



2026:DHC:1427



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IN THE HIGH COURT OF DELHI AT NEW DELHI

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Judgment pronounced on: 18.02.2026

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W.P.(C) 14304/2025 and CM APPLs.58570/2025, 58572/2025

DELHI INTERNATIONAL AIRPORT LIMITEDPetitioner

Through: Mr. Milanka Chaudhary, Ms. Swet
Shikha and Ms. Shreya, Advocates.

versus

CAMBATA AVIATION WORKERS ASSOCIATION THROUGH
MR RAMESH GUPTA & ORS.RespondentsThrough: Mr. Vikrant N. Goyal, Ms. Priyanka
S. Aneja and Mr. Yash Basoya,
Advocates for R/UOI.

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W.P.(C) 15908/2025 and CM APPLs.65021/2025, 65023/2025

DELHI INTERNATIONAL AIRPORT LIMITEDPetitioner

Through: Mr. Milanka Chaudhary, Ms. Swet
Shikha and Ms. Shreya, Advocates.

versus

CAMBATA AVIATION WORKERS ASSOCIATION & ORS.

.....Respondents

Through: Mr. Vikrant N. Goyal, Ms. Priyanka
S. Aneja and Mr. Yash Basoya,
Advocates for R/UOI.

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W.P.(C) 15923/2025 and CM APPLs.65134/2025, 65136/2025

DELHI INTERNATIONAL AIRPORT LIMITEDPetitioner

Through: Mr. Milanka Chaudhary, Ms. Swet
Shikha and Ms. Shreya, Advocates.

versus

CAMBATA AVIATION WORKERS ASSOCIATION & ORS.

.....Respondents



2026:DHC:1427



Through: Mr. Vikrant N. Goyal, Ms. Priyanka S. Aneja and Mr. Yash Basoya,
Advocates for R/UOI.

CORAM:
HON'BLE MR. JUSTICE SACHIN DATTA

JUDGMENT

1. The present petitions have been filed by the Petitioner, Delhi International Airport Limited (“DIAL”), under Article 226 of the Constitution of India, assailing References dated 04.08.2017, 24.08.2018 and 01.04.2019 (“Impugned References”) in W.P.(C) Nos. 14304/2025, 15908/2025 and 15923/2025 respectively, issued by the Central Government under Section 10 of the Industrial Disputes Act, 1947 (“ID Act”), whereby the industrial dispute raised by the Respondent No.1 Association/ Cambata Aviation Workers Association has been entertained and directions have been issued for consideration of reinstatement and continuity of service. *Vide* the consequential order dated 04.06.2025 (“Impugned Order”) passed by the learned Central Government Industrial Tribunal cum Labour Court No. II, New Delhi (“CGIT”), the Petitioner’s application/s seeking amendment of its written statement before the learned CGIT, had been dismissed. The aforesaid Impugned References and Impugned Order have been assailed by way of the present petitions.

2. The core grievance of the Petitioner is that the workmen of the Respondent No.1 Association were never employed by DIAL, but by the Respondent No. 3/ Cambata Aviation Private Limited (“CAPL”), a



ground-handling service provider, and therefore, no industrial dispute could exist between DIAL and the said workmen. The Petitioner contends that the Impugned References itself are fundamentally misconceived, and the continuation of proceedings before the CGIT amounts to an abuse of process.

3. The Petitioner is further aggrieved by the Impugned Order passed by the learned CGIT, rejecting the Petitioner's application for amendment of its written statement under Order VI Rule 17 CPC. It is the Petitioner's case that the proposed amendment was necessary for effective adjudication of the dispute, and for placing on record its foundational objection regarding the non-maintainability of the Respondent No.1's claim before the said forum. The Petitioner challenges the said order on the ground that the refusal to permit the amendment has caused serious prejudice and vitiates the continuation of the proceedings before the learned CGIT.

4. The Respondent No.1 Association, on the other hand, contends that the arrangement between DIAL and the Respondent workmen was in the nature of a contractual engagement through an intermediary, and that, in reality, the work performed by them was under the control and supervision of DIAL and was an integral part of its operations. It is their case that DIAL was the principal employer of their services and that the dispute raised by them raises substantial questions relating to their employment and termination. According to the Respondent No.1 Association, the Impugned References made by the appropriate



Government are based on the existence of a genuine industrial dispute and therefore calls for an adjudication on merits.

FACTUAL MATRIX

5. The Petitioner/ DIAL is a company incorporated under the laws of India, which came into existence by the way of the Policy of the Government of India for a Public Private Partnership Model, which thereafter entered into an Operation Management Development Agreement (“OMDA”) with the Airports Authority of India. As per the said Agreement, DIAL has been awarded an exclusive concession to develop, finance, design, construct, modernize, operate and regulate the use of the Indira Gandhi International Airport, Delhi (“Airport”) by third parties.

6. The Respondent No.1 Association is a group of employees who were engaged in ground handling and allied operational services at the Airport. The nature of the services performed by the Respondent workmen pertained to day-to-day airport operations and were carried out within the Airport premises.

