

**THE CENTRAL GOVERNMENT INDUSTRIAL
TRIBUNAL, JABALPUR**

NO. CGIT/LC/R/46/2023

Present: P.K.Srivastava

H.J.S..(Retd)

1. The President,
All India NMDC Workers Federation,
Khanji Bhavan, 10-3-311/A,
Castle Hills, Masab Tank,
Hyderabad – 500028
2. The Secretary,
Metal Mines Workers Union (INTUC),
Shramik Khadan, Near Bus Stand,
Kirandul, Dattewada (Chhattisgarh) - 494556

Workman

Versues

The Executive Director,
National Mineral Development Corporation (NMDC).
Kirandul, Kirandul Complex, Distt. – Dantewada,
Dattewada (C.G.) - 494556

Management

(AWARD)

(Passed on this 17th day of July, 2026)

As per letter dated 13/07/2023 by the Government of India, Ministry of Labour, New Delhi, the reference is made to this Tribunal under Section-10 of Industrial Disputes Act, 1947 (in short the 'Act') as per Notification No. L/29011/02/2023 (IR(M)) dt. 13/07/2023. The dispute under reference relates to:

"Whether actions of the employer NMDC Ltd., Kirandul in considering all the components of wage revision, maintained equilibrium while revising the pay of their employees in the year 2007, 2012 & 2017 and by not adding the Minimum Guarantee Benefit(MGB) @ 23% to

certain group of employees i.e. 18 nos of Electrician, 13 no. of Assistant Grade and 12 Hospital staff (list attached), as raised by All India NMDC workers Federation Union vide their representation through e-mail dated 10.08.2021 are proper, legal and justified? If not, to what reliefs are the Union/ concerned workers are entitled and what directions, if any, are necessary in the matter?"

The Case of the workman Union, as taken by them in their statement of claim, is mainly that, they are a Registered Union, engaged for the benefits of the Workmen employed under the Management of NMDC Project at Kirandul. It has authorized the applicant Rajendra Kumar Yadav, the Office Bearer of the Union, to prosecute claim of their member Workmen before this Tribunal. This authorization letter is **Annexure P-2** to the Statement of claim. The Management is a Government undertaking, owned by the Government of India and established under Companies Act, 1956, hence 'State' under Article 12 of the Indian Constitution. The dispute involves 43 members who are the Applicants in this case. Three of them have died, they are **Ratan Majhi, Nagendra Singh** and **Chandra Murari Nishad** all Senior Electrician Grade – II, hence the claim remains at present with respect to 40 persons only who are prosecuting the claim. These employees are affected with regard to wage revision due to them from 01.01.2012 under Clause 3.0, 3.2 and 3.3 of **the Memorandum of Wage Revision** signed between the Management and the Union on 19.02.2014. Before this agreement, employees got regularized on their respective posts and drawing salary on regular pay scale as follows-

RS-3-9450-3%-13170 (Lab Technician)

RS-6-10350-3%-15750 (Nurses)

The DA and Minimum Guaranteed Benefit(MGB), which is the basic component, have been fixed in the pay scale of the workmen under the said wage revision, which was finally signed on 19.02.2014 but was implemented from 01.01.2012. It was impressed on the Workman that pay scale under this Wage Agreement for RS.3, RS.4 and RS.6 will be as follows-

RS 3-11670-3%-20600 (Junior A.G.-III, Dresser, Lab Technician)

RS 4-12030-3%-21220-(Stenographer)

RS 6-12780-%-22520 (Sr. Electrician).

According to the Workman Union, in fact, their wages were reduced under the Bi-partite Settlement wage revision as compared to the old scale. This issue was raised by the Workmen before the Management and the Management agreed that they will grant pay protection to those employees who joined the Management between 01.01.2012 to 19.02.2014, the date when the Bi-partite Settlement was signed. Thereafter, the Management formed pay scale by using component of old basic + MGB (Minimum Guarantee Benefit) from RS-1 to RS-10 scales and guaranteed pay protection to the Applicants by using Old Basic+ Notional Amounts (Equal to the then the D.A.).

