

Government of West Bengal
Labour Department, I. R. Branch
N.S. Building, 12th Floor, 1, K.S. Roy Road, Kolkata – 700001

No. Labr/ 869 /LC-IR/ 22015(16)/317/2018

Date : 31-07-2025

ORDER

WHEREAS under Labour Department's Order No. 650-IR/IR/11L-64/13 dated 21.05.2014 with reference to the Industrial Dispute between M/s. New Friends Enterprise (Tripathy Complex, Debhog, City Center, Haldia) under the Management of M/s. Renuka Sugar Ltd. Vill. & P.O. Debhog, City Center, Dist. Purba Medinipur and its workman Sri Nakul Pradhan, VIII-Gaondab (Salat), P.S. – Bhabanipur, Purba Medinipur, Pin – 721657, regarding the issues mentioned in the said order, being a matter specified in the Second Schedule of the Industrial Dispute Act' 1947 (14 of 1947), was referred for adjudication to the 8th Industrial Tribunal, Kolkata.

AND WHEREAS the 8th Industrial Tribunal, Kolkata, has submitted to the State Government its Award dated 25.07.2025 in Case No. VIII-46/2014 on the said Industrial Dispute Vide e-mail dated 25.07.2025 in compliance of Section 10(2A) of the I.D. Act' 1947.

NOW, THEREFORE, in pursuance of the provisions of Section 17 of the Industrial Dispute Act' 1947 (14 of 1947), the Governor is hereby pleased to publish the said Award in the Labour Department's official website i.e **wblabour.gov.in**.

By order of the Governor,



Assistant Secretary
to the Government of West Bengal

No. Labr/ 869 /1(5)/LC-IR/ 22015(16)/317/2018

Date : 31-07-2025

Copy forwarded for information and necessary action to:

1. M/s. New Friends Enterprise (Tripathy Complex, Debhog, City Center, Haldia) under the Management of M/s. Renuka Sugar Ltd. Vill. & P.O. Debhog, City Center, Dist. Purba Medinipur.
2. Sri Nakul Pradhan, VIII-Gaondab (Salat), P.S. – Bhabanipur, Purba Medinipur, Pin – 721657.
3. The Assistant Labour Commissioner, W.B. In-Charge, Labour Gazette.
4. The O.S.D. & E.O. Labour Commissioner, W.B. New Secretariat Building, 1, K. S. Roy Road, 11th Floor, Kolkata- 700001.
5. The Deputy Secretary, IT Cell, Labour Department with request to cast the Award in the Department's website.


Assistant Secretary
to the Government of West Bengal

No. Labr/ 869 /2(3)/LC-IR/ 22015(16)/317/2018

Date : 31-07-2025

Copy forwarded for information to :

1. The Judge, 8th Industrial Tribunal, Kolkata, N.S. Building, 1, K.S. Roy Road, Kolkata-700001 with reference to e-mail dated 25.07.2025.
2. The Joint Labour Commissioner (Statistics), West Bengal, 6, Church Lane, Kolkata -700001.
3. Office Copy.


Assistant Secretary
to the Government of West Bengal

In the matter of an industrial dispute between M/s. New Friends Enterprise (Tripathy Complex, Debhog, City Center, Haldia) under the Management of M/s. Renuka Sugar Ltd. Vill. & P.O. Debhog, City Center, Dist. Purba Medinipur and Sri Nakul Pradhan, VIII-Gaondab (Salat), P.S. – Bhabanipur, Purba Medinipur, Pin – 721657.

(Case No. VIII-46/2014)

Before the Eighth Industrial Tribunal: West Bengal

**Present Sri Amit Chattopadhyay
Judge,
Eighth Industrial Tribunal,
West Bengal.**

**Sri Nakul Pradhan.....Applicant / workman
Vs.
M/s. New Friends Enterprise O.P. Company**

**A W A R D
Dated: 25.07.2025**

Received a copy of order of reference vide G. O. No 650-IR/IR/11L-64/13 dated 21.05.2014 from the Labour Department, Govt. of West Bengal and reference no. 3115-IR/IR/3A-6/59, dated 21/06/1960 referring an industrial dispute which exists between M/s. New Friends Enterprise (Tripathy Complex, Debhog, City Center, Haldia) under the Management of M/s. Renuka Sugar Ltd. Vill. & P.O. Debhog, City Center, Dist. Purba Medinipur and Sri Nakul Pradhan, VIII-Gaondab (Salat), P.S. – Bhabanipur, Purba Medinipur, Pin – 721657 for adjudication.

I S S U E (S)

1) Whether the refusal of employment of Sri Nakul Pradhan by M/s. New Friends Enterprise, under the Management of M/s. Renuka Sugar Ltd. W.e.f. 11.12.2011 was justified?

2) What relief, if any, he is entitled to?

As per Written Notes Argument the case of the workman is that the workman was given employment by M/s. Renuka Sugar Limited under the capacity of Stitching Operator (Packing Hall) on 4th June, 2008, with a monthly wage of Rs. 5274/-.

That M/s. Renuka Sugar Ltd. Had engaged Haldia Logistics Private Limited as a contractor to pay the salary to workmen doing the job entrusted to it by M/s. Renuka Sugar Ltd. And to secure the workmen's interest which was done under the instructions, supervision and under the control of Renuka Sugar Ltd.

That sometime in the month of December, 2010 M/s. Haldia Logistics was taken over by M/s. New Friends Enterprise, and the workman has since then worked for M/s. New Friends Enterprise but continued to be under the employment of M/s. Renuka Sugar.

Thereafter, M/s. Renuka Sugar Ltd. Terminated the services of the workman by not letting him enter the industrial premise sometime in December, 2011 which amounts to retrenchment in terms of Section 2(oo) of the Industrial Disputes Act, 1947.

The said retrenchment has been effected without making any payment to him in terms of Section 25F of the said Act and without adhering to the mandatory conditions precedent under Section 25F of the Said Act. Thus the retrenchment of the workman, according to the settled position of law is therefore illegal.

That it is pertinent to state that while effecting the retrenchment of the workman, the company has clearly violated Section 25G of the Industrial Disputes Act, 1947 and Rules 77 and 77A of the West Bengal Industrial Disputes Rules, 1958 and for this the retrenchment has become illegal and void.