7. The Respondent No.3/ CAPL is a company incorporated under the laws of India, which entered into a concession agreement with DIAL in order to execute ground handling operations at the Airport. These operations include the services necessary for the aircraft’s arrival at, and departure from an airport other than air traffic control. The Respondent workmen engaged through CAPL were deployed at the



Airport for the performance of the said services during the relevant period i.e., since April 2010.

8. On 27.04.2010, DIAL entered into a Concession Agreement with CAPL, in terms of which, the CAPL had been awarded concession to undertake, execute and implement the ground handling services at the Airport. The said services *inter-alia* include the services of ramp handling and traffic handling activities, as mentioned in Schedules I and II of Airport Authority of India (Ground Handling Services) Regulations, 2018.
9. Pursuant thereto, CAPL deployed the Respondent workmen for the provision of the aforesaid services at the Airport. The said workmen had been working with CAPL for the last couple of years before CAPL entered into the Concession Agreement with DIAL. It is not in dispute that (i) the work was performed entirely within the airport premises; (ii) the work was continuous and perennial in nature; (iii) any substitution of a workman by the CAPL had to be first approved by DIAL; and (iv) the training program specifying the manner in which CAPL proposes to induct and train its employees had to be approved by DIAL.
10. CAPL provided ground handling services to various airlines at the Airport, till August 2016. Subsequently, *vide* letter dated 16.08.2016, CAPL informed DIAL that since all the airlines had stopped availing the ground handling services of CAPL, it would not be able to adhere to its obligations under the aforesaid Concession Agreement.



2026:DHC:1427



11. *Vide* letter dated 27.09.2016, the Respondent No.1 Association wrote to CAPL and DIAL, wherein it stated that CAPL has withheld the wages of its workmen since April 2016 and has suspended their work arbitrarily from 18.08.2016. It alleged that DIAL, being a principal employer was duty bound to ensure that CAPL complies with labour laws, failing which, DIAL is also vicariously liable for the said illegal termination.

12. In the above context, the Impugned References came to be issued by the Respondent No.2/ Central Government, whereby it formulated an opinion that an industrial dispute exists between DIAL/ CAPL and the Respondent No.1's workmen, and therefore, it is desirable for the same to be referred for adjudication before the CGIT under Section 10 of the ID Act.

13. Pursuant to such References being made, the Respondent No.1 Association submitted its Claim Petitions/ Statement of Claims ("SOCs") before the concerned CGIT wherein it is stated that CAPL was their Contractor, and DIAL was their Principal Employer, and that the two companies were acting in collusion with each other. It is further averred in the said SOC's that CAPL stopped its services at the Airport in an arbitrary manner, which resulted in termination of the employment of all the workmen of the Respondent No.1 Association, without any notice. It is submitted that the said workmen have been out of their jobs since the day of the illegal termination i.e. 18.08.2016. The said Association sought for a direction to the CAPL to reinstate its workmen back on duty with full back wages or direct the DIAL to reinstate them



either on its own roll or through any other ground handling agency appointed by DIAL which has taken over the work of CAPL. The reliefs sought before the learned CGIT are reproduced hereunder:

“1) Pass an award in favour of the workmen and against the managements thereby directing the management of M/s. Cambata Aviation Pvt. Ltd to reinstate the workmen back on duty along with full back wages and consequential benefits.

2) Or in alternatively direct the management of M/s. Delhi International Airport Ltd to reinstate the workmen either on its own roll or through any ground handling agency appointed by DIAL which has taken over the work of M/s. Camabata Aviation Pvt. Ltd. at IGI Airport, Delhi.

3) And pass any other order in favour of the workmen which this Hon'ble Court deems fit and proper in the interest of justice of justice.”

14. Thereafter, DIAL submitted its reply to the SOC, refuting all the allegations levelled upon it therein and seeking its deletion from the array of parties. It is averred in the reply that DIAL is not a proper or necessary party to the dispute since it is not the principal employer of the Respondent workmen, as has been alleged in SOC's. It is further stated that CAPL does not provide any services to DIAL, but provides services to the respective airlines under independent contractual arrangements, and hence, there is no relationship between DIAL and the Respondent workmen.

15. Thereafter, DIAL filed an application under Order I Rule 10 of the CPC thereby seeking its deletion from the array of parties on similar grounds as averred in its reply, as aforementioned. However, *vide* order dated 08.08.2018 (in one of the matters before the CGIT), the learned CGIT dismissed the aforesaid deletion application, *inter-alia* on the



basis that there are specific allegations against DIAL in the SOC's, and as such, the deletion application ought to be dismissed.

16. Thereafter, the proceedings continued and trial commenced before the learned CGIT. In the meantime, DIAL filed applications under Order VI Rule 17 of the CPC seeking amendment in its written statement submitted before the CGIT. By way of the said applications, DIAL sought to add certain additional legal objections with regard to the maintainability of the claim raised by the Respondent workmen before the learned CGIT. The said objections are reproduced hereunder:

:: Proposed Additional Legal Objections:

1. *That the Association of Claimant does not possess legal right or legal authority to raise present dispute against Management No. 2 as it cannot be qualified as an "industrial dispute" as per the provisions of Industrial Disputes Act, 1947 in relation to Management No. 2. It is submitted that as per the own pleadings of the Claimants; M/s Cambata Aviation Workers Association allegedly an association which has not been incorporated as a trade union under the provisions of Trade Union Act, 1926 nor does it represent the workmen employed by Management No. 2 as its members. As such, it does not have the capacity and locus standi to raise any industrial dispute on its behalf against any employer. Under established legal principles, only a trade union which has been formed as per the provisions of Trade Union Act, 1926 or a group of workmen representing an establishment can raise an industrial dispute against employer under the provisions of Industrial Disputes Act, 1947. The present claim, which has filed by an Association, is therefore defective, erroneous, invalid, not maintainable and deserves to be dismissed outrightly.*
2. *That the present claim admittedly has been filed under Section 2A of the Industrial Disputes Act, 1947 allegedly for and on behalf of bunch of 394 Claimants. However, Section 2A of the Industrial Disputes Act, 1947 provides and permits only an individual workman to raise its individual dispute against the employer, either personally or through an authorized representative. The claim, as filed allegedly for and on behalf of 394 persons, which clearly represents nature of collective dispute is not permissible to be raised or adjudicated upon under Section 2A of Industrial Disputes Act, 1947. This provision explicitly applies only to individual disputes which can be raised by individual workman. The present claim so filed in the manner of collective (joint) dispute involving 394 persons thus renders it as illegal,*



defective and invalid. The relevant portion of Section 2A of the Industrial Disputes Act, 1947 is reproduced below for ready reference and is as follows:

"Section 2A - Dismissal, etc., of an individual workman to be deemed to be an industrial dispute:

(1) Where any employer discharges, dismisses, retrenches, or otherwise terminates the services of an individual workman, any dispute or difference between that workman and his employer connected with, or arising out of, such discharge, dismissal, retrenchment, or termination shall be deemed to be an industrial dispute notwithstanding that no other workman nor any union of workmen is a party to the dispute.

(2) Notwithstanding anything contained in Section 10, any such workman as is specified in sub-section (1) may, make an application, in such manner as may be prescribed, to the Labour Court or Tribunal for adjudication of the dispute referred to therein, after the expiry of forty-five days from the date he has made the application to the conciliation officer of the appropriate Government for conciliation of the dispute, and on receipt of such application, the Labour Court or Tribunal shall have powers and jurisdiction to adjudicate upon the dispute, as if it were a dispute referred to it by the appropriate Government under Section 10 for adjudication.

3. That as per Section 2A of Industrial Disputes Act, 1947, a dispute can be raised by the aggrieved individual workman relating to his discharge, dismissal, retrenchment or termination of employment. The provision does not extend to accommodate raising or filing of collective disputes in conjoint



manner, as wrongfully attempted by the Claimant Association in the present case by misusing and abusing the provisions of law. For that, there is separate provision prescribed under section 2(k) of the Industrial Disputes Act, 1947 for raising such collective disputes. Since the present dispute has not be raised under section 2(k) of the Industrial Disputes Act, 1947, this itself renders the present joint claim as bad in law and null and void. The relevant portion of section 2(k) of the Industrial Disputes Act, 1947 is reproduced below for ready reference and is as follows:

Section 2(k): "Industrial dispute" means any dispute or difference between employers and employers, or between employers and workmen, or between workmen and workmen, which is connected with the employment or non-employment or the terms of employment or with the conditions of labour of any person.

4. That the present statement of claim under Section 2A of Industrial Disputes Act, 1947 is defective, not maintainable and is bad in law. Hence, the Claimants are not entitled to seek any relief.
5. That the appropriate Government has not applied its mind to the facts of the case and has referred this matter in mechanical manner. Thus, reference against Management No. 2 is not maintainable and is bad in law.
6. That Management No. 1 is an independent legal entity and was functioning as one of the licensed Ground Handling Agency at IGI Airport, New Delhi under the license issued by Management No. 2 acting for and on behalf of on behalf of the Airport Authority of India. Management No. 1 in its independent capacity as Ground Handling Agency was directly providing ground handling services to airline operators (carriers) operating from and through



IGI Airport, New Delhi. The Management No. 1 has signed independent commercial contracts for providing Ground Handling Services with such airline operators. The commercial charges for providing Ground Handling Services had been independently settled and claimed directly by Management No. 1 from such airline operators for providing ground handling services. The activity of providing ground handling services upon appointment of ground handling agency was that of the agency and was not falling within the scope of work of Management No. 2. The manpower employed by Management No. 1 was engaged for the work of airline operators and was not at all engaged or utilized for the activities or work performed by the entity of Management No. 2. Therefore Management No. 1 was not acting as the contractor of Management No. 2 and had not provided any contract labour to Management No. 2 for carrying out any of its business activities. The relationship between Management No. 1 and Management No. 2 did not fall under the purview of a principal employer and contractor relationship as defined under the Contract Labour (Regulation and Abolition) Act, 1970. The relevant definitions under the Act are as follows:

Contractor: Under Section 2(c) of the Act, "contractor" means a person who undertakes to produce a given result for the establishment, other than a mere supply of goods or articles of manufacture to such establishment, through contract labour or who supplies contract labour for any work of the establishment and includes a sub-contractor.

