmen continued to work uninterrupted for several years, in many cases extending over decades. Such continuity of the same set of workmen, despite change of contractors, clearly establishes that the contractors were merely intermediaries or name-lenders and that the arrangement was a device to avoid statutory obligations.

42. The nature of duties performed by the workmen further fortifies this conclusion. The workmen have been engaged in activities such as security services, clerical work, maintenance and other allied functions, all of which are essential and indispensable to the day-to-day functioning of the establishment. These are not intermittent or seasonal activities but are of a continuous and perennial nature. The long duration of service rendered by the workmen, coupled with the nature of duties performed, leaves no manner of doubt that the work is permanent in character. Indeed, the evidence on record clearly establishes that the services rendered by the workmen are so vital to the functioning of the establishment that their removal would seriously disrupt, if not completely paralyze, the operations of the Management.

43. Applying the well-settled legal tests, this Court finds that both the Integration Test and the Continuity of Service Test stand fully satisfied in the present case. The workmen are fully integrated into the organizational framework of the Management, performing functions which are integral to its operations. Their long and uninterrupted service, notwithstanding the change of contractors, clearly establishes continuity of employment in substance. These factors cumulatively lead to the irresistible conclusion that the relationship between the parties is that of employer and employee, notwithstanding the ostensible contractual arrangement.

44. The workmen have also successfully demonstrated that they have been performing duties similar to those performed by regular employees of the Management, yet they have been paid substantially lesser wages and denied corresponding benefits. The Management has failed to establish any rational basis for such disparity. In these circumstances, the constitutional principle of “equal pay for equal work” is clearly attracted. The denial of parity in wages and service benefits amounts to unfair labour practice and cannot be sustained.

45. Insofar as the question of regularization is concerned, the objection of the Management based on the principle against backdoor entry is misplaced in the facts of the present case. The workmen have not secured employment through any fraudulent or illegal means; rather, they have been continuously engaged for long years under the direct control and supervision of the Management. The contract labour system having been found to be sham, the workmen cannot be denied the benefit of regularization on the ground of procedural irregularities. The long and continuous service rendered by them in perennial and essential activities confers upon them a legitimate right to be treated as regular employees. Denial of such status would amount to perpetuation of unfair labour practice. Consequently, the action of the Management in denying regularization and consequential benefits to the workmen is held to be unjust, unfair and illegal.

### **Relief**

In view of the discussion made herein above, the workmen’s services except those who had left the services of the management/respondent, are entitled to be regularized along with all consequential benefits since their initial date of appointment. The workmen who retired during the pendency of the proceedings are also entitled for consequential benefits arising out of their regularization. The workmen who had expired during pendency of this

claim petition, are also entitled for regularization, and their legal heirs be given benefits of regularization. The award shall be complied with by the management within two months from the date of notification of this award. Award is passed accordingly. A copy of this award be sent to the appropriate government for notification under section 17 of the I.D Act. The file is consigned to record room.

Dated 22.05.2026

ATUL KUMAR GARG  
Presiding Officer  
CGIT – cum – Labour Court – II