M/s. New Friends Enterprise and / or M/s. Renuka Sugar Ltd. Have never provided the workman with any other work after he was retrenched from M/s. Renuka Sugar Ltd.

Further, the workman through Shree Renuka Sugars Contractors Workers Union has sought for explanation, from M/s. Renuka Sugar Ltd. as to why the workman were retrenched from their work without issuing any show cause or extending any sort of opportunity of being heard, however, the workman had requested M/s. Renuka Sugar Ltd. to engage the retrenched workman by way of a letter dated 2nd May, 2012 but no explanation has been given to him whatsoever.

The workman in his letter dated 27th August, 2012 had written to the Labour Commissioner, Government of West Bengal explaining him the entire situation and praying for intervention and taking necessary action so that they are reinstated in their service.

The workman by way of letters dated 19th January, 2013 and 6th May, 2013 had further written to the Chairman of Shree Renuka Sugar Ltd. For reinstatement in its factory but even after receipt of such letters, Shree Renuka Sugar Limited did not employ the workman above-named in their factory.

The workman had on 14th September, 2012 wrote a letter to the Deputy Labour Commissioner, Basudebpur, Haldia with a prayer to help him to get back his job.

Again on November 21, 2012 M/s. New Friends Enterprise gave a written submission to the Deputy Labour Commissioner, Basudevpur, Khanjanchak, Haldia raising all false and frivolous allegations against the workmen to which the workmen had submitted a written notes intended to be used against the written submission filed by the said M/s. New Friends Enterprise.

Thereafter, the workman having no efficacious remedy and no other alternative raised an industrial dispute which was referred before this Ld. Tribunal by the Government of West Bengal, Labour Department vide Order No. 652-IR/IR/11L-64/2013 dated 21/05/2014 for adjudication under Section 10 of Industrial Dispute Act, 1947.

Points of consideration

1. It is an admitted fact that several workmen Dinesh Pramanick amongst them was terminated by way of retrenchment by the management of Renuka Sugar in connivance with M/s. New Friends Enterprise, though the management of both the

companies have taken shelter of purported Memorandum of Settlement in FORM J marked as Exhibit A and Exhibit B.

2. Exhibit 1 – The service certificated issued in favour of the concerned workman clearly indicates the name and contractor i.e. Haldia Logistics and the name and address of the principal employer i.e. Shree Renuka Sugars Ltd.
3. Exhibit 8 – The contention raised in the representation dated 12.12.2012 indicates that the nature of work performed by the workman was perennial and no objection / refutation was ever raised by the employers, which attracts the provision under sub-section 2(b) OF Section 10 of the Contract Labour (Regulation & Abolition) Act, 1970.

The Section is reproduced hereunder:

Prohibition of employment of contract labour-

(1) Notwithstanding anything contained in this Act, the appropriate Government may, after consultation with Central Board, or as the case may be, a State Board, prohibit by notification in the Official Gazette, employment of contract labour in any process, operation or other work in any establishment.

(2) Before issuing any notification under sub-section (1) in relation to an establishment, the appropriate Government shall have regard to the conditions of work and benefits provided for the contract labour in that establishment and other relevant factors, such as, -

(a) Whether the process, operation or other work is incidental to or necessary for, the industry, trade, business, manufacture or occupation that is carried on in the establishment;

(b) whether it is of perennial nature, that is to say, it is of sufficient duration having regard to the nature of industry, trade, business, manufacture or occupation carried on in that establishment;

© whether it is done ordinarily, through regular workmen in that establishment or in an establishment similar thereto;

(d) whether it is sufficient to employ considerable number of whole time workmen.

Explanation – If a question arises whether any process or operation or other work is of perennial nature, the decision of the appropriate Government therein shall be final.

Assuming but not admitting even if the workman was engaged by a contractor the employer shall also be equally held liable, responsible.

The Supreme Court in Steel Authority of India, Ltd. versus National Union Water Front Workers reported in Supreme Court Reports [2001]SUPP.2.S.C.R., held that where the work is of perennial nature, sub-Section 2 of Section 10 of the CLRA Act requires that the contract labour should be abolished so it would be an abuse on the part of the employer to resort to employing contract labour in such a casethe principal employer

has to keep track with the number of workman employed, terms and conditions on which they are employed and therefore, the employer cannot be permitted to plead that no relationship of master and servant exists between the principal employer and the contract labour.

Further, in the aforesaid judgment citation was drawn from Shivanandan Sharma's case wherein it was held that "if a master employs servant and authorizes him to employ a number of persons to do a particular job and to guarantee their fidelity and efficiency for a case consideration, the employees thus appointed by the servant would be equally with the employer, servants of the master.

4. M/s. New Friends filed their written statement but deliberately failed to make its appearance before the Ld. Tribunal to contest the aforesaid matter.
5. Renuka Sugar while refuting the contentions /allegations made by the workman in his written statement, admitted that Haldia Logistics Pvt. Ltd. as engaged as a contractor and at no material times during cross-examination questioned/ challenged the veracity / authenticity of the service certificate which indicates Renuka Sugar as principal employer, which prima facie, suggests that there was employer employee relationship between M/s. Renuka Sugar and Denesh Pramanick the workman herein.
6. It is not in dispute that the factory premise belongs / belonged to Renuka Sugar, no questions / allegations has ever been brought on record by Renuka Sugar whether equipments installed in the factory / plant belonged to the contractor or itself.

Hence, an inference can be drawn that Renuka Sugar the employer herein had a direct and economic control, management and supervision over the workmen engaged in its establishment and also had a final say in how and in what way the work undertaken should be done.

7. The workman begs to rely on the judgment passed in *Hussainbhai Calicut versus Alath Factory Thozhilali Union, Kozhikode and Ors. On July 28, 1978, wherein it was held that where a worker or a group of workers labour to produce goods or services and these goods and services are for the business of another, that other is in fact the employer. He has economic control over the workers' subsistence, skill and continued employment. If he, for any reason, chokes off the worker, is virtually, laid off. The presence of intermediate contractors with whom alone the workers have immediate or direct relationship ex-contractu is of no consequence, when on lifting the veil or looking at the conceptus of factors governing employment, Courts discern the naked truth, though draped in different perfect paper arrangement, that real employer is the management, and not the immediate contractor.*

If the livelihood of the workmen substantially depends on labour rendered to produce goods and services for the benefit and satisfaction of an enterprise, the absence of direct relationship or the presence of dubious intermediaries or the make-believe trappings of detachment from the management cannot snap the real life bond. The story may vary but the inference defies ingenuity. The liability cannot be shaken off.

