



2025:DHC:6533



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

% ***Date of Decision: 09.07.2025***

+ **W.P.(C) 2414/2021**

HEMANT KUMAR

.....Petitioner

Through: Mr. Sidharth Joshi, Ms. Ambareen,
Mr. Dash, Mr. Mohsin, Mr. Zaki, Mr.
Shubham Tyagi & S.P. Das,
Advocates.

versus

THE PROJECT DIRECTOR AND ORS

.....Respondents

Through: Mr. Rajesh Kumar Gautam, Mr Anant
Gautam, Mr. Deepanjal Choudhary,
Ms. Likivi K. Jakhalu & Mr. Dinesh
Sharma, Advocates for R-1.
Mr. Rajat Arora, Mr. Niraj Kumar &
Mr. Sourabh Mahla, Advocates for R-
2 & 3.

+ **W.P.(C) 2418/2021**

ISHAM SINGH

.....Petitioner

Through: Mr. Sidharth Joshi, Ms. Ambareen,
Mr. Dash, Mr. Mohsin, Mr. Zaki, Mr.
Shubham Tyagi & S.P. Das,
Advocates.

versus

THE PROJECT DIRECTOR AND ORS

.....Respondents

Through: Mr. Rajesh Kumar Gautam, Mr Anant
Gautam, Mr. Deepanjal Choudhary,
Ms. Likivi K. Jakhalu & Mr. Dinesh
Sharma, Advocates for R-1.
Mr. Rajat Arora, Mr. Niraj Kumar &
Mr. Sourabh Mahla, Advocates for R-
2 & 3



2025:DHC:6533



+ **W.P.(C) 4260/2021**

RAJNEESH KUMAR

.....Petitioner

Through: Mr. Sidharth Joshi, Ms. Ambareen,
Mr. Dash, Mr. Mohsin, Mr. Zaki, Mr.
Shubham Tyagi & S.P. Das,
Advocates.

versus

THE PROJECT DIRECTOR AND ORS

.....Respondents

Through: Mr. Rajesh Kumar Gautam, Mr Anant
Gautam, Mr. Deepanjali Choudhary,
Ms. Likivi K. Jakhalu & Mr. Dinesh
Sharma, Advocates for R-1.
Mr. Rajat Arora, Mr. Niraj Kumar &
Mr. Sourabh Mahla, Advocates for R-
2 & 3.

CORAM:

HON'BLE MS. JUSTICE TARA VITASTA GANJU

TARA VITASTA GANJU, J.: (Oral)

1. The present Petitions have been filed on behalf of the Petitioners/Workmen seeking to challenge 3 Awards, all dated 15.11.2019 passed by the learned Presiding Officer, CGIT-cum-Labour Court, Rouse Avenue Courts, New Delhi [hereinafter collectively referred to as the "Impugned Awards"].

2. By the Impugned Awards, the Claim Petitions filed by the Petitioners/Claimants have been dismissed by the learned Labour Court with a finding that the Petitioners/Claimants are not entitled to any relief as claimed by them.

3. Learned Counsel for the Petitioners has made three submissions. In the first instance, it is submitted that the Petitioners are contract labour and they were performing continuous work for the Respondents. Secondly, it is



submitted that the Petitioners/Workmen were employed for 10 to 12 years and thus should be granted rights.

3.1 Lastly, it is contended, relying on paragraph 24 of the Written Statement filed by the Respondent No.1, that it is borne from the record that the reason that the Petitioners could not apply for the advertised posts was because the time period given for this purpose was very short. It is submitted that the advertisement came out on 14.02.2013 but since the reply of Petitioners/Claimants' Application for renewal was received only on 25.02.2013, thus, the time was not sufficient.

4. Learned Counsel for Respondent Nos.2 and 3/Bank, at the outset, submits that it is an admitted case of the parties that the contract was between the Petitioners and the Respondent No.1, and that the Respondent Nos.2 and 3 had no relationship with the Petitioners in issue.

4.1 Learned Counsel further submits that the Respondent No.1/Trust had been created for helping village folk particularly for soil testing and Artificial Insemination Centre (Veterinary Hospital) at District Saharanpur and affirms that the Petitioners/Claimants were not employees of the Respondent Nos.2 and 3/Bank.

4.2 Learned Counsel contends that the Impugned Awards have correctly examined the contentions of the parties and reached the conclusion that the Petitioners are not entitled to any relief. In addition, it is averred by the learned Counsel that the Petitioners had earlier approached the Allahabad High Court by way of a writ petition being Civil Misc. Writ Petition No.75503 of 2011 captioned ***Isam Singh & Ors. v. Union of India & Ors.*** This Writ Petition was disposed of by the Allahabad High Court by an order dated 20.11.2012, wherein a direction was passed that given the pure



contractual nature of the appointment, the Petitioners/Claimants are not entitled to challenge the termination.

4.3 Learned Counsel for Respondent Nos.2 and 3 places reliance on the judgment of the Supreme Court in ***Ganesh Digamber Jambhrunkar and Ors. v. State of Maharashtra & Ors.***¹ to submit that the contention of the Petitioners that they have a vested right to be appointed in regular posts because they have worked continuously, was repelled by the Supreme Court in the aforesaid judgment.

5. Learned Counsel for the Respondent No.1, on the other hand, makes the following submissions. At the outset, learned Counsel affirms the submissions of the learned Counsel for Respondent Nos.2 and 3 that there is no contractual relationship between the Petitioners and the Respondent Nos.2 and 3. Learned Counsel affirms that the Respondent No.1/Trust is set up by Respondent No.2/Bank and was established for various projects at District Saharanpur.

5.1. Learned Counsel for Respondent No.1 further avers that it is not disputed that the contract of employment was entered into between the Petitioners and the Respondent No.1. Reliance is placed on the three contracts of employment dated 08.12.2009 in W.P. (C) 2414/2021, dated 07.12.2009 in W.P. (C) 2418/2021 and dated 08.12.2009 in W.P. (C) 4260/2021 [hereinafter referred to as the “Contract or Contracts (as the case may be)”]. Learned Counsel for the Respondent No.1 submits that clearly from the record, it is borne out that the Petitioners were not working continuously from the year 2000 or for several years but for a short period of time, even as per the documents which have been placed on record by the

¹ 2023 SCC OnLine SC 1417



Petitioners.

5.2 Learned Counsel thus contends that these Contracts were initially renewed on an annual basis but were terminated by Respondent No.1 in W.P.(C) 2414/2021 through a termination letter issued on 10.09.2012 [hereinafter referred to as the “Termination Letter”].

5.3 Similarly, the other two Contracts in W.P.(C) 2418/2021 and W.P.(C) 4260/2021 were also terminated by communications issued by the Respondent No. 1 on 10.09.2012.

6. Learned Counsel for the Respondent No.1 further submits that the Impugned Awards have dealt with all challenges raised in detail and given a finding that, based on the documents filed by the parties, there is no relationship of employer and employee as is envisaged under the Industrial Disputes Act, 1947 [hereinafter referred to as the “ID Act”] to entitle the Petitioners to the claim sought for.

6.1. Learned Counsel for the Respondent No.1 further points out that the contentions of the Petitioners are not borne from the record.

7. Learned Counsel for Respondent No.1 lastly contends that it is undisputed that the employment of the Petitioners was on the basis of a contract and this contract was terminated by the Respondent No.1. Relying on Section 2(oo), which is the definition of retrenchment, under the ID Act, learned Counsel contends that so far as concerns the sub-Section (bb) of Section 2(oo) of the ID Act, there is exception to the definition of retrenchment which is a termination of a contract on account of a non-renewal of such contract. It is contended that this termination falls in such exception.

8. Learned Counsel for Respondent No.1 also places reliance on the



judgment of a Coordinate Bench of this Court in *National Council of Educational Research and Training v. Kundan*² to submit that the present case cannot come under the purview of retrenchment so as to entitle the Petitioners to any relief.

9. A review of the Impugned Awards shows that the learned Labour Court has examined all the aspects in detail and has come to the conclusion that the nature of the work was temporary, initially for a period of one year, and renewal was subject to fulfilment of terms and conditions as set out in the Contract(s). These Contracts have been signed by both parties. It is apposite to extract one of the Contract(s) in W.P.(C) 2414/2021 in this behalf:

“1. COMMENCEMENT

This agreement shall commence from the date here of or the date on which the second party assumes charge of his/her duties whichever is earlier, and shall remain in force for a period of one year only until it is duly renewed. However, it can be terminated at any time by giving one month's notice from either side as per clause 4.

xxx

xxx

xxx

4. TERMINATION:

(a) The second party will not be permitted to leave the service within the contractual period at his/her own except by giving one month's notice.

(b) The first party will be entitled to dispense with the second party's service at any time during the contractual period by giving one month's notice.

xxx

xxx

xxx

xxx

In witness whereof the parties hereto have set their hands in the presence of witness.

Witnesses:

SIGNATURE OF FIRST PARTY

SIGNATURE OF SECOND PARTY”

[Emphasis Supplied]

² 2025 SCC OnLine Del 3234



9.1 As can be seen from the above, the contract of employment was dated 08.12.2009 and was to be terminated unless renewed after one year on 07.12.2010. The Petitioners were advised to renew the same by letter dated 01.08.2012 [hereinafter referred to as the “Final Notice”]. The relevant extract is set out below:

“REG; CONTRACT OF EMPLOYMENT DATED 08.12.2009

xxx

xxx

xxx

2. That as per clause 1 of the above said contract the agreement commenced w.e.f. 08.12.2009 and was to be terminated after one year i.e. 07.12.2010 unless it was duly renewed. So, presently your contract of employment stands terminated.

xxx

xxx

xxx

4. That as per clause 1 of the contract presumption may be drawn that you ceased to be in employment of PNB Centenary Rural Development Trust presently as the contractual contract of employment was extended for one year w.e.f. 08.12.2009 unless renewed.

xxx

xxx

xxx

6. That by this notice you are finally advised to renew your contract of employment within 30 days of the receipt of this notice, failing which, it will be presumed that you are no more interested in the contractual service with PNB Centenary Rural Development Trust and necessary steps shall be taken to terminate the services as per clause 1 & 4 of the contract of employment dated 08.12.2009.”

[Emphasis Supplied]

9.2 Since no renewal was undertaken, the contract was terminated on 10.09.2012 and by the Termination Letter which sets out that in response to the letter issued by the Respondent No.1 for renewal, since the Petitioners have not shown any interest in renewal, the contract stands terminated. The relevant extract of this Termination Letter, which is *para materia* for three petitions, is set out below:

“REG: TERMINATION OF YOUR CONTRACT OF EMPLOYMENT WITH THE TRUST DATED 08.12.2009

1. That as per your contract of employment dated 08.12.2009 (herein after referred to as Agreement), you were under a legal obligation to get your contract renewed.



2. That inspite of several reminders you failed in getting your contract renewed, although PNB Centenary Rural Development Trust was of intention to retain your contractual services with revised contractual emoluments, which was also communicated to you.

3. **That a final notice dated 01.08.12 (hereinafter referred to as Final Notice) was served upon you giving 30 days' notice from the date of receipt of the same as per clause 1 & 4 of said agreement for execution of agreement for temporary employment.**

4. **That vide your letter dated 23.08.12, in response to our said final notice, you have not shown any intention/interest in renewal of contract agreement. In regard to your mentioning of matter pending at Hon'ble High Court Allahabad, no interim or final order has yet been granted by the Hon'ble High Court at Allahabad.**

5. That as per clause 1 & 4 of the said agreement and **after giving due cognise of your letter dated 23.10.2012, the management has decided to terminate your temporary employment with effect from the evening of 10.09.2012 (after the last working hours). Any dues payable by the trust will be settled shortly.**

[Emphasis Supplied]

10. The primary contention as raised by the Petitioner is that of continuous employment which would entitle them to benefits of a workman as under the provisions of the ID Act. However, from the record, it can clearly be seen that the nature of work was on a temporary basis and was for a particular project, which was created for helping persons of the village specifically for soil testing and Artificial Insemination Centre of the Veterinary Hospital. The project which was essentially for the benefit of the community was set up and operated for a few years.

10.1 The Impugned Awards sets out that the Petitioners/workmen were engaged for a work that was temporary in nature and that their contract was renewable from time to time. It was held that the Petitioners/workmen did not opt for the renewal of the contract despite notice, and thus, the Petitioners/workmen were disengaged from the service. The relevant extract of the Impugned Award is set out below:

"But the documents like the appointment letter placed on record by



both the parties clearly shows that the appointment was against the post created under the trust which was purely temporary and initially for a period of one year renewable thereafter. Why the contract was not renewed every year is not the subject matter of adjudication in this dispute. The dispute relates to the decisions of the management in not renewing the service of the workman after 10.09.2012. The management has explained that the Hon'ble High Court in its order dated 20.11.2012 passed in WPC No. 75503/2011 have clearly held that once the appointment is purely contractual and the contract has fixed the life span of the employment the same is required to be renewed time to time. The Hon'ble High Court have also held that even if the petitioners have over stayed for some time without renewal of the contract the same would not confer an indefeasible right on the petitioner to claim continuance with the trust in question. Not only that the Hon'ble Court have also held in the same order that when the petitioner was asked to take steps for renewal and he failed to do so, it cannot be held that the management trust had not acted fairly by terminating the service of the claimant workman.

In the oral evidence the workman during cross examination has admitted that he was served with a notice by the management for renewal of the contract of his employment vide letter dated 15.12.2011 and 01.08.2012. A last and final notice was served on him for renewal of his contract. It has also been admitted that instead of doing so the workman made correspondence with the management requesting to wait for the final verdict of the Hon'ble High Court. Thus, from the circumstances it clearly appears that the appointment of the workman as per his contract of appointment was purely temporary in nature and the same was required to be renewed on periodical intervals. When the management wanted the workman to take steps for renewal and he did not comply with the direction, a final notice was served on him giving 30 days time to perform his part for renewal of the contract. On that occasion also the workman failed to comply and as a consequence thereof his service was terminated vide letter dated 10.09.2012 marked as WW1/14. These facts based on record have been confirmed by the management witness in his oral testimony. At this juncture it is pertinent to refer to the judgment of the Hon'ble High Court of Allahabad vide order dated 20.11.2012 passed in WPC No. 75503/2011. In the said order the Hon'ble High Court have held in clear term that the appointment of the claimant, was temporary in nature and purely contractual prescribing a particular life span. That contract was not renewed regularly having the effect of over staying of the claimant for some time. But that would not confer a right automatically on the claimant for further continuance in the job.”

[Emphasis Supplied]

10.2 The learned Labour Court has also given a finding that the fact that



the Petitioners/workmen also filed an appropriate Petition before the Allahabad High Court, which was disposed of directing that despite repeated opportunities, the Petitioners did not opt for renewal of their contracts, and thus, the Management could not be faulted with.

11. The Supreme Court in the **Ganesh** case has held that merely working continuously for long period of time on contractual basis does not create a legal right in favour of a workman to be appointed or absorbed for regular posts. The relevant extract of **Ganesh** case is set out below:

“3. The issue with which we are concerned in this petition is as to whether by working for a long period of time on contractual basis, the petitioners have acquired any vested legal right to be appointed in the respective posts on regular basis.

*4. We appreciate the argument of the petitioners that they have given best part of their life for the said college but so far as law is concerned, **we do not find their continuous working has created any legal right in their favour to be absorbed.** In the event there was any scheme for such regularization, they could have availed of such scheme but in this case, there seems to be none. We are also apprised that some of the petitioners have applied for appointment through the current recruitment process. The High Court has rejected their claim mainly on the ground that they have no right to seek regularization of their service. We do not think any different view can be taken.”*

[Emphasis Supplied]

12. The plea of retrenchment that has been taken by the Petitioners also does not come to the aid of the Petitioners either. Sub-Section (bb) of Section 2(oo) of the ID Act, sets out a proviso to the provision of retrenchment, which is upon termination of service of a workman, as a result of a contract of employment not being renewed. Sub-Section (bb) of Section 2(oo) of the ID Act is extracted below:

*“(oo) **“retrenchment” means** the termination by the employer of the service of a workman for any reason whatsoever, otherwise than as a punishment inflicted by way of disciplinary action, **but does not include** —*

(a) voluntary retirement of the workman; or

(b) retirement of the workman on reaching the age of superannuation if



the contract of employment between the employer and the workman concerned contains a stipulation in that behalf; or

[(bb) termination of the service of the workman as a result of the non-renewal of the contract of employment between the employer and the workman concerned on its expiry or of such contract being terminated under a stipulation in that behalf contained therein; or]

(c) termination of the service of a workman on the ground of continued ill-health;”

[Emphasis supplied]

12.1 Undisputably, the contract of employment was terminated on 10.09.2012 and not renewed thereafter.

13. The contention of the Petitioners that there was insufficient time for the Petitioners to apply afresh is also not borne from the record. In fact, paragraph 24 of the Written Statement of Respondent No.1 states that the vacant posts were re-advertised by the Respondents on 16.07.2014 and all claimants were informed of the same by registered letters. It is apposite to extract paragraph 24 of the Written Statement, in this behalf:

*“24. That the contents of the para no.24 of the statement of claim are wrong, incorrect and denied except those are matter of record. Claimant's application dated 11.2.2013 for renewal of contract was received on 15.02.2013. In reply to same, **the claimant was advised vide letter dated 25.02.2013 to apply in response to advertisement dated 14.02.2013 published in Dainik Jagran. But no application was received. Further in order to accord social justice, the vacant posts were re-advertised on 16.07.2014 and all claimants were informed by registered post vide our letter dated 21.07.2014 to apply in response to the advertisement**, but all the envelopes were received back undelivered and no application has been received from claimant. The contents of the preliminary submissions and objections and those of para no.6 of parawise reply may kindly be treated as part and parcel of the present para as those are not being repeated herein for the sake of brevity.”*

[Emphasis Supplied]

14. It is also apposite to refer the findings in the petition filed by the Petitioners/Workmen before the Allahabad High Court wherein, the Court held that the Respondents have acted fairly on their part and it was the



Petitioners/Workmen who failed to take appropriate steps to renew their Contract(s). Thus, in view of the non-action on their part, the Petitioners/Workmen legitimately can have no grievance whatsoever qua disengagement of contractual service. In this regard it is apposite to set out the relevant extracts of the Allahabad High Court's order in WP(C) 75503/2011 below:

“Once nature of appointment of the petitioners was purely contractual and life span has also been fixed then and even if petitioners have over stayed for some time, same does not confer indefeasible right on the petitioners to claim continuance with the Trust in question and Trust in the facts of the case has acted fairly they have asked the petitioners to take steps for renewal of his agreement. Once no renewal proceeding has been undertaken, then action so taken cannot be faulted in the facts of the case and petitioners, legitimately can have no grievance whatsoever qua disengagement of contractual service. In view of this qua the order impugned challenge made through amendment applications no interference is being made. However in the facts of the case as repeatedly opportunity was given to the petitioners for applying of renewal of contract period it is always open to the petitioners to approach the authority concerned i.e. respondent no. 6 for consideration of their request. In case any such request is made same be dealt with and decided in accordance with law preferably within next two months and to accept or not to accept the said request would be sole prerogative of respondent no. 6.”

[Emphasis Supplied]

15. It cannot be said that the Petitioners are persons who are not aware of their legal rights. They have filed claims at various places including at Allahabad High Court. However, so far as concern their Contracts, they did not exercise their rights in time and have thereafter approached the learned Labour Court for directions by filing of the Claim Petition. The learned Labour Court found that the Respondent No.1 was not an industry and the Petitioners/Claimants not a workman defined under Section 2(s) of the ID Act. The learned Labour Court further found that the Petitioners are not entitled to any relief as was directed. Nothing to the contrary has been



2025:DHC:6533



shown by the Petitioners to this Court.

16. In view of the foregoing discussion, this Court finds no ground to interfere with the findings in the Impugned Awards.

17. The Petitions are accordingly dismissed.

18. The parties shall act based on the digitally signed copy of the order.

TARA VITASTA GANJU, J

JULY 9, 2025/ ha/r