Contract Labour: Under Section 2(b), "contract labour" means a workman who is hired in or in connection with the work of an establishment by or through a contractor, with or without the knowledge of the principal employer.

Principal Employer: Under Section 2(g), "principal employer" means:



In relation to any office or department of the Government or a local authority, the head of that office or department or such other officer as the Government or the local authority, as the case may be, may specify in this behalf;

In a factory, the owner or occupier of the factory and the manager of the factory under the Factories Act, 1948;

In a mine, the owner or agent as defined in the Mines Act, 1952;

In any other establishment, any person responsible for the supervision and control of the establishment.

7. That based on the above definitions, Management No. 1 cannot be considered a "contractor" for Management No. 2, as it had not supplied or engaged any contract labour for doing any work of Management No. 2. Management No. 1 operated independently as a Ground Handling Agency under a license and entered commercial agreements directly with airline operators (carriers). The Claimants, therefore cannot be categorized as "contract labour" under the Contract Labour (R&A) Act for Management No. 2. Further, Management No. 2 does not qualify as "principal employer" in this context, as no contract labour engagement took place in between Management No. 1 and Management No. 2. Accordingly, claim against Management No. 2 on the basis of exclusive operations performed by Management No. 1 is misplaced and unsustainable in law.

8. That the claimants equally do not meet legal definition of "contract labour" provided under the Contract Labour (Regulation and Abolition) Act, 1970 qua Management No. 2 as they were engaged directly by Management No. 1 to provide services to multiple airline operators. Their work was not dedicated or assigned with any single airline operator. As such in terms of



the unique nature of work activities carried out by them, they do not fall within the scope of the definition of contract labour.

9. That the workmen employed by Management No. 2 or the union formed by the workmen of Management No. 2 have not supported or sponsored the present dispute. Without such espousal, the Claimant cannot assert any representative character to raise an industrial dispute against Management No. 2. Consequently, the present dispute does not constitute an industrial / individual dispute and deserves to be dismissed.

10. That it is respectfully submitted that the claimants do not fall within the definition of "workman" as provided under Section 2(s) of the Industrial Disputes Act, 1947 in relation to Management No. 2. Further, the claimants are also not covered under the definition of "workman" as provided under Section 2(i) of the Contract Labour (Regulation and Abolition) Act, 1970, as there was no employer employee or principal-employer contract labour relationship between the claimants and Management No. 2. Consequently, the present dispute is not maintainable against Management No. 2 as the principal requirement of claimants being "workman" of Management No. 2 is not satisfied. It is therefore prayed to the Hon'ble Court to dismiss the dispute filed against Management No. 2 for the reasons stated above.

11. That there is no espousal of the present dispute by the alleged Claimant Association nor the Claimant Association is competent to espouse the present dispute. This dispute has not been espoused by a Union or by substantial number of workmen, and thus, does not constitute an industrial dispute. The Claim is not supported by any proof of espousal.



12. That there was no order related to suspension of work issued by the entity of Management No. 2 nor any such order has been issued at the instance of Management No. 2. The Claimants were not the employees of Management No. 2 and therefore, Management No. 2 is not liable to pay any wages, terminal benefit, notice pay, leave encashment, bonus, PF settlement to the Claimants. Likewise, the Claimants are not entitled to seek relief of reinstatement against the entity of Management No. 2.

13. That the terms of reference is bad in law in as much as no industrial dispute can be raised by the Claimants for seeking a relief which touches upon the aspect of decisions taken by Airport Authority of India. The decision to appoint Ground Handling Agencies at IGI Airport has been taken by Ministry of Civil Aviation under the provisions of AAI Act, 1994. The relief claimed by the Claimants is hit by the said decision and Regulations framed by Airport Authority of India. Therefore, the relief claimed by the Claimants is not tenable and is bad in law. It is further submitted that since Airport Authority of India has not been arrayed in the reference as an appropriate party, therefore, in the absence of Airport Authority of India as an appropriate party, no relief can be granted to the Claimants affecting the rights of a non-party. It is a settled law that all the parties whose rights may be affected have to impleaded, else the proceedings itself are defective.

14. That the term of reference so far as it relates to the adjudication of the relief of appointment of Claimants through any Ground Handling Agency appointed in future is also bad in law. It is well settled principle of law that a party which has not been impleaded or mentioned in the reference order cannot be subject to any adverse order. Therefore, the reference order in relation to reserving the right of the Claimants for future employment in the proposed Ground handling Agencies is bad in law. Thus, the reference



deserves to be dismissed on account of non-inclusion of necessary parties. The relief cannot be claimed against Management No. 2 and is beyond jurisdiction of the Hon'ble Tribunal as necessary parties to the dispute have not been arrived.

15. That the present disputes is wholly without jurisdiction and deserves to be dismissed on the principle that an suit (dispute) which is bound to be dismissed for want of jurisdiction why be allowed to be triable at all and must be dismissed at the stage when such incurable defects is observed by the Court. Hence, before proceeding further, the issues of maintainability of dispute may kindly be framed and directed to be treated as preliminary issue which is arising out of a pure question of law to the effect whether a collective claim by an Association can be raised under the provisions of the Industrial Disputes Act, 1947 and therefore, this legal aspect be considered at this stage and appropriate orders in the interest of justice may kindly be passed.

17. On 04.06.2025, the Impugned order was passed by the CGIT, whereby, the learned CGIT dismissed the said application observing as under:

"It is settled that once the trial has commenced, the court doesn't usually allow any amendment, unless the party seeking amendment satisfies the court that, despite their due diligence, the issue could not have been raised prior to the commencement of trial. Here, it is a matter of fact that the trial had commenced already. The workmen's evidence was closed, and the matter was subsequently listed for management's evidence. There is nothing on record to indicate that management-2 was unable to seek an amendment earlier despite due diligence. Moreover, the proposed amendments are not necessary to determine the real controversy between the parties, since the parties have already taken their pleas in their



respective statements. In these circumstances, I don't find any merit in the application. Accordingly, the same stands dismissed."

18. In September/ October 2025, the present petitions came to be filed by DIAL seeking the quashing and setting aside of the Impugned References and Impugned Order, along with a stay application seeking stay of the same.

19. *Vide* order dated 16.09.2025 passed by this Court in W.P. (C) No. 14304/2025 and *vide* order dated 15.10.2025 passed by this Court in W.P. (C) No. 15908/ 2025 and W.P. (C) No. 15923/2025, notice was issued in the present petitions, and the proceedings before the learned CGIT were stayed.

SUBMISSIONS ON BEHALF OF THE PETITIONER

20. Learned counsel for the Petitioner submits that the Impugned References issued by the Central Government inadvertently uses the name of the Petitioner and the Respondent No.3 interchangeably, when the two are distinct entities carrying on distinct businesses. It is submitted that the employment and termination of the Respondent workmen was admittedly done by CAPL and that the Impugned References could not have presumed that the termination was done by the DIAL.

21. It is further submitted that by omitting the name of CAPL in the second part of the Impugned Reference, CAPL has been let off the hook, and it is assumed that it is the sole liability of DIAL to reinstate



the Respondent workmen either on its own rolls or any other ground handling agency.

22. Further, it has been contended by the learned counsel for the Petitioner that the Impugned Order passed by the learned CGIT is erroneous inasmuch as the Petitioner's amendment application for amendment of its written statement had been dismissed. Learned counsel for the Petitioner submits that as per the said application, the Petitioner raised additional grounds objecting to the locus standi of the Respondent No.1 Association to raise the said industrial dispute in the first place.

23. It is further submitted that due to the dismissal of the said amendments being brought on record, the additional plea of the Petitioner regarding the absence of any principal employer relationship with the Respondent No.1 Association could not be brought before the learned CGIT.

24. The Petitioner controverts existence of any relationship with the Respondent Workmen since the Petitioner's relationship with CAPL is governed solely by the Concession Agreement and the License Agreement dated 27.04.2010, on a principal-to-principal basis, and CAPL was appointed by the Petitioner through a bidding process. It is further submitted that the CAPL does not provide any services to the Petitioner but only to the airlines with which CAPL enters into separate contracts, thus raising no question of it being the principal employer of the Respondent workmen.



SUBMISSIONS ON BEHALF OF RESPONDENT NOS. 1 & 2

25. It is contended by the said Respondents that the management of CAPL is their Contractor as defined under Section 2 (1) (c) of the Contractor Labour (R & A) Act 1970 (“CLRA Act”) whereas the management of DIAL is their Principal Employer as defined under Section 2 (1) (g) of the CLRA Act. The said provisions are reproduced hereunder:

“Section 2. - Definitions. — (1) In this Act, unless the context otherwise requires—

(c) “contractor”, in relation to an establishment, means a person who undertakes to produce a given result for the establishment, other than a mere supply of goods of articles of manufacture to such establishment, through contract labour or who supplies contract labour for any work of the establishment and includes a sub-contractor.

(g) “principal employer” means—

(i) in relation to any office or department of the Government or a local authority, the head of that office or department or such other officer as the Government or the local authority, as the case may be, may specify in this behalf,

(ii) in a factory, the owner or occupier of the factory and where a person has been named as the manager of the factory under the Factories Act, 1948 (63 of 1948), the person so named,

(iii) in a mine, the owner or agent of the mine and where a person has been named as the manager of the mine, the person so named,

(iv) in any other establishment, any person responsible for the supervision and control of the establishment.”