It is further the case of the Workman Union that, as per the above information, the Workmen/Employees/First party calculated their salary on the basis of revised wage

structure/ pay scale (ex. RS-3-11670-3%-20600) as per their eligibility and found that the wage was getting down as compared to old pay scale (ex. RS-3-9450-3%-13170) and all the affected Workmen/Employees/First party sought a meeting with the authorities of the Management/Second party through the Union (INTUC), to talk about the above issue. Thereafter, the meeting was held between the members of the Union (INTUC)/First party and Management/Second party and in the said meeting both the parties jointly came to this conclusion that the Management/Second party will give pay protection to those employees who joined corporation between 01.01.2012 to 19.02.2014, till when the Tripartite Settlement was signed. Thereafter, the Management/First party formed pay scale by using component of Old Basic + MGB from RS-1 to RS-10 and gave pay protection to the Workers/Employees/First party by using Old Basic + Notional amount (Equal to the then DA).

Thereafter, the Workmen/Employees/First party raised the objection for MGB (Minimum Guaranteed Benefit) but, they have been intimated that, MGB is for those Employees who are on the roles of Company as on 31.12.2011. Because, then the Workmen/Employees/First party were newly recruited employees of the Company and they did not understand the terms and conditions of the Company, and they did not even know how the pay scale was fixed and which pay scale they were entitled to, but in the clause no. 3.6.3 of the wage settlement of 2014, which stated that MGB will not be given to employee who will join Corporation after 01.01.2012, while component used for formation of the pay scale for the same i.e. basic + MGB, it means that the

employee who will join corporation after 01.01.2012 would get the MGB. Vide **Page-8 of Memorandum of settlement dt. 19.02 2014. It is the violation of clause 3.5 Minimum Guaranteed Benefit MGB.**

That, the next Workmen/Employees Pay Revision was due from 01.01.2017 and same was signed on 06.02.2019, before its Tripartite Settlement Workmen/Employees/First party came to know that, the pay scale had been formed for the Workmen/Employees by using components i.e. Basic + DA +100%MGB, again the Workmen/Employees discussed this issue with their authorities of the Union regarding new pay scale for RS-1 to RS-10 is consisting 100% MGB, while as per previous practice, MGB is for regular employees who are on the rolls of the Company before due date of wage revision i.e. 31.12.2016, therefore, the employees who will regularized/joined corporation on or after 01.01.2017 his/her pay scale will be his/her basic and they will draw salary on that basis, therefore, itself he/she would get benefits of MGB. Vide Page-8 of Memorandum of settlement dt. 06.02.2019, it is the violation of clause 5.0 Minimum Guaranteed Benefit MGB, Copy of Memorandum of settlement dated 06.02.2019 filed herewith and marked as ***Annexure P-5.***

That, on the basis of above, the Workers/Employees have also enquired regarding MOU of Wage Revision which was due from 01.01.2007 signed on 01.05.2010 by the Management/First party and all India NMDC Works Federation & its affiliated Unions under the provisions of section 12 (3) of the Industrial Dispute Act, 1947 for fixing the wage structure and the formula have been laid down for the benefit of the Workers/Employees enrolled since

01.01.2007 and found that, then the pay scale was formed for new employees, consisted of Basic + DA + 18.91% MGB or Notional Amount. (Page-8 of Memorandum of settlement dated 01.05.2010). It is the violation of clause 3.5 Minimum Guaranteed Benefit MGB). Copy of Memorandum of settlement dated 01.05.2010 filed herewith and marked as **Annexure P-6**.

They did file a **Writ Petition No. 6378/2019, W.P. No. 6402/2019 and 6405/2019**. These petitions were dismissed on the ground of alternate remedy. The Writ Appeal was also dismissed. Thereafter, they raised a dispute before the concerned Assistant Labour Commissioner which could not be conciliated, hence this reference. The Workman Union has prayed that the Applicant members be held entitled to 23% Minimum Guaranteed Benefit from the due date which is being guaranteed to other similarly situated employees under the Management with all consequential benefits and interest.

Case of the Management is mainly that, these Applicants were regularized in the services of the Management during the period from August, 2012 to September, 2014 as per the Bi-partite Settlement dated 19.02.2024 effective between the period 01.01.2012 to 31.12.2016, the pay of the employees were fixed in terms of the above agreements and a relevant rules. Their claim is that minimum wage and wage structure for all scale of pay namely RS 1, 2 and 3 and so on fixed by the Company is not proper because merger of DA and MGB with per revised pay i.e. RS 8900-3%-12400 were not extended while rising minimum wage structure effective from 01.01.2012 under the Bi-partite Settlement (RS 11000-3%-19410) compared to