EVIDENCE AND CROSS EXAMINATION OF OPW1

1. It is evident from the statement made by the OPW1 during cross examination that despite being aware of the documents filed by Renuka Sugar which were duly exhibited he had no knowledge whether the terms of settlement under FORM J, marked as Exhibit A and B were fulfilled and the workmen compensated.
2. Although it transpires from the memorandum of settlement under Short Recital of Disputes that some workers of employer have expressed their desire to voluntarily separate themselves from their respective employers yet no representations whatsoever in nature was ever brought on surface to corroborate such statement.
3. It appeared during cross-examination that O.P.W.1 was not aware about several facts regarding the instant dispute raised by the workman before the Ld. Tribunal, and such lack of knowledge and a hyper technique way to shift accountability overall casts a doubt upon the credibility and reliability of his testimony, and the same has been adopted to undermine the rights of the workman and the instant dispute.

In view of the above it is humbly submitted by the Ld. Advocate for the workman that considering the arguments set forth herein and also relying upon the judgments may direct both the employers to compensate the workman with full back wages and other consequential service benefits for the period of termination by way of retrenchment and / or pass necessary orders and / or orders.

As per the written notes of argument on behalf of the Company the order of reference speaks in the terms that an Industrial Disputes exist between M/s. New Friends Enterprise (Tripathi Complex, Debhog, City Center, Haldia) under the Management of M/s. Renuka Sugar Ltd. Vill & PO. Debhog, City Center, District – Purba Medinipur and Sri Nakul Pradhan relating to the issue referred for adjudication.

The copy of the said order of reference has been forwarded to 1. M/s. New Friends Enterprise, 2. Sri Nakul Pradhan, 3. Labour Commissioner, West Bengal, 4. The Additional Labour Commissioner (Statistics) , West Bengal, 5. The Judge In Charge, Industrial Tribunals, West Bengal, 6. Smt. Tania Dutta, Assistnat Labour Commissioner & Conciliation Officer, Haldia.

The order of reference itself shows that M/s. Renuka Sugar Ltd. is not the party to the order of reference and no Industrial Disputes exist with M/s. Renuka Sugar Ltd. The order of reference explicitly indicates that no copy of the order of reference was forwarded to M/s. Renuka Sugar Ltd. Indeed, the purported dispute exists between M/s. New Friends Enterprise and Sri Nakul Pradhan. Obviously, no D2 Form was issued to M/s. Renuka Sugar Ltd. when the case was registered before the Tribunal. M/s. New Friends Enterprise is a separate establishment

having a separate legal entity and said M/s. New Friends Enterprise was one of the contractor of M/s. Renuka Sugar Ltd. On the other hand, M/s. Renuka Sugar Ltd. is a separate company having a separate legal entity. Accordingly there does not arise any question that M/s. New Friends Enterprise is under the management of M/s. Renuka Sugar Ltd. On this score the order of reference clearly suffers from non-application of mind.

M/s. Renuka Sugar Ltd. have been made as a party subsequently in terms of the order of the Ld. Tribunal. Accordingly, M/s. Renuka Sugar Ltd. is neither the 'necessary party' nor a 'proper party'. The dispute relates between M/s. New Friends Enterprise and their workman Sri Nakul Pradhan.

THE CASE OF SRI NAKUL PRADHAN :

Sri Nakul Pradhan had submitted his claim statement alleging therein that he was an employee of M/s. Renuka Sugar Ltd. and he further stated that M/s. Renuka Sugar Ltd. had engaged M/s. Haldia Logistics Pvt. Ltd. as a sub contractor who had agreed to pay the salary to the workmen. He has admitted that M/s. Renuka Sugar Ltd. is the Principal Employer and according to him this would be evident from the service certificate (Ext. I). It is the case of Sri Nakul Pradhan that eventually M/s. Haldia Logistics Pvt. Ltd. was taken over by M/s. New Friends Enterprise and since then he worked for M/s. New Friends Enterprise. According to Sri Nakul Pradhan he was not allowed to enter the premises on 11.12.2011 and his job was terminated with no explanation being given to him. Sri Nakul Pradhan has stated that M/s. New Friends Enterprise failed to give the workman a just and reasonable explanation as to why he was retrenched from his said job and his retrenchment is effected without making any payment to him in terms of Section 25F of the Industrial Disputes Act, 1947. Sri Nakul Pradhan has raised the issue that M/s. New Friends Enterprise have not provided the

workman with any other work after he was retrenched from service. It has been alleged that he has been ousted from his work from both M/s. New Friends Enterprise and M/s. Renuka Sugar Ltd.

CONTENTION OF M/S. NEW FRIENDS ENTERPRISE :

M/s. New Friends Enterprise at the initial stage appeared and took part in the Tribunal proceedings by filing written statement on their behalf. Subsequently they did not appear and the matter is proceeded in their absence. It is clearly stated in the written statement filed by M/s. New Friends Enterprise that the claim of Sri Nakul Pradhan to the effect that he was an employee of M/s. Renuka Sugar Ltd. as a plant helper from 4th June 2008 with monthly wage of Rs. 4,915/- was

denied. M/s. New Friends Enterprise has denied that on or about 11.12.2011 Sri Nakul Pradhan was not allowed to enter into the premises of M/s. Renuka Sugar Ltd. M/s. New Friends Enterprise in strongly denied in their written statement that M/s. Renuka Sugar Ltd. has terminated the service of Sri Nakul Pradhan by not letting him enter the industrial premises. It is their case that there is no termination. All the allegations made by Sri Nakul Pradhan are false and same are not maintainable. According to them any contractual service and / or daily service and / or any claim out of the contract are not maintainable in this case.