26. It is further contended that the management of CAPL had been indulging in unfair labour practice since the year 2016, by withholding the earned wages of the Respondent workmen since April 2016 and thereafter completely stopping their operations at the Airport w.e.f. 18.08.2016 without any notice to the Respondent workmen. It is



submitted that, DIAL being the principal employer, should have ensured that CAPL does not engage in such unfair labour practices.

27. It is further submitted that such act on the part of CAPL, without even tendering retrenchment compensation under section 25F of the ID Act amounts to illegal termination and is void ab initio. It is submitted that both, DIAL and CAPL were acting in collusion with each other.

28. It is contended that such act on the part of DIAL, being the principal employer, amounts to an unfair labour practice and illegal termination of service, inasmuch as the work continued to exist and was carried on through another agency, while the Respondent workmen were arbitrarily denied continuity of employment.

ANALYSIS AND CONCLUSION

Validity of the Impugned References dated 04.08.2017, 24.08.2018 and 01.04.2019 issued by the Respondent No.2

29. At the outset, it is necessary to note that the jurisdiction of this Court under Article 226 of the Constitution of India to interfere with an order of reference made under Section 10 of the ID Act is extremely limited. The appropriate Government, at the stage of making a reference, is not required to adjudicate upon the merits of the dispute or finally determine the rights of the parties. Its satisfaction is only *prima facie* in nature as to whether an industrial dispute exists or is apprehended.



30. It is a settled principle of law that once the appropriate Government forms an opinion that an industrial dispute exists between the parties and refers the same for adjudication, this Court ought not to interfere unless the reference is patently without jurisdiction, actuated by mala fides, or relates to a dispute which is *ex facie* not an industrial dispute at all. The sufficiency or correctness of the material forming the basis of the reference cannot be examined in writ jurisdiction. In this regard, reference is apposite to a judgment of the Constitution Bench of the Supreme Court in “*State of Madras v. C.P. Sarathy*” (1952) 2 SCC 606, wherein it has been observed as under:

“14. This is, however, not to say that the Government will be justified in making a reference under Section 10(1) without satisfying itself on the facts and circumstances brought to its notice that an industrial dispute exists or is apprehended in relation to an establishment or a definite group of establishments engaged in a particular industry, and it is also desirable that the Government should, wherever possible, indicate the nature of the dispute in the order of reference. But, it must be remembered that in making a reference under Section 10(1) the Government is doing an administrative act and the fact that it has to form an opinion as to the factual existence of an industrial dispute as a preliminary step to the discharge of its function does not make it any less administrative in character. The Court cannot, therefore, canvass the order of reference closely to see if there was any material before the Government to support its conclusion, as if it was a judicial or quasi-judicial determination. No doubt, it will be open to a party seeking to impugn the resulting award to show that what was referred by the Government was not an industrial dispute within the meaning of the Act, and that, therefore, the Tribunal had no jurisdiction to make the award. But if the dispute was an industrial dispute as defined in the Act, its factual existence and the expediency of making a reference in the circumstances of a particular case are matters entirely for the Government to decide upon, and it will not be competent for the Court to hold the reference bad and quash the proceedings for want of jurisdiction merely because there was, in its opinion, no material before the Government on which it could have come to an affirmative conclusion on those matters. The observations in some of the decisions in Madras do



not appear to have kept this distinction in view.

15. Moreover, it may not always be possible for the Government, on the material placed before it, to particularise the dispute in its order of reference, for situations might conceivably arise where public interest requires that a strike or a lockout either existing or imminent should be ended or averted without delay, which, under the scheme of the Act, could be done only after the dispute giving rise to it has been referred to a Board or a Tribunal [vide Sections 10(3) and 23]. In such cases the Government must have the power, in order to maintain industrial peace and production, to set in motion the machinery of settlement with its sanctions and prohibitions without stopping to enquire what specific points the contending parties are quarrelling about, and it would seriously detract from the usefulness of the statutory machinery to construe Section 10(1) as denying such power to the Government. We find nothing in the language of that provision to compel such construction. The Government must, of course, have sufficient knowledge of the nature of the dispute to be satisfied that it is an industrial dispute within the meaning of the Act, as, for instance, that it relates to retrenchment or reinstatement. But, beyond this no obligation can be held to lie on the Government to ascertain particulars of the disputes before making a reference under Section 10(1) or to specify them in the order.

31. In the present case, the impugned references record that a dispute exists regarding termination, reinstatement, and continuity of service of the Respondent workmen. The dispute raised is clearly one falling within the definition of an “industrial dispute” under the ID Act. Whether DIAL is, in fact, the principal employer, and whether CAPL was a genuine contractor or a mere intermediary, are matters which necessarily require appreciation of evidence and cannot be conclusively determined at the threshold.

