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2026:GAU-AS:14874

# THE GAUHATI HIGH COURT
## (HIGH COURT OF ASSAM, NAGALAND, MIZORAM AND ARUNACHAL PRADESH)

**Case No. : WP(C)/3422/2021**

MOTOR WORKERS UNION
A REGISTERED TRADE UNION REGISTERED UNDER TRADE UNION ACT, 1926, HAVING ITS REGISTERED OFFICE AT NEW SETTLEMENT AREA, DULIAJAN 786602, DIST DIBRUGARH, ASSAM, REPRESENTED BY ITS GENERAL SECRETARY

VERSUS

OIL INDIA LIMITED AND 2 ORS
A GOVT. OF INDIA UNDERTAKING AND A LIMITED LIABILITY COMPANY REGISTERED UNDER THE INDIAN COMPANIES ACT, 1956 AND HAVING ITS REGISTERED OFFICE AT DULIAJAN ,PO ANDPS DULIAJAN, DIST DIBRUGARH, ASSAM

2:GENERAL MANAGER (LOGISTICS) I/C
OIL INDIA LIMITED
LOGISTICS DEPARTMENT
DULIAJAN DIBRUGARH
ASSAM

3:REGIONAL LABOUR COMMISSIONER (CENTRAL)
GOVT. OF INDIA
DIBRUGARH
ASSA

**B E F O R E**

**HON'BLE MR. JUSTICE DEVASHIS BARUAH**

Advocates for the petitioner(s) : Mr. A Dasgupta,
Senior Advocate
Ms. B Das

Advocates for the Respondent(s) : Mr. K Kalita
Standing Counsel OIL

Date on which Judgment is reserved: NA

Date of Pronouncement of Judgment : **05.10.2026**

Whether the Pronouncement is of the Operative Part of the Judgment : Yes

Whether the Full Judgment has been Pronounced : No

**JUDGMENT & ORDER(ORAL)**

Heard Mr. A Dasgupta, the learned Senior Counsel, assisted by Ms. B Das, the learned counsel appearing on behalf of the Petitioner Union. Also heard Mr. K Kalita, the learned Standing Counsel, OIL, who appears on behalf of Respondent Nos.1 and 2.

2. The present writ petition has been filed by a registered Trade Union in the name and style of Motor Workers Union, challenging the action on the part of Respondent Nos. 1 and 2 in penalizing the members of the Trade Union for resorting to strike on the basis of an order passed by the General Manager (Logistics) (I/C), Oil India Limited on 05.03.2021. The Petitioner Union has also sought for the amount deducted from the members of the Trade Union from

their monthly salary should be refunded.

3. From a perusal of the pleadings available on record, it is seen that Respondent No. 1 for the purpose of carrying out their day-to-day functioning, hires various types of vehicles, such as light passenger/utility vehicles, heavy and medium passenger vehicles, trucks/water tankers, crude oil tankers/bowsers, and crane/trailer trucks. These vehicles are hired on a contract basis by floating Notice Inviting Tenders (for short, the NIT).

4. The Notice Inviting Tenders which are issued contain various terms and conditions. The General Conditions of Contract which form part of the Notice Inviting Tender stipulate the obligations of the transport supplier. Clause 4.5 and Clause 4.12, being relevant, are reproduced hereinbelow:

> "*4.5. Any unsettled disputes between the Transport Supplier and his/her employees leading to a legal or illegal strike by them would have to be settled by the Transport Supplier expeditiously. In the event of such a strike, whether legal or illegal, the vehicle(s)/equipment shall be treated as shut down. Any failure on the part of the Transport Supplier to settle the disputes expeditiously or with reasonable dispatch which results in interruption of the services envisaged under this Agreement would be considered as a default under this agreement and the agreement would be terminated at the discretion of the Company. The Transport Supplier shall, however, be given reasonable opportunity by the Company to explain that the cause of the dispute was not due to delay on his/her part or due to failure to implement the statutory obligations under the Statutory Acts as stipulated hereof. In the event if it is proved that the Transport Supplier was in default as mentioned here above, the Company shall have the option to terminate the Agreement forthwith and the Transport Supplier shall not be entitled to any damages or compensation whatsoever on account of such termination.*
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> *4.12 The Transport Supplier should ensure that the*

*Driver(s)/Helpers/Jugalees/Mazdoors (as applicable) are available every day, i.e. on Holidays, Sundays, off days or during leave of the regular drivers/crew as per the requirements of the Company's Engineer. In the event of failure to do so would tantamount to a default and the vehicle(s)/equipment shall be treated as shut down, in which case the liquidated damages shall be deducted from the Transport Supplier."*

5. From a perusal of the above-quoted two clauses, it would show that in view of any unsettled disputes between the transport supplier or his/her employees leading to a legal or illegal strike by them, the same would have to be settled by the transport supplier immediately. In the event of such a strike, whether legal or illegal, the vehicle/equipment shall be treated as shut down. Failure on the part of the transport supplier to settle the dispute expeditiously or within reasonable dispatch, resulting in interruption of the services envisaged under the agreement, would be considered as a default under the agreement, and the agreement would be terminated at the discretion of the company.

6. Clause 4.12 also mandates that it shall be the obligation of the transport supplier to ensure that the drivers/helpers/jugalees/mazdoors, as applicable, are available everyday i.e. on holidays, Sundays, off days, or during leave of regular drivers as per the requirement of the company's engineer. Failure to do so would tantamount to default, and the vehicle/equipment shall be treated as shut down, in which case liquidated damages shall be deducted from the transport supplier.

7. This Court also finds it relevant to take note of Clause 1.22(a), which defines what is "liquidated damages," and Clause 1.22(b), which defines what is "special liquidated damages." The said two terms, being relevant, are

reproduced hereinbelow:

> *"1.22(a) "**LIQUIDATED DAMAGES**" means pro-rata fixed charge per hour rate payable by the Transport Supplier in case of Default as mentioned in Para 1.14(A) sub clause (b) to (n) which shall be levied for the shutdown period on the basis of 0.5(Zero Point Five) times the rate subject to maximum of 12(Twelve) hours in a month arrived at on a cumulative basis. In case of continuing default beyond 12(Twelve) cumulative hours in a month, it would be treated, as breach of Contract and penalty as per clause No.1.27 will only be applicable.*
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> *1.22(b) "**SPECIAL LIQUIDATED DAMAGES**" means the amount payable by the Transport Supplier in case of default as mentioned in para 1.14 (A) sub clause (o) & (p) which shall be levied at the rate of twice the prorata fixed charge per day. Special L.D. shall be levied irrespective of whether such default resulted in a shutdown for the whole day or part thereof."*

8. In the backdrop of the above, it is relevant to take note that the Petitioner Union, who are employees of the transport supplier had resorted to a strike from 16.02.2021 to 22.02.2021. On account of such strike, the transport supplier could not provide the necessary vehicles required for carrying out the day-to-day activities of Respondent No. 1. Resultantly, penalty was imposed not upon the members of the Petitioner Union, but upon the transport supplier. This aspect would be apparent from Annexure-R as well as Annexure-S to the writ petition.

9. Taking into account the above, a question arises as to whether the writ petition in the present form is maintainable. In the opinion of this Court, a perusal of Annexure-R as well as Annexure-S, read with the General Conditions of Contract which is a part of the Notice Inviting Tender make it very clear that it was a contractual dispute between Respondent No. 1 with the transport

supplier, and the same had nothing to do with the members of the Petitioner Union.

10. Under such circumstances, it is, therefore, the opinion of this Court that the instant writ petition is misconceived, for which the writ petition stands dismissed.

11. Interim order(s), if any, stands vacated.

**JUDGE**

**Comparing Assistant**