



* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

% Reserved on : 18.03.2026
Pronounced on : 30.03.2026
Uploaded on : 30.03.2026

+ **W.P.(C) 7184/2018**

PARAMJEET SINGHPetitioner

Through: Mr. Karan Luthra and Mr. Shiven
Asthana, Advocates.

versus

BSES RAJDHANI POWER LIMITED & ANRRespondents

Through: Mr. Sandeep Prabhakar, Sr. Advocate
with Mr. Vikas Mehta, Advocate, for
Respondent No. 1.

CORAM:

HON'BLE MR. JUSTICE MANOJ KUMAR OHRI

JUDGMENT

1. The workman has preferred the present writ petition seeking to impugn the award dated 28.03.2018 passed by the Labour Court, whereby his claim application came to be dismissed.
2. In the claim application, the workman claimed that he had worked with the "Management" on the post of Driver with effect from 14.12.2003 to 31.05.2012. The workman, along with the claim application, filed copies of two identity cards issued by respondent no. 2 herein (Management 2) and also a copy of the vehicular log dated 18.12.2003. His last drawn wages were Rs.7,800/- per month. When the workman demanded legal facilities like appointment letter, weekly off holiday, casual leave, his attendance to



be marked in the attendance register, pay slip, leave book, attendance card, ESIC, overtime, bonus, minimum wages as per Government policy, and other facilities, his services were terminated on 01.06.2012. Though he impleaded *BSES Rajdhani Power Limited* as well as *M/s Team Lease Pvt. Ltd.* as Management 1 and 2 respectively, he used the common word “Management” in his entire claim application. Both Managements 1 and 2 appeared and contested the claim.

3. Management 1, i.e. *BSES Rajdhani Power Limited*, denied the employer-employee relationship, stating that the workman remained on the payroll of Management 2. It was stated that the question of payment of salary along with other benefits such as leave, PF, etc. by Management-1 did not arise as the workman was never its employee.

4. Management 2, i.e. *M/s Teamlease Services Pvt. Ltd.*, in its written statement, claimed that they did not terminate the services of the workman and that it was the workman who himself left the job with effect from 19.05.2012 due to his deployment with other clients. It was further claimed that the workman had not completed 240 days of working during the year preceding the alleged termination. It was also stated that Management 2 had a valid license under the Contract Labour (Regulation and Abolition) Act, 1970, and the workman was deployed with Management 1 as per the terms and conditions of the agreement between them. Management 2 also claimed to have regularly paid wages to the workman, and PF as well as ESI



contributions were stated to have been duly deducted therefrom and deposited with the concerned departments.

5. Before this Court, while assailing the impugned award, learned counsel for the workman contended that the Labour Court erred in observing that the workman failed to discharge his burden of having completed 240 days of service, as the workman had placed on record copies of the identity cards issued to him which only showed that they were valid for 12 months. It was next contended that the workman was under the direction and supervision of Management 1 and, thus, the Labour Court ought to have held that the employer-employee relationship stood proved.

6. Learned Senior Counsel appearing for Management 1 contended that the claim application was rightly rejected as although the workman arrayed both the Managements as parties, the claim application shows that while the workman is claiming to be an employee of Management 1, he has not stated that the agreement between Management 1 and 2 was sham, illegal and camouflage to deprive the workman of legal benefits of his employment.

7. Management 2 remained unrepresented despite service.

8. On the dispute being raised, the learned Labour Commissioner forwarded the following reference:

“Whether the services of Sh. Paramjeet Singh S/o Sh. Narender Singh have been terminated illegally and/or unjustifiably by the management; and if so, to what relief is he entitled and what directions are necessary in this respect?”



9. A perusal of the claim application would show that the workman has claimed to be the employee of Management 1. While Management 1 denied the relationship, Management 2 categorically admitted that the workman was its employee. It further denied the termination and, rather, stated that it was the workman who failed to join his duties, thereby making out a case of voluntary relinquishment of service.

10. To claim continuous service of 240 days, the workman placed on record only two identity cards. The Labour Court noted that the same were not corroborative in nature and further noted that there was a break in service. In this regard, a perusal of the reply filed by Management 2 would show that it was stated that there was a break in service as, after 30.04.2011, the workman rejoined only on 02.11.2011 and worked till 19.05.2012. No rejoinder was filed by the workman to the said reply.

11. I find strength in the contention of the learned counsel for Management 1 that no allegation is made with respect to the contract between Managements 1 and 2 being sham and illegal. The terms of the reference were restricted to determining whether the services of the workman had been terminated illegally and/or unjustifiably.

12. A perusal of the identity cards would show that the same were issued by Management 2 for the workman being deployed with Management 1 under a contract. On whether the workman, having been deployed with Management 1, is entitled to claim employer-employee



relationship with Management 1, the Court takes note of the decision of the Supreme Court in Ram Singh & Ors. Vs. Union Territory, Chandigarh & Ors.¹, wherein it was held that while “control” is one of the important tests, it is not to be taken as the sole test. The relevant observations are as under:

“15. In determining the relationship of employer and employee, no doubt, 'control' is one of the important tests but is not to be taken as the sole test. In determining the relationship of employer and employee all other relevant facts and circumstances are required to be considered including the terms and conditions of the contract. It is necessary to take a multiple pragmatic approach weighing up all the factors for and against an employment instead of going by the sole 'test of control'. An integrated approach is needed. 'Integration' test is one of the relevant tests. It is applied by examining whether the person was fully integrated into the employer's concern or remained apart from and independent of it. The other factors which may be relevant are - who has the power to select and dismiss, to pay remuneration, deduct insurance contributions, organise the work, supply tools and materials and what are the 'mutual obligations' between them (see Industrial Law, Third edition by I.T. Smith and JC Wood, at pp 8 to 10).”