THE CASE OF M/S. RENUKA SUGAR LTD. IN SHORT AS FOLLOWS:

That almost similar and identical matter involving common question of law and fact have been referred to this Tribunal in the instance of individual workman and all those references have been registered as separate Reference Case. Since the company was not party to the reference and no copy of order of reference was issued in the name of the company and despite that the Ld. Tribunal was pleased to add M/s. Renuka Sugar Ltd. as party to the proceedings. M/s. Renuka Sugar Ltd. moved before the Hon'ble High Court challenging the said order of being party.

WRIT PETITION MOVED BEFORE HON'BLE HIGH COURT :

In an identical matter writ application has been preferred challenging the order of the Ld. Tribunal touching the rejection of the prayer for exemption of M/s. Renuka Sugar Ltd. from the concerned proceedings being writ application number WP 4723(W) of 2016. Upon hearing the parties his lordship the Hon'ble Justice was pleased to pass an order on 07.06.2016 staying the proceedings pending before the Ld. Tribunal for a limited period and on being prima-facie satisfied with the contention of the company. Thereafter said ad-interim order / injunction / stay was extended till the disposal of the writ application by subsequent order dated 02.08.2016. As the identical facts and circumstances and common question of law and facts are involved in this case stay was prayed for in terms of the Order passed in WP 4723(W) of 2016 arising out of the case VIII-49/2014.

MAINTAINABILITY ISSUES :

M/s. Renuka Sugar Ltd. (hereinafter referred as the company) raises that the reference is not maintainable on the following reasons –

- I. The dispute between the company and the employee of the contractor cannot transform to be an Industrial dispute.

- II. There never subsisted any employer employee relationship between the company and the employee employed by the contractor.
- III. Dispute raised by Sri Nakul Pradhan is not sustainable in law since there never subsisted any employer employee relationship between the company and Sri Nakul Pradhan.
- IV. M/s. New Friends Enterprise was the contractor of M/s. Renuka Sugar Ltd. hence the claim made against the company is not sustainable under the Industrial Disputes Act, 1947.

SUBMISSION ON BEHALF OF M/S. RENUKA SUGAR LTD. :

There never subsisted any employer employee relationship between M/s. Shree Renuka Sugars Ltd. and Sri Nakul Pradhan. M/s. Shree Renuka Sugars Ltd. has been made as unnecessary party in the instant case. Sri Nakul Pradhan was not a 'workman' of M/s. Shree Renuka Sugars Ltd. and in absence of employer-employee relationship between M/s. Shree Renuka Sugars Ltd and Sri Nakul Pradhan, the case is not tenable against M/s. Shree Renuka Sugars Ltd.

Sri Nakul Pradhan was the employee engaged by one of the contractor of the company namely M/s. New Friends Enterprise. Sri Nakul Pradhan was not the employee of M/s. Shree Renuka Sugars Ltd and there does not arise any question of termination of service of Sri Nakul Pradhan by M/s. Shree Renuka Sugars Ltd. There is no scope of termination of service by the Principal Employer.

It is submitted that the company has got the statutory right to engage contract labour through contractor / contractors in terms of the provisions of Contract Labour Regulations & Abolitions Act, 1970. The company engaged number of contractors for providing manpower for various nature of works. The contractors engaged by the company had got the statutory licenses issued by the authority appointed under the Contract Labour (R&A) Act, 1970, Government of West Bengal. For the purpose of engaging contract labour the company has obtained registration from the Govt. of West Bengal and for that the competent authority appointed under the said Act has issued certificate of registration in favour of the company. M/s New Friends Enterprise, the employer of Sri Nakul Pradhan was engaged as the contractor having license under the Contract Labour (Regulation & Abolition) Act, 1970. The said contractor engaged manpower and deployed its manpower in the premises of the company including Sri Nakul Pradhan. The contractor M/s. New Friends Enterprise raised bills periodically to the company for providing services through their own men. The contractor M/s. New Friends Enterprise paid the salaries to his employees including Sri Nakul Pradhan

through their salary register. Sri Nakul Pradhan used to receive salary from his employer M/s. New Friends Enterprise through salary register maintained by the said contractor.

There is no scope for raising any grievances of Sri Nakul Pradhan against the company. The company has no supervision and / or control over the performance and / or activities of the employees of the contractor including Sri Nakul Pradhan . There does not arise any question of doing work by Sri Nakul Pradhan under the control and supervision of the company. There is no question of termination of service or disallowing Sri Nakul Pradhan by the company since he was neither appointed nor engaged by M/s. Shree Renuka Sugars Ltd.

The contract labour was engaged by the Contractor as per requirements of principal employer subject to availability of the jobs. The company has no role with regard to termination of service of Sri Nakul Pradhan by his employer M/s. New Friends Enterprise. It is denied that Sri Nakul Pradhan was retrenched by M/s. Shree Renuka Sugars Ltd. Moreover M/s. Shree Renuka Sugars Ltd is not the party to the reference initially. Even no copy of the reference was sent and / or addressed to M/s. Shree Renuka Sugars Ltd by the Govt. of West Bengal while referring the matter to the Tribunal.

Being the employee of M/s. New Friends Enterprise, Sri Nakul Pradhan was the member of the Provident Fund Organisation and he was an 'insured person' under the ESI Corporation and his PF and ESI contribution was paid by his employer M/s. New Friends Enterprise.

Admittedly Sri Nakul Pradhan was the employee of M/s. New Friends Enterprise and he raised the dispute against them before the Labour Commissioner.

In course of evidence Sri Nakul Pradhan (PW1) has admitted that he was working in M/s. New Friends Enterprise. Silent points of his evidence are quoted below :-

EVIDENCE OF SRI NAKUL PRADHAN (PW1):-

1. M/s. Haldia Logistics was taken by New Friends Enterprise sometime in the year 2010 and since then I was working in the said New Friends Enterprise **(In Chief)**
2. Renuka Sugar Ltd never issued any appointment letter to me **(In Chief)**.
3. I have no document to show that I was terminated by Renuka Sugar Ltd. **(In cross)**.
4. Save and except the instant adjudication we never filed any case before any competent court or Tribunal for declaration that we are employees of Renuka Sugar Ltd. **(In cross)**.

