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Editorial

FRANKENSTEIN IN THE FORM OF AI!

Society is currently engaged in intense debates about the potential impact of Artificial Intelligence (AI) on various aspects of human life, particularly its immediate effects on the labor market. Scholarly articles being published worldwide are actively discussing the positive and negative implications of this technological revolution. It remains unclear how nation-states will regulate AI applications, but it is evident that a clear government policy is necessary to manage the advent of AI, as no society can entirely ignore technological progress.

Today, it is apparent that neither a command economy nor a classical free market operates without some form of government policy intervention. Just as laws exist to regulate monopolies, corporate operations, and financial markets, there should be clear guidelines on how the benefits of AI will be integrated into the economy.

We have already begun to understand AI's remarkable capacity to comprehend human language and respond appropriately. Its ability to analyze and interpret vast volumes of data across various sectors is impressive. This raises a critical

question: will AI eventually surpass the intelligence of its creators? As AI becomes an increasingly powerful tool for data analysis, the need for human intervention may gradually decline. For now, let's focus on the organized labor market as it stands today.

It has been observed that entrepreneurs significantly benefit from implementing AI in the workplace, as a one-time investment in technology replaces long-term expenditures on the workforce over several decades. This raises concerns about the potential impact on the employment market. Unfortunately, there has been insufficient discussion on how to channel the benefits of AI without adversely affecting the livelihoods of millions. It is essential to recognize that AI represents an aggregate reflection of the countless programs developed by computer engineers over the years, yet ironically, it may threaten their jobs within organizations like TCS and major IT establishments. There are also fears that the roles of accounts keepers, senior managers, and even professionals such as doctors and lawyers may be jeopardized. The media is not immune to these changes either.

A JUG FILLS DROP BY DROP

A pertinent question arises: will AI solely destroy jobs? Some research suggests that for every one crore jobs lost, approximately seven lakh new jobs will be created. In India, where a significant portion of the labor force is engaged in the unorganized sector and agriculture, it will be fascinating to observe how AI impacts manual labor. There is a short-term silver lining for India: the extensive application of AI hinges on the stability and expansion of the internet. Currently, about 15 percent of the Indian population has direct internet access, and this figure may reach around 45 percent when considering mobile data usage.

accepted in academic circles that AI will soon handle all repetitive tasks with minimal human involvement..

These are challenging times. We must recognize that unless we enhance customer service and connect emotionally with our clients, they will increasingly demand more digital solutions, signaling an eventual decline of human involvement in providing banking and financial services. This outcome would spell disaster for the workforce and its trade unions. If there are no humans in the workforce, for whom will the bell of the trade union ring?

It is widely recognized that labor-intensive production remains favored in regions with weak infrastructure. In India, with a large number of Micro, Small, and Medium Enterprises (MSMEs), replacing semi-skilled workers with advanced technology may not be socially cost-effective, meaning that existing production modes could continue alongside a more sophisticated and organized sector for the foreseeable future.



*Editorial Board of Common Bond extends its warm greetings of the festive season to all its readers, patrons, well wishers, members, seniors and all their family members. **STAY SAFE! STAY BLESSED!***

Undoubtedly, AI will have a significant impact on the financial sector, benefiting large players in banking. However, this does not bode well for nearly a million bankers currently employed across various hierarchies. While some jobs may still require human intervention for a while, it is widely

- # **March on comrades,**
- # **NationAgainstPrivatisation**
- # **BankBachaoDeshBachao**

IN THE SKY THERE IS NO DISTINCTION OF EAST AND WEST

PRESS RELEASE

Date : 18.09.2025

AIBOC CONDEMNS UNION-BUSTING AND UNFAIR LABOUR PRACTICES BY STANDARD CHARTERED BANK

Guwahati | 18 September 2025:The All India Bank Officers' Confederation (AIBOC) strongly condemns the vindictive and illegal actions of Standard Chartered Bank (SCB) in terminating two principal office bearers and four members of the Association of Standard Chartered Bank Officers' Kolkata (ASCBO) on 18 September 2025 under the false pretext of "redundancy."

Those arbitrarily terminated include Com. Satyajeet Tripathy, General Secretary of ASCBO, Com. Tilottama Roy, President of ASCBO, and four other active members of the union. Their services were terminated with immediate effect, and dues were forcibly settled without due process or dialogue.

This brazen action has been carried out during the pendency of industrial disputes before the Central Industrial Tribunal and Labour Court, in clear violation of Section 33 of the Industrial Disputes Act, 1947. The law explicitly prohibits changes in service conditions or punitive measures against employees during adjudication without prior Tribunal approval. By disregarding this legal safeguard, Standard Chartered Bank has displayed utter contempt of judicial authority. It is nothing less than unionbusting and victimisation, intended to silence officers who have been courageously raising their voice against discrimination, harassment, and exploitation within the Bank.

ASCBO, a registered trade union under the Trade Union Act, 1926 and affiliated to AIBOC, has consistently exposed the discriminatory and exploitative practices prevailing in SCB. The union has raised issues such as denial of NI Act holidays

to officers while clerical staff enjoy them, severe pay disparity where officers are often paid less than clerical staff, and the misuse of redundancy and Performance Improvement Plan policies as tools of arbitrary dismissal. Officers have also faced extended working hours, absence of work-life balance, and extreme pressure that undermines their wellbeing. Women officers, in particular, have been subjected to misbehaviour and harassment at the hands of senior management. To suppress this resistance, the management has gone so far as to suspend ASCBO's official social media handles, attempting to gag the voice of dissent.