13. In Bharat Heavy Electricals Limited Vs. Mahendra Prasad Jakhmola and Others², the Supreme Court explained the expression “control and supervision”. The relevant extract is as under:

“22. The expression ‘control and supervision’ were further explained with reference to an earlier judgment of this Court as follows: (Bengal Nagpur Cotton Mills case [Bengal Nagpur Cotton Mills v. Bharat Lal, (2011) 1 SCC 635 : (2011) 1 SCC (L&S) 16] , SCC pp. 638-39, para 12)

‘12. The expression ‘control and supervision’ in the context of contract labour was explained by this Court in International Airport Authority of India v. International Air Cargo Workers' Union [International Airport Authority of India v. International Air

¹ (2004) 1 SCC 126

² (2019) 13 SCC 82



Cargo Workers' Union, (2009) 13 SCC 374 : (2010) 1 SCC (L&S) 257] thus: (SCC p. 388, paras 38-39)

'38. ... if the contract is for supply of labour, necessarily, the labour supplied by the contractor will work under the directions, supervision and control of the principal employer but that would not make the worker a direct employee of the principal employer, if the salary is paid by a contractor, if the right to regulate the employment is with the contractor, and the ultimate supervision and control lies with the contractor.

39. The principal employer only controls and directs the work to be done by a contract labour, when such labour is assigned/allotted/sent to him. But it is the contractor as employer, who chooses whether the worker is to be assigned/allotted to the principal employer or used otherwise. In short, worker being the employee of the contractor, the ultimate supervision and control lies with the contractor as he decides where the employee will work and how long he will work and subject to what conditions. Only when the contractor assigns/sends the worker to work under the principal employer, the worker works under the supervision and control of the principal employer but that is secondary control. The primary control is with the contractor...'

23. From this judgment in Bengal Nagpur Cotton Mills case [Bengal Nagpur Cotton Mills v. Bharat Lal, (2011) 1 SCC 635 : (2011) 1 SCC (L&S) 16] , it is clear that Test No. 1 is not met on the facts of this case as the contractor pays the workmen their wages. Secondly, the principal employer cannot be said to control and supervise the work of the employee merely because he directs the workmen of the contractor 'what to do' after the contractor assigns/allots the employee to the principal employer. This is precisely what para 12 of Bengal Nagpur Cotton Mills case [Bengal Nagpur Cotton Mills v. Bharat Lal, (2011) 1 SCC 635 : (2011) 1 SCC (L&S) 16] explains as being supervision and control of the principal employer that is secondary in nature, as such control is exercised only after such workman has been assigned to the principal employer to do a particular work.

24. We may hasten to add that this view of the law has been reiterated in Balwant Rai Saluja v. Air India Ltd. [Balwant Rai Saluja v. Air India Ltd., (2014) 9 SCC 407 : (2014) 2 SCC (L&S) 804] , as follows: (SCC pp. 437-38, para 65)



'65. Thus, it can be concluded that the relevant factors to be taken into consideration to establish an employer-employee relationship would include, inter alia:

- (i) who appoints the workers;*
- (ii) who pays the salary/remuneration;*
- (iii) who has the authority to dismiss;*
- (iv) who can take disciplinary action;*
- (v) whether there is continuity of service; and*
- (vi) extent of control and supervision i.e. whether there exists complete control and supervision.*

As regards extent of control and supervision, we have already taken note of the observations in Bengal Nagpur Cotton Mills case [Bengal Nagpur Cotton Mills v. Bharat Lal, (2011) 1 SCC 635 : (2011) 1 SCC (L&S) 16] , International Airport Authority of India case [International Airport Authority of India v. International Air Cargo Workers' Union, (2009) 13 SCC 374 : (2010) 1 SCC (L&S) 257] and Nalco case [NALCO Ltd. v. Ananta Kishore Rout, (2014) 6 SCC 756 : (2014) 2 SCC (L&S) 353].'

14. Recently, in *Kirloskar Brothers Limited Vs. Rancharan and Ors.*³, the Supreme Court has held as under:

"7. Even otherwise, as observed hereinabove, in the absence of a notification under Section 10 of the CLRA Act unless there are allegations or findings with regard to a contract being sham, private respondents herein, who are as such the workmen/employee of the contractor, cannot be held to be employees of the appellant and not of the contractor.

8. At this stage, the decision of this Court in SAIL v. National Union Waterfront Workers [SAIL v. National Union Waterfront Workers, (2001) 7 SCC 1 : 2001 SCC (L&S) 1121] is required to be referred to. Following two questions fell for consideration before this Court : (SCC p. 42, para 65)

'65. ... A. whether the concept of automatic absorption of contract labour in the establishment of the principal employer on issuance of the abolition notification, is implied in Section 10 of the CLRA Act; and

B. whether on a contractor engaging contract labour in connection with the work entrusted to him by a principal employer, the

³ (2023) 1 SCC 463



relationship of master and servant between him (the principal employer) and the contract labour, emerges.”

15. It is pertinent to note that during cross-examination, the workman claimed that he was seeking no relief against Management 2 and, for the said reason, Management 2 also did not lead any evidence.

16. On examining the claim application as well as the documents in the form of identity cards and one vehicular log slip, and further keeping in mind the specific stand of both the Managements, i.e., Management 1 and 2, the law as discussed above, as well as the scope of interference in writ jurisdiction (Ref: Syed Yakooob Vs. K.S. Radhakrishnan⁴), this Court finds no ground to interfere with the impugned award, which is upheld.

17. Consequently, the present petition is dismissed and disposed of in the above terms.

**MANOJ KUMAR OHRI
(JUDGE)**

MARCH 30, 2026

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⁴ 1963 SCC OnLine SC 24