5. I was member of Provident Fund. I cannot say whether New Friends Enterprise deducted my contribution towards Provident Fund or not **(In cross)**.
6. It is true that in this letter Ext. 6 it is written that Renuka Sugar Ltd. Haldia is Principal Employer. **(In cross)**
7. Renuka Sugar never issued any pay slip to me. So that I cannot file the pay slip to Court. I did not file any pay slip in Court. I have no paper to show that who paid my salary. **(In cross)**
8. We filed representation to the Labour Commissioner seeking direct absorption under Renuka Sugar. **(In cross)**
9. The principal employer is Renuka Sugar. Renuka Sugar did not issue any appointment letter to me. **(In cross)**

From the above it is an admitted and undisputed position that M/s. Renuka Sugar Ltd. is the Principal employer. It is the settled position of Law that there does not subsists any employer employee relationship between the principal employer and the person engaged by contractor.

Admittedly Sri Nakul Pradhan was working in M/s. New Friends Enterprise. It is also admitted situation that M/s. Renuka Sugar Ltd. never issued any pay slip to Sri Nakul Pradhan. It is admitted that Sri Nakul Pradhan with others filed the representation before the Labour Commissioner for direct absorption under M/s. Renuka Sugar Ltd. Obviously no Court of law has yet declared that Sri Nakul Pradhan is the employee of M/s. Renuka Sugar Ltd. Dispute relating to absorption itself indicates that the right of employee to be absorbed under the Principal employer has not been declared and / or adjudicated by any Court of Law or Tribunal. The position of law itself indicate that only the employer can exercise its power upon its employee or to terminate him not by others or Principal employer. In absence of employer employee relationship no relief can be sought for from the Principal employer.

During hearing Sri Nakul Pradhan produced certain documents which have been marked as Ext. 1 to Ext. 8. It reflects from those Exhibits that admittedly Sri Nakul Pradhan is the employee of the contractor M/s. New Friends Enterprise. The relevant portion of the said Exhibits are quoted below from where it will establish that Sri Nakul Pradhan along with others are contract workers.

The documents produced by Nakul Pradhan and marked Exhibits reveal that Nakul Pradhan was the employee of the contractor namely M/s. New Friends Enterprise. Each documents are discussed below :-

Ext. 1 :-

This is the service certificate issued by the contractor Haldia Logistics (P) Ltd. issued to Nakul Pradhan where the name of the Principal Employer is Shree Renuka Sugars Ltd. Accordingly it is clear that Nakul Pradhan is the workman of Haldia Logistics (P) Ltd.

Ext. 3 :-

This is the representation addressed to the Labour Commissioner by Nakul Pradhan and others where they are admitted that they are the contract workers and they are employed by contractor M/s. Haldia Logistics (Pvt.) Ltd. and New Friends Enterprise and Five Star Logistics (P) Ltd.

Ext. 4 / 5 :-

Sri Nakul Pradhan and others sent a letter to the company where they are admitted that they were engaged as contract labour in the company. The material portion of the said letter are quoted below :-

“Eventually, we were engaged as contract labour in this company in and around May 08.....”

Ext. 6 :-

Sri Nakul Pradhan has admitted that he is working at Principal employer's factory. Presently New Friend Enterprise is the contractor of this company and he is working it.

Ext. 7 :-

This is the letter dated 21.12.2012 of New Friends Enterprise addressed to the Dy. Labour Commissioner, Haldia. In this letter New Friends Enterprise has stated that they have been engaged as contractors of Shree Renuka Sugars Ltd. in compliance with the provisions of Contract Labour (Regulation & Abolition) Act, 1970 and it is the contractor and Shree Renuka Sugars Ltd.

Ext. 8 :-

This is the letter of Nakul Pradhan and others where Sri Pramanik has admitted that M/s. Renuka Sugars Ltd. is the principal employer where they were working for around four years continuously.

On behalf of the company one witness Sri Sanjib Kumar Das (OPW1) has adduced evidence and produced certain documents. In his evidence he has categorically stated that M/s. New Friend Enterprise was the contractor of Shree Renuka Sugars Ltd. and Nakul Pradhan was the employee of the contractor M/s. New Friends Enterprise.

Moreover there never subsisted any employer employee relationship between Shree Renuka Sugars Ltd. and Sri Nakul Pradhan. The basic fact as come out from the mouth of the OPW 1 remain un-assailed and uncontroverted. Even no suggestion was given to the witness on behalf of Sri Nakul Pradhan.

In view of the above it is apparent **first** admittedly Sri Nakul Pradhan was engaged by M/s. New Friends Enterprise, **secondly** M/s. Shree Renuka Sugars Ltd. is the Principal employer, **thirdly** M/s. Shree Renuka Sugars Ltd. has no supervision or control over the work of Sri Nakul Pradhan, **fourthly** Shree Renuka Sugars Ltd. did not disburse the salary to Sri Nakul Pradhan, **fifthly** there never subsisted any employer employee relationship between M/s. Shree Renuka Sugars Ltd. and Sri Nakul Pradhan, **sixthly** the system of engaging contract labour was made strictly in compliance with the provision of Contract Labour (Regulation & Abolition) Act, 1970, **seventhly** M/s. New Friends Enterprise paid the salaries to its employees including Sri Nakul Pradhan, **eighthly** in absence of employer employee relationship between M/s. Shree Renuka Sugars Ltd. and Sri Nakul Pradhan the question of termination of service of Sri Nakul Pradhan by M/s. Shree Renuka Sugars Ltd. does nor arise.

It is submitted that Sri Nakul Pradhan was never employed by the Principal Employer . The record clearly shows that the employment was made by an independent contractor and not directly with the Principal Employer.

It is settled law that in the absence of a direct employer-employee relationship, the Principal Employer cannot be fastened with any liability for termination or reinstatement. Sri Nakul Pradhan has not produced any document to prove that he was employed by M/s. Shree Renuka Sugars Ltd. and his service was terminated by the company.

Contract Labour (Regulation and Abolition) Act, 1970:

Under the CLRA Act, the contractor is the actual employer of the contract labour. The responsibility of the Principal Employer is limited to ensuring statutory compliance. It is submitted that in this case:

- The contractor was a licensed contractor under the CLRA Act.
- The Principal Employer had valid registration.
- The statutory compliances under the Act were duly observed by the Principal Employer.
- There is no abolition of contract labour in the concerned establishment by notification under Section 10 of the CLRA Act.
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Non-Appearance of Contractor:

The absence of the contractor from proceedings cannot be a ground to shift the burden onto the Principal Employer. The liability, if any, for illegal termination lies solely with the contractor, who engaged the workman.

No Direct Supervision or Control:

There is no evidence to suggest that the Contract Labour was under the direct supervision or control of the Principal Employer in day-to-day activities, payment of wages, or disciplinary actions. The Hon'ble Supreme Court and various High Courts have held that mere working at the premises of the Principal Employer does not establish direct employment.

No Relief Can Be Granted Against the Principal Employer:

The Principal Employer was no way responsible, for alleged termination, if any. The applicant's remedy, if any, lies against the contractor.

Therefore, Ld. Advocate for the Company submitted to Ld. Tribunal to dismiss the claim against the Principal Employer and to hold that there is no existence of employer-employee relationship between the applicant and the Principal Employer. Moreover the applicant Sri Nakul Pradhan is not entitled to any relief against M/s. Shree Renuka Sugars Ltd. as prayed for.

It is the case of Sri Nakul Pradhan that he was an employee of M/s. Renuka Sugar Ltd. and he was working as a Plant Helper (Packing Hall) from 01.12.2008 at a monthly wages of Rs. 4,915/-. According to him M/s. Renuka Sugar Ltd. had engaged M/s. Haldia Logistics Pvt. Ltd. as a sub contractor who had agreed to pay the salary to the workmen for doing the job entrusted to it by M/s. Renuka Sugar Ltd. which included that of the workman Sri Nakul Pradhan and to secure the workman's interest which was done under the instruction and management of M/s. Renuka Sugar Ltd. being the principal employer of the workman. Eventually M/s. Haldia Logistics Pvt. Ltd. was taken over by M/s. New Friends Enterprise in December, 2010 and the workman has since then worked for M/s. New Friends Enterprise but continued to be under the employment of M/s. Renuka Sugar Ltd.

On or about 11.12.2011 the workman was not allowed to enter into the premises of M/s. Renuka Sugar Ltd. and his job was terminated with no explanation being given to him whatsoever. The workman had come to know from Shree Renuka Sugars Contractors Workers Union that M/s. Renuka Sugar Ltd. had

put up a list of 318 workman who would work in their factory and the said list did not include the name of the workman above named.

According to the workman M/s. New Friends Enterprise failed to give the workman a just and reasonable explanation as to why the workman was retrenched from his said job. The workman has stated that M/s. Renuka Sugar Ltd. has terminated the service of the workman by not letting him enter the industrial premises and as such it is a case of retrenchment and such retrenchment was effected without making any payment to him in terms of Section 25F of the said Act and without adhering the mandatory condition precedent u/s 25F of the said Act.

The case of Sri Nakul Pradhan further shows that M/s. New Friends Enterprise have not provided the workman with any other work after he was retrenched.

It has been alleged that the workman had been ousted from his work from both M/s. New Friends Enterprise and M/s. Renuka Sugar Ltd.

Sri Nakul Pradhan claims to have worked continuously as a plant helper from 2008 under various contractors, including Haldia Logistics Pvt. Ltd., later taken over by M/s. New Friends Enterprise. Sri Nakul Pradhan alleges illegal termination on 11.12.2011 without compliance with Section 25F of the Industrial Disputes Act. Sri Nakul Pradhan contends that although the immediate employer was a contractor, the work was under the control and supervision of M/s. Renuka Sugars Ltd., the principal employer. Relief sought includes reinstatement with full back wages from both the contractor and the principal employer.

The record shows the case has been initially contested by M/s. New Friends Enterprise by filing their written statement but failed to participate further. M/s. New Friends Enterprise i.e. Contractor had put appearance in the case few days but ultimately they failed to pursue the dispute and as such the case has been proceeded ex-parte against M/s. New Friends Enterprise. M/s. New Friends Enterprise in their written statement had stated that the claim of Sri Nakul Pradhan to the effect that he was an employee of M/s. Renuka Sugar Ltd. as a plant helper from 4th June 2008 with monthly wage of Rs. 4,915/- was denied. It is denied by them that on or about 11.12.2011 Sri Nakul Pradhan was not allowed to enter into the premises of M/s. Renuka Sugar Ltd. It is denied by M/s. New Friends Enterprise that M/s. Renuka Sugar Ltd. terminated the service of Sri Nakul Pradhan by not letting him enter the industrial premises. M/s. New Friends Enterprise denied the termination and the allegation raised by the

workman. They have asserted that Sri Nakul Pradhan was a contract labour and was not terminated by them.

M/s. New Friends Enterprise categorically stated that there is no termination of service of Sri Nakul Pradhan. According to them all the allegations made by Sri Nakul Pradhan are false.

3. It is seen that the reference was made against M/s. New Friends Enterprise. M/s. Shree Renuka Sugars Ltd., although not originally a party to the reference, was later impleaded by the Tribunal as an added party. M/s. Renuka Sugars Ltd. contested its inclusion, raising maintainability issues and denying any employer-employee relationship with Sri Nakul Pradhan.

M/s. Renuka Sugar Ltd. the contesting principal employer in its written statement has alleged that the dispute between M/s. Renuka Sugar Ltd. and the employee of the contractor M/s. New Friends Enterprise cannot transform to be an Industrial dispute and there never subsisted any employer employee relationship between the company and the employee employed by the contractor. Dispute raised by Sri Nakul Pradhan is not sustainable in law since there never subsisted any employer employee relationship between M/s. Renuka Sugar Ltd. and Sri Nakul Pradhan . It is further stated that M/s. New Friends Enterprise was the contractor of M/s. Renuka Sugar Ltd. hence the claim made against them is not sustainable under the Industrial Disputes Act, 1947.