32. In view of the aforesaid legal position and the facts of the present case, this Court is of the considered opinion that the challenge laid by the Petitioner to the Impugned References cannot be sustained. The



existence of an industrial dispute, as raised by the Respondent workmen, cannot be said to be illusory or non-existent at this stage, and the questions sought to be raised by the Petitioner touch upon disputed issues of fact which are required to be adjudicated by the learned CGIT.

33. Consequently, the Impugned References dated 04.08.2017, 24.08.2018 and 01.04.2019 do not warrant interference in exercise of jurisdiction under Article 226 of the Constitution of India, and the challenge thereto is hereby rejected.

Validity of the Impugned Order dated 04.06.2025 passed by the CGIT

34. The Petitioner also assails the Impugned Order dated 04.06.2025 passed by the learned CGIT, *inter-alia* rejecting the amendment application filed by the Petitioner under Order VI Rule 17 CPC.

35. It is not in dispute that by the time the said application was filed, the proceedings before the learned CGIT had substantially progressed. The evidence of the Respondent workmen had already been concluded, and the matter was at the stage of the Petitioner's evidence.

36. The legal position governing amendment of pleadings at such a belated stage is well settled. Such amendment can be permitted only if the party seeking amendment demonstrates that, despite due diligence, the matter sought to be raised could not have been pleaded earlier. The burden to establish due diligence squarely lies on the party seeking amendment. In this regard, reliance is placed upon the Division Bench judgment of the Supreme Court in ***M. Revanna v. Anjanamma, (2019) 4 SCC 332***, wherein it has been observed as under:



“7. Leave to amend may be refused if it introduces a totally different, new and inconsistent case, or challenges the fundamental character of the suit. The proviso to Order 6 Rule 17 CPC virtually prevents an application for amendment of pleadings from being allowed after the trial has commenced, unless the court comes to the conclusion that in spite of due diligence, the party could not have raised the matter before the commencement of the trial. The proviso, to an extent, curtails absolute discretion to allow amendment at any stage. Therefore, the burden is on the person who seeks an amendment after commencement of the trial to show that in spite of due diligence, such an amendment could not have been sought earlier. There cannot be any dispute that an amendment cannot be claimed as a matter of right, and under all circumstances. Though normally amendments are allowed in the pleadings to avoid multiplicity of litigation, the court needs to take into consideration whether the application for amendment is bona fide or mala fide and whether the amendment causes such prejudice to the other side which cannot be compensated adequately in terms of money.”

37. It is also pertinent to note that in the present case, by way of the proposed amendments, the Petitioner sought to introduce additional legal objections relating to maintainability of the claim petitions before the CGIT and elaborated upon the aspect of the alleged absence of any principal employer- employee relationship with the Respondent workmen. These objections, in substance, already formed part of the Petitioner’s defence as taken in its original written statement and in its application seeking deletion from the array of parties, which was also dismissed by the learned CGIT. The Petitioner is, in any event, not precluded from raising the legal objection/s referred to in its application and the same does not afford any justification for the belated filing and disrupting the progress of the matter, at an advanced stage.

38. In ***Greater Mohali Area Development Authority v. Manju Jain***, (2010) 9 SCC 157, the Supreme Court has observed as under:-



26. Respondent 1 raised the plea of non-receipt of the letter of allotment first time before the High Court. Even if it is assumed that it is correct, the question does arise as to whether such a new plea on facts could be agitated before the writ court. It is settled legal proposition that pure question of law can be raised at any time of the proceedings but a question of fact which requires investigation and inquiry, and for which no factual foundation has been laid by a party before the court or tribunal below, cannot be allowed to be agitated in the writ petition. If the writ court for some compelling circumstances desires to entertain a new factual plea the court must give due opportunity to the opposite party to controvert the same and adduce the evidence to substantiate its pleadings. Thus, it is not permissible for the High Court to consider a new case on facts or mixed question of fact and law which was not the case of the parties before the court or tribunal below. [Vide State of U.P. v. Dr. Anupam Gupta [1993 Supp (1) SCC 594 : AIR 1992 SC 932] , Ram Kumar Agarwal v. Thawar Das [(1999) 7 SCC 303] , Vasantha Viswanathan v. V.K. Elayalwar [(2001) 8 SCC 133] , Anup Kumar Kundu v. Sudip Charan Chakraborty [(2006) 6 SCC 666 : 2006 SCC (L&S) 1521] , Tirupati Jute Industries (P) Ltd. v. State of W.B. [(2009) 14 SCC 406 : (2010) 2 SCC (L&S) 338] and Sanghvi Reconditioners (P) Ltd. v. Union of India [(2010) 2 SCC 733] .]

39. In **J. Jermons v. Aliammal**, (1999) 7 SCC 382, the Supreme Court has held as follows:-

31. It may be noted here that there is a fundamental difference between a case of raising additional ground based on the pleadings and the material available on record and a case of taking a new plea not borne out by the pleadings. In the former case no amendment of pleadings is required whereas in the latter it is necessary to amend the pleadings. The court/Rent Controller in its discretion, with a view to do complete justice between the parties, may allow a party either to raise additional ground or take a new plea, as the case may be, if the circumstances so justify like a plea based on subsequent events. Whereas in the former situation, the case can be disposed of on the material on record but in the latter case the pleadings will have to be amended and for that reason the parties have to be given reasonable opportunity to file further pleadings and adduce necessary evidence."

40. The learned CGIT has returned a categorical finding that the Petitioner failed to demonstrate due diligence inasmuch as the



amendments/ objections could not be raised earlier; and that the proposed amendments were not necessary for determination of the real controversy between the parties. This Court finds no perversity, illegality, or jurisdictional error in the said finding.

41. It is also well settled that rejection of an amendment application does not result in denial of opportunity to lead evidence in support of the existing pleadings. The Petitioner continues to retain the right to substantiate its defence, including its plea regarding the nature of relationship with the Respondent workmen, by leading evidence before the learned CGIT.

42. The impugned order dated 04.06.2025 merely deals with an application seeking amendment of the written statement and does not determine, either expressly or by necessary implication, the substantive rights of the parties. It neither adjudicates upon the question of employer-employee relationship nor decides the entitlement of the Respondent workmen to reinstatement, continuity of service, or any other consequential relief. Such issues continue to remain open for consideration before the learned CGIT.

43. It is well settled that interlocutory orders passed in the course of industrial adjudication ought not to be interfered with in exercise of writ jurisdiction unless they are shown to suffer from patent illegality, perversity, or lack of jurisdiction. The object of such restraint is to ensure that statutory adjudicatory mechanisms are not rendered nugatory by piecemeal interference. Reliance in this regard may be



placed upon a judgment of the Supreme Court in the case of ***D.P. Maheshwari v. Delhi Admn., (1983) 4 SCC 293***, which holds as under:

“1.We think it is better that tribunals, particularly those entrusted with the task of adjudicating labour disputes where delay may lead to misery and jeopardise industrial peace, should decide all issues in dispute at the same time without trying some of them as preliminary issues. Nor should High Courts in the exercise of their jurisdiction under Article 226 of the Constitution stop proceedings before a tribunal so that a preliminary issue may be decided by them. Neither the jurisdiction of the High Court under Article 226 of the Constitution nor the jurisdiction of this Court under Article 136 may be allowed to be exploited by those who can well afford to wait to the detriment of those who can ill afford to wait by dragging the latter from court to court for adjudication of peripheral issues, avoiding decision on issues more vital to them. Article 226 and Article 136 are not meant to be used to break the resistance of workmen in this fashion. Tribunals and courts who are requested to decide preliminary questions must therefore ask themselves whether such threshold part-adjudication is really necessary and whether it will not lead to other woeful consequences. After all tribunals like Industrial Tribunals are constituted to decide expeditiously special kinds of disputes and their jurisdiction to so decide is not to be stifled by all manner of preliminary objections and journeyings up and down. It is also worthwhile remembering that the nature of the jurisdiction under Article 226 is supervisory and not appellate while that under Article 136 is primarily supervisory but the court may exercise all necessary appellate powers to do substantial justice. In the exercise of such jurisdiction neither the High Court nor this Court is required to be too astute to interfere with the exercise of jurisdiction by special tribunals at interlocutory stages and on preliminary issues.”

44. The principal ground urged by the Petitioner is that rejection of the amendment application has caused grave prejudice to its defence. This Court is unable to accept the said contention. As noted, a perusal of the written statement already filed by the Petitioner demonstrates that its fundamental defence namely, the denial of any employer–employee relationship with the Respondent workmen, and the plea of non-maintainability, has been pleaded.



45. The proposed amendments sought to elaborate or supplement the said defence by raising additional legal objections. However, as noted above, the absence of such elaboration does not preclude the Petitioner from substantiating its defence on the basis of evidence or from advancing legal submissions at the appropriate stage of adjudication.

46. The argument that the Petitioner was compelled to seek amendment only after Respondent No.3 was proceeded *ex parte* also does not carry much weight. The burden to establish its own defence does not shift merely because another party chooses not to contest the proceedings. The Petitioner remains fully entitled to lead evidence and cross-examine witnesses in accordance with law.

47. It is also relevant to observe that industrial adjudication is governed by principles of fairness and expeditious resolution. Permitting amendments at a belated stage, after completion of workmen's evidence, would inevitably result in reopening of proceedings and further delay, to the detriment of the workmen who have already been out of employment for a considerable period of time.

48. The learned CGIT, while rejecting the amendment application, has taken into consideration the stage of the proceedings, the absence of due diligence on the part of the Petitioner, and the fact that the controversy between the parties was already adequately delineated by the existing pleadings. The exercise of discretion by the learned CGIT cannot be said to be arbitrary or perverse.



2026:DHC:1427



49. In the circumstances, this Court finds no merit in the present petitions. The same are, accordingly, dismissed. Pending applications also stand disposed of.

50. The learned CGIT is requested to proceed and conclude the proceedings before it expeditiously, preferably within a period of eight months from today.

SACHIN DATTA, J

FEBRUARY 18, 2026/ka