Wage Revision by Company effective from 01.01.2007 to 01.01.2017. It is further the case of the Management that fixation and framing of Wage Structure is based on Bi-partite Settlement dated 19.02.2014 effective for the period 01.01.2012 to 31.12.2017 duly accepted and signed by the Unions and Management, hence binding on the parties including the applicants. Now, this settlement cannot be challenged. Moreover, pay scale with respect to employees who were on regular rolls of the Company between 01.01.2012 to 19.02.2014 i.e. the date of signing of Bi-partite Settlement was guaranteed. The present states of Applicants are not covered under pay protection category and their pay was fixed on minimum of the revised expenses of the pay, they are not entitled for any MGB. Also, it is the case of the Management that, at the present the bi-partite wage settlement dated 01.01.2017 is in force till date and the previous settlement of 19.12.2014 is not in force. According to the Management the Applicants are not entitled to benefits which they are claiming. The Management has sought that reference be answered against the Workman Union.

In evidence, the Workman Union has filed and proved documents Ex. W-1 to W-15 to be referred to as and when required. They have further filed affidavits of Union Representatives Rajendra Kumar Yadav, Ravish Tiwari as their examination in chief. They have been cross-examined by Management. The Management has filed affidavits of its witness Deepak Kumar Bail as his examination in chief. He has been cross-examined from the side of the Union.

I have heard arguments of Learned Counsel Mr. Chandrash Dubey for the Workman Union and Learned

Senior Counsel Mr. Anoop Nair assisted by Mr. Neeraj Kewat Learned Counsel for Management. I have gone through the record as well.

On perusal of record in the light of rival arguments the issue which arises for consideration in the case in hand is **as follows-**

Whether the settlement with respect to memorandum of wage revision signed on 19.02.2014 between the Union and Management is binding in the case in hand or not.

Undisputedly, the settlement dated 19.02.2014 was signed between the Management of NDMC and their Workmen represented by All India NDMC Workers Federation and its affiliated Workers Union. The Union, through which the petition has been filed is also a signatory to this settlement. This Settlement, as it discloses was signed between the parties in a dispute raised and under intervention of Chief Labour Commissioner (Central). Section 18 of the Act requires to be reproduced in this respect and is being reproduced as follows –

“18. Persons on whom settlements and awards are binding.—

(1) A settlement arrived at by agreement between the employer and workman otherwise than in the course of conciliation proceeding shall be binding on the parties to the agreement.

(2) Subject to the provisions of sub-section (3), an arbitration award which has become enforceable shall

be binding on the parties to the agreement who referred the dispute to arbitration.

(3) A settlement arrived at in the course of conciliation proceedings under this Act 3[or an arbitration award in a case where a notification has been issued under sub-section (3A) of section 10A or

(4) an award of a Labour Court, Tribunal or National Tribunal which has become enforceable shall be binding on—

(a) all parties to the industrial dispute;

(b) all other parties summoned to appear in the proceedings as parties to the dispute, unless the Board, arbitrator, Labour Court, Tribunal or National Tribunal, as the case may be, records the opinion that they were so summoned without proper cause;

(c) where a party referred to in clause (a) or clause (b) is an employer, his heirs, successors or assigns in respect of the establishment to which the dispute relates;

(d) where a party referred to in clause (a) or clause (b) is composed of workmen, all persons who were employed in the establishment or part of the establishment, as the case may be, to which the dispute relates on the date of the dispute and all persons who subsequently become employed in that establishment or part.”

Hence, according to Section 18 of the Act the settlement is binding on the Applicant Workmen also, who are members of the Union which is signatory to the settlement. Terms of the settlement can be altered by way of another settlement only. The applicants were at liberty to get the settlement set aside on the ground of fraud or misrepresentation or coercion before proper forum. As regards this Tribunal, granting the relief claimed will be altering the terms of settlement which is not possible in law.

Hence, the petition deserves to be dismissed on the basis of the above discussion and findings. The applicant side is held entitled to no relief.

AWARD

Holding action of the Management of NMDC Ltd., Kirandul in considering all the components of wage revision, maintained equilibrium while revising the pay of their employees in the year 2007, 2012 & 2017 and by not adding the Minimum Guarantee Benefit(MGB) @ 23% to certain group of employees i.e. 18 nos of Electrician, 13 no. of Assistant Grade and 12 Hospital staff (list attached), as raised by All India NMDC workers Federation Union is just and proper, the Applicant workmen are held entitled to no relief.

No order as to cost.

DATE:- 17.07.2026

**(P.K.SRIVASTAVA)
PRESIDING OFFICER**