The latest terminations are not an isolated development but part of a continuing pattern of selective victimisation by SCB. In 2022, Com. Indranil Bhattacharyya, a Teller with 17 years of service, was terminated under the pretext of redundancy. Within months, the Bank recruited three new people in the same role, exposing the falsehood of the claim. Again in 2024, Com. Sanjib Dey was targeted with a redundancy notice. The present action of terminating union leaders in 2025 is a further extension of this systematic misuse of redundancy provisions to selectively target employees and eliminate organised resistance.

AIBOC holds that these terminations are not only illegal but mala fide and vindictive. The Confederation demands the immediate reinstatement of all six terminated leaders and members of ASCBO. It also calls upon Standard Chartered Bank to withdraw its anti-union and anti-officer practices and to recognise ASCBO as the legitimate representative body of its officers. At the same time, AIBOC urges the Ministry of Labour & Employment and the Reserve Bank of

THERE HAS TO BE EVIL SO THAT GOOD CAN PROVE ITS PURITY ABOVE IT

India to intervene without delay and hold SCB accountable for its blatant violation of Indian labour laws and contemptuous disregard of due legal process.

This attack on ASCBO is not merely an assault on one union; it is a direct challenge to the entire trade union movement in private and foreign banks. If such draconian measures are left unchecked, they will embolden other multinational corporations to trample upon the hard-won rights

of Indian workers. AIBOC reaffirms its solidarity with ASCBO and warns Standard Chartered Bank that these measures will be resisted with the full might of the organised banking fraternity. Unity is our strength, and injustice anywhere is a threat to justice everywhere.

Sd/-
Rupam Roy
General Secretary

SHARED ARTICLE

We are sharing edited excerpts of an article published in The Hindu Businessline published on September 1, 2025 by *Piyush Shukla*

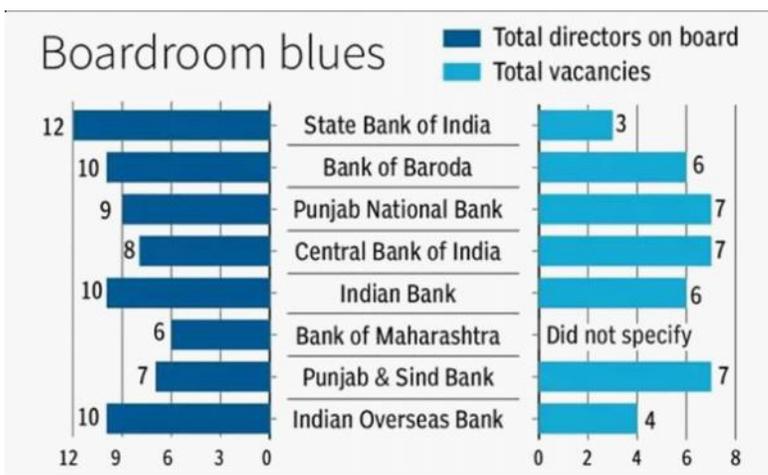
PSBS FALL BEHIND ON GOVERNANCE AS KEY BOARD POSITIONS REMAIN VACANT FOR YEARS:

India's public sector banks (PSBs) are yet to deliver on sound corporate governance standards as majority of lenders have not filled up important positions on their boards and that have been lying vacant for years.

Bank of Baroda, which should have 16 directors, currently has only 10 — leaving six key board positions vacant, including those of Chairman.

Central Bank of India has eight directors on its board, but does not have a Chairman, MD & CEO, and five other vacancies. Union Bank of India, too, currently does not have a MD & CEO. Indian Bank and Punjab & Sind Bank each have the positions Chairman vacant. (Refer table).

Shriram Subramanian, MD at In Govern Research, says PSBs and other public sector entities often cite lack or delay of approval from their respective ministries for appointment of directors in key positions. The tenure and responsibilities of directors are well known and their appointment can be pro-actively planned, he says.



“Unfortunately, PSBs engage in delay tactics. The PMO must ensure that such practises are disallowed and penalties be laid on errant entities. Ex SEBI chief Ajay Tyagi had said that most PSBs and other PSUs don't meet corporate governance norms, which is a shame,” he said.

Devidas Tuljapurkar, Joint Secretary, AIBEA, says almost half of board positions on PSBs are vacant

OVERCOME ANGER BY LOVE, EVIL BY GOOD

since 10 years. "Positions held by CAs, who normally occupy positions on high powered Audit Committees, are also vacant. Since SEBI guidelines call for mandatory shareholder directors positions, they have been filled in, but most of the directors are either former MD or EDs of LIC or PSBs." A

majority of responses showed that the position of workmen and non-workmen have remained vacant since the last decade. Repeated organizational actions by AIBOC has failed to move the DFS to lift the blockade on the appointment of non-workmen directors.■

GOVT APPOINTS GOLDMAN SACHS AS SOLE BANKER FOR STAKE DILUTION IN 4 PUBLIC SECTOR BANKS

We are sharing excerpts of an article published in CNBC TV 18 on August 26, 2025

by Sapna Das and Ajaay Vaishnav

The Government of India has appointed global investment banking firm Goldman Sachs as the sole transaction advisor for the stake sale in four public sector banks (PSBs)—UCO Bank, Central Bank of India, Punjab & Sind Bank, and Indian Overseas Bank (IOB).

Goldman Sachs will be responsible for structuring the deal, identifying potential investors, and ensuring smooth execution of the stake sale. The move is part of the Centre's broader banking sector reform strategy aimed at improving the operational efficiency and market competitiveness of public sector banks.

The government is likely to dilute its equity stake in each of the four banks by up to 5%. The disinvestment will be executed in tranches, starting in the current fiscal year (FY26) and spread over the next two to three years.

As per a CNBC-TV18 report, the Department of Investment and Public Asset Management (DIPAM) has already approved Offer for Sale

(OFS) transactions for five PSBs, including the four mentioned above. Bank of Maharashtra, meanwhile, is expected to meet the 25% minimum public shareholