

IN THE HIGH COURT AT CALCUTTA
Constitutional Writ Jurisdiction
APPELLATE SIDE

Present:

The Hon'ble Justice Shampa Dutt (Paul)

WPA 25460 of 2025

M/s. Bharat Sanchar Nigam Limited

Vs.

Union of India & Ors.

For the Petitioner : Mr. Rajib Mukherjee,
Ms. Shreyasi Bhaduri,
Mr. Sourish Mukherjee.

For the Respondent No.1 : Mr. Swatarup Banerjee,
2 & 4 Mr. Ayanabha Raha,
Mr. S. Chakraborty.

Hearing concluded on : 07.01.2026

Judgment on : 07.01.2026

Shampa Dutt (Paul), J.:

1. The writ application has been preferred challenging the orders passed by the respondent no. 4 on 22nd July, 2025 and 25th August, 2025 under the Minimum Wages Act application no. 300115898 in claim and claim application no. MW 03/2025.
2. The case of the petitioner is twofold. The **first** is that the nature of work given to the contractor was a “job contract” and “not labour contract”.

As such it is stated that the petitioner is not responsible for payment to the contractual workers engaged by the contractor for any “job contract”.

3. It is thus submitted that as it is not a “labour contract”, the petitioner is in no way responsible for the payment.
4. The **second** contention is that the petitioner has paid all the outstanding dues for the job allotted to the contractor, for payment to the contractor’s workers.
5. It is further submitted that in case the payment has not been made by the contractor in spite of receiving payment from the petitioner, the petitioner is in no way responsible for the same as it is only the contractor who is liable to pay the same to its contractual workers.
6. Vide the impugned order under challenge, the authority in its **order dated 22nd July, 2025**, held as follows:-

“After going through the submissions of all the parties, it is observed that M/s General Security & Information Service (herein Opponent-1) has still not paid wages from January, 2022 to February, 2023 in respect of 21 workers. Also the Principal Employer, BSNL (herein Opponent-2) has released the wage bill to the Contractor without ensuring payment to the workers. It is surprising on the part of BSNL that without ensuring monthly wages payment to contract labourers and without receiving monthly bills from the Contractor all payments have been made to the Contractor. As per Section 21(4) of the Contract Labour (Regulation & Abolition) Act, 1970 "In case the contractor fails to make payment of wages within the prescribed period or makes short payment, then the principal employer shall be liable to make payment of wages in full or the unpaid balance due, as the case may be, to the contract labour employed by the contractor and recover the amount so paid from the contractor either by deduction from any amount payable to the contractor any contract as a debt payable by the contractor.

Accordingly, M/s BSNL (Opponent-2) is directed to make payment of the due wages **Rs. 97,318/- (Ninety seven thousand three hundred and eighteen only)** to concerned workers. Since, the delay in payment caused the poor workers hardship and financial strain, Opponent-2 is also directed to pay a minimum compensation of **Rs. 1500/- (Fifteen hundred)** only to each workers.

It is the responsibility of the Applicant to ensure that the awarded amount is paid to correct persons. In case the Opponent fails to pay the said amount within prescribed time limit, the Applicant is required to intimate this office and take necessary legal action as per Section 20(5) (b) of the Minimum Wages Act, 1948 to secure the awarded amount from the Opponent."

7. In the impugned **order dated 25th August, 2025** the authority concerned passing a similar order held as follows:-

*"After going through the submissions of all parties, it is observed that M/s General Security & Information Service (herein Opponent-1) has still not paid wages from January. 2022 to February 2023 in respect of 62 workers. Also **the Principal Employer, BSNL** (herein Opponent-2) has released the wage bill to the Contractor without ensuring payment to the workers. It is surprising on the part of BSNL that without ensuring monthly wages payment to contract labourers and without receiving monthly bills from the Contractor all payments have been made to the Contractor. As per Section 21(4) of the Contract Labour (Regulation & Abolition) Act, 1970. "In case the contractor fails to make payment of wages within the prescribed period or makes short payment then the principal employer shall be liable to make payment of wages in full or the unpaid balance due, as the case may be to the contract labour employed by the employer and recover the amount so paid from the contractor either by....."*

Accordingly, M/s BSNL (Opponent-2) is directed to make payment of the due wages for the months from Jan, 2022 to Feb, 2023 of Rs. 59,91,950/- (Rupees fifty nine lakhs ninety one thousand nine hundred and fifty only) to concerned workers. Since, the delay in payment caused the poor workers hardship and financial strain. Opponent-2 is also directed to pay a minimum compensation of Rs. 1500/- (Fifteen hundred) only to each worker."

"....."

It is the responsibility of the Applicant to ensure that the awarded amount is paid to correct persons. In case the Opponent fails to pay the said amount within prescribed time limit, the Applicant is required to intimate this office and take necessary legal action as per Section 20(5) (b) of the Minimum Wages Act, 1948 to secure the awarded amount from the Opponent.

Given under my hand and Seal, this 25th day of August, 2025.”

8. On hearing the parties and on perusal of the materials on record, it appears that the petitioner has stressed upon their case that the work contract given was a “job contract” and not a “labour contract”.

9. A job contract (Employment Contract) establishes a direct employer-employee relationship with benefits, security, and employer control, while a **labour contract** (Contract for Services/Independent Contractor) defines a relationship with an independent entity (contractor) providing specific results, offering flexibility but fewer protections/benefits for the worker, with the principal employer having less control over how the work is done. The core distinction is the level of control, integration, and the presence/absence of a master-servant dynamic, with labour contracts often used to bypass employer obligations like social insurance.

10. Key Difference between the two is that:-

- a)** If a company hires someone to produce a specific result (e.g., build a website, clean a facility) and controls how that result

is achieved (e.g., setting hours, providing tools), it's likely an employment contract. (Job Contract)

- b)** If a company hires an external agency or individual (contractor) to deliver a final product/service, and that contractor manages their own staff, tools, and methods, it's a **labour/service contract**.

- 11.** As such, in the present case, it is on record that admittedly there was a contract between the petitioner (principal employer and respondent no. 3 (contractor), who in turn had employed workers (contractors) to carry out the work given to him (contractors).
- 12.** **Thus the nature of job in this case is clearly a 'labour contract'** and not a job contract (which is an employment, personal in nature).
- 13.** The next contention that as payment has already been made by the petitioner/principal employer to the respondent no. 3 (contractor), the petitioner is not liable to pay the contractor's worker.
- 14.** The said contention of the petitioner is not tenable, in view of the provision of Section 21(4) of the Contract Labour (Regulation and Abolition) Act, 1970, which provides as follows:-

"(4) In case the contractor fails to make payment of wages within the prescribed period or makes short payment, then the principal employer shall be liable to make payment of wages in full or the unpaid balance due, as the case may be, to the contract labour employed by the contractor and recover the amount so paid from the contractor either by deduction from any amount payable to the contractor under any contract as a debt payable by the contractor."

15. Thus, the impugned orders dated on 22nd July, 2025 and 25th August, 2025 passed by the respondent no. 4 being in accordance with law requires no interference.
16. **WPA 25460 of 2025 is dismissed.**
17. Connected application, if any, stands disposed of.
18. Interim order, if any, stands vacated.
19. Urgent Photostat certified copy of this judgment, if applied for, be supplied to the parties expeditiously after due compliance.

(Shampa Dutt (Paul), J.)