Sri Nakul Pradhan to prove his claim and case has examined himself and he has proved and exhibited following documents :-

1. Service certificate in Form XV issued by Haldia Logistics Ltd. to Sri Nakul Pradhan (Ext.1)
2. Union's letter dated 20.05.2012 (Ext.2)
3. Letter of Nakul Pradhan and Others dated 27.08.2012 to the Labour Commissioner (Ext. 3)
4. Letter of Nakul Pradhan and Others dated 19.01.2023 to the Chairman Sree Renuka Sugars Ltd. (Ext. 4)
5. Letter of Nakul Pradhan and Others dated 06.05.2023 to the Chairman Sree Renuka Sugars Ltd. (Ext. 5)
6. Letter of Nakul Pradhan dated 14.09.2012 addressed to the Dy. Labour Commissioner Haldia (Ext. 6)
7. Letter of New Friends Enterprise dated 21.12.2012 addressed to the Dy. Labour Commissioner Haldia (Ext. 7)

On the other hand New Friends Enterprise has failed to adduce any evidence either oral or documentary. The case is proceeded against them ex-parte.

The only contesting principal employer Sree Renuka Sugars Ltd. has examined Sri Sanjib Kumar Das, Sr. Manager, Commercial and through him it has proved and exhibited the following documents :-

1. Copy of the Memorandum of settlement made between Haldia Construction and Ors. and the workmen represented by Shree Renuka Sugars Contractors Nationalised Thika Shramik Union and Ors. dated 27.04.2012 together with the letter addressed to the Asst. Labour Commissioner, Govt. of West Bengal Haldia with the subject submission of Memorandum of Settlement dated 28.04.2012 **(Ext. A)**
2. Copy of the Memorandum of settlement made between New Friends Enterprises and Ors. and the workmen represented by General Secretary, Shree Renuka Sugars Contractors Workers Union dated 27.04.2012 together with the letter addressed to the Asst. Labour Commissioner, Govt. of West Bengal, Haldia with the subject submission of Memorandum of Settlement dated 28.04.2012. **(Ext. B)**
3. Copy of the License granted in Form - VI by the registering licensing officer and ALC, Haldia, Govt. of West Bengal dated 7.1.2013 to M/s. New Friends Enterprise. **(Ext. C)**
4. Copy of the License granted in Form - VI by the registering licensing officer and ALC, Haldia, Govt. of West Bengal dated 4.11.2011 to Five Star Logistics Pvt. Ltd. valid till 31.12.2011. **(Ext. D)**
5. Copy of the License granted in Form - VI by the registering licensing officer and ALC, Haldia, Govt. of West Bengal dated 4.11.2011 to Five Star Logistics Pvt. Ltd. with the date of expiry 31.12.2013. **(Ext. E)**
6. Copy of the License granted in Form - VI by the registering licensing officer and ALC, Haldia, Govt. of West Bengal dated 3.6.2009 to Enterprising Engineers with the date of expiry 31.12.2011. **(Ext. F)**
7. Copy of the License granted in Form - VI by the registering licensing officer and ALC, Haldia, Govt. of West Bengal dated 30.11.2012 to M/s. Enterprising Engineers with the date of expiry till 31.12.2013. **(Ext. G)**

In view of the Order of reference the issues that are required to be decided by the Tribunal are whether the refusal of employment of Sri Nakul Pradhan by M/s. New Friends Enterprise with effect from 11.12.2011 was justified. The inbuilt issue is to be looked into whether M/s. New Friends Enterprise is under the management of M/s. Renuka Sugars Ltd. The issues related to relief and its

entitlement is to be decided by the Tribunal. However the contesting principal employer have raised maintainability issues and alleged that the dispute is between the contractor employer and its employees and there was no subsistence of employer employee relationship between the principal employer and Sri Nakul Pradhan.

So before considering the main issue under reference let me find out whether New Friends Enterprise is under the management of M/s. Renuka Sugars Ltd. Further the dispute revolves around refusal of employment of Sri Nakul Pradhan by the contractor employer.

M/s. New Friends Enterprise has described itself as contractor and it has denied that Sri Nakul Pradhan is an employee of M/s. Renuka Sugars Ltd. From the written statement of the contractor it reveals that it was a partnership firm and the written statement has been verified by one of the partner of M/s. New Friends Enterprise. From Exhibit – 7 it is revealed that the contractor is engaged in Civil, Mechanical, Transporter, Labour and General order supplier. It has its own head office at a particular place. On the other hand M/s. Renuka Sugars Ltd. is a company incorporated under the Companies Act, 1956. No documentary evidence or oral evidence has been produced by the workman that M/s. New Friends Enterprise is under the M/s. Renuka Sugars Ltd. It is apparent that the establishments of the contractor and the principal employer company are separate having separate legal entity and both the company has separate management. M/s. New Friends Enterprise was engaged as a contractor in terms of the provisions of the Contract Labour (R&A) Act, 1970. So it is not convincing that M/s. New Friends Enterprise is under the management of M/s. Renuka Sugars Ltd.

The workman concerned in his evidence has stated that he joined in the OP Company on 01.12.2008 and M/s. Haldia Logistics Pvt. Ltd. was appointed by M/s. Renuka Sugars Ltd. for supervision of work. According to him M/s. New Friends Enterprise came into the picture two years thereafter. He has stated that on and from 11.12.2011 he was terminated from his employment and no justified reason was shown for his termination. In cross examination the workman has replied that M/s. New Friends Enterprise used to pay his salary to bank. M/s. New Friends Enterprise is a contractor. He has admitted that he filed the complaint against M/s. New Friends Enterprise before the Labour Commissioner. The cross examination reveals that as the dispute between the workman and the M/s. New Friends Enterprise was not solved before the Labour Commissioner he along with others filed this case before the Tribunal. The concerned workman did not file any paper in Tribunal to prove that either Sri Nakul Pradhan or his union wrote any

letter to the labour commissioner about to direct absorption to M/s. Renuka Sugars Ltd. In cross examination the concerned workman has answered that he has no documents to show that M/s. Renuka Sugars Ltd. terminated his service or he has been appointed as an employee of M/s. Renuka Sugars Ltd.

Exhibit – 1 is the service certificate and that has been issued in a prescribed statutory form where from it reveals that M/s. Renuka Sugars Ltd. is the principal employer and Haldia Logistics (P) Ltd. is the contractor. That certificate was issued by the contractor where the rate of wages of the employee has been certified by the contractor.

On behalf of Renuka Sugars Ltd. one witness Sri Sanjib Kumar Das was examined and he was cross examined on behalf of the concerned workman. Sri Sanjib Kumar Das in his evidence has stated that the contractors engaged by Renuka Sugars Ltd. has got the statutory licenses issued by the authority appointed under the Contract labour (R&A) Act, 1970, Govt. of West Bengal. Sri Das further stated that New Friends Enterprise paid the salary to his employees including concerned workman Sri Nakul Pradhan. He has further stated that there never subsisted any employer employee relationship between M/s. Renuka Sugars Ltd. and Sri Nakul Pradhan. M/s. New Friends Enterprise was the employer of the concerned workman. Renuka Sugars Ltd. has no supervision and or control over the performance and / or activities of the employees including Sri Nakul Pradhan.

OP-1 has also stated that being the employee of M/s. New Friends Enterprise, Sri Nakul Pradhan was the member of Provident Fund organisation and he was an insured person under the ESI Corporation. PF and ESI contribution was paid by M/s. New Friends Enterprise.

It is well settled law to establish employer employee relationship the direct engagement by the employer, direct payment of salary by the employer and supervision and control of work by the employer are to be proved. It is apparent that no appointment letter was issued to Sri Nakul Pradhan by Renuka Sugars Ltd. The material ingredients as come out in the evidence of OPW-1 remain unassailed and uncontroverted. It is uncontroverted that no salary was paid by M/s. Renuka Sugars Ltd. The workman himself admitted that he was engaged by M/s. Haldia Logistics Pvt. Ltd. and later by M/s. New Friends Enterprise and he received wages from the contractor M/s. New Friends Enterprise. No evidence was adduced by the workman that he was under the direct supervision or control of M/s. Renuka Sugars Ltd.

On analyzing the evidence it is seen that no employer employee relationship is established between M/s. Renuka Sugars Ltd. and Sri Nakul Pradhan. The status of M/s. Renuka Sugars Ltd. is the principal employer. The Exhibits C, D, E, F and G reveals that M/s. Renuka Sugars Ltd. has been registered under the Contract Labour (R&A) Act and has engaged contractors with valid licenses. The responsibility of the principal employer under the said Act is to ensure that the statutory provisions are complied with by the contractor which is not in question here. No evidence was adduced to suggest the abolition of contract labour at the relevant time. Thus the employment of contract labour is lawful and no liability can be fastened on the principal employer for termination of service of Sri Nakul Pradhan.

The principal employer, M/s. Shree Renuka Sugars Ltd., was not initially a party to the reference. The Government of West Bengal, in its reference order dated 21.05.2014, did not make the principal employer a party to the industrial dispute, nor was any D2 form or copy of reference forwarded to it. It was subsequently impleaded by the Tribunal, which does not confer substantive liability on M/s. Shree Renuka Sugars Ltd., in absence of employer-employee relationship.

Therefore it establishes that there is no employer employee relationship between M/s. Shree Renuka Sugars Ltd. and Sri Nakul Pradhan. In absence of such relationship the question of termination of service or refusal of employment of Sri Nakul Pradhan by M/s. Shree Renuka Sugars Ltd. does not arise. Accordingly M/s. Shree Renuka Sugars Ltd. has no liability to reinstate Sri Nakul Pradhan and no relief can be asked from them by Sri Nakul Pradhan.

It is clearly established that the contractor M/s. New Friends Enterprise was the actual employer of Sri Nakul Pradhan. He was employed under their roll, and the contractor has neither rebutted the core allegations effectively nor contested the proceedings post-filing their written statement. Their absence from the proceedings has led to an un-rebutted presumption that the termination was effected in violation of Section 25F of the Industrial Disputes Act, 1947.

Therefore, It is held that the refusal of employment to Sri Nakul Pradhan by M/s. New Friends Enterprise w.e.f. 11.12.2011 is unjustified and illegal.

M/s. Shree Renuka Sugars Ltd. is not liable for the reinstatement and back wages of Sri Nakul Pradhan. No relief can be granted against the principal employer. The claim against M/s. Shree Renuka Sugars Ltd. stands Dismissed.

Hence, it is,

ORDERED

that Sri Nakul Pradhan is entitled to reinstate in service by M/s. New Friends Enterprise with full back wages.

Accordingly, this case is disposed off on contest and this order is to be treated as an Award of this Tribunal.

Let the copy of this judgment and award be sent to the Secretary, to the Government of West Bengal, Labour Department, New Secretariat Buildings, 12th Floor, 1 No. Kiran Shankar Roy Road, Kolkata – 700 001.

Dictated & Corrected by me

Judge

-Sd-
(Amit Chattopadhyay)
Judge
Eighth Industrial Tribunal,
Kolkata
25.07.2025

GOVERNMENT OF WEST BENGAL
DIRECTORATE OF INDUSTRIAL TRIBUNALS
NEW SECRETARIAT BUILDINGS
BLOCK – 'A', 2ND FLOOR
1, KIRAN SANKAR ROY ROAD
KOLKATA – 700001

Dte. /8th I.T./22/2025

Dated Kolkata, the 25.07.2025

-

From: Shri Amit Chattopadhyay,
Judge,
8th Industrial Tribunal,
Kolkata – 1.

To : The Secretary to the
Govt. of West Bengal,
Labour Department,
New Secretariat Buildings, 12th Floor,
1, Kiran Sankar Roy Road,
Kolkata – 700 001.

Sub: An industrial dispute between M/s. New Friends Enterprise
under the Management of M/s. Renuka Sugar Ltd. and Sri Nakul
Pradhan under Section 10 of the Industrial Disputes Act, 1947.

(Case No. VIII-46/2014)

Sir,

I am sending herewith the Award passed in the matter of an industrial dispute between M/s. New Friends Enterprise (Tripathy Complex, Debhog, City Center, Haldia) under the Management of M/s. Renuka Sugar Ltd. Vill. & P.O. Debhog, City Center, Dist. Purba Medinipur and Sri Nakul Pradhan, VIII-Gaondab (Salat), P.S. – Bhabanipur, Purba Medinipur, Pin – 721657 being case No. VIII-46/2014 U/s. 10 of the Industrial Disputes Act, 1947 vide G. O. No 650-IR/IR/11L-64/13 dated 21.05.2014 for adjudication.

Encl: As stated above.

Yours faithfully,

-Sd-
(Amit Chattopadyay)
Judge,
Eighth Industrial Tribunal,
Kolkata
25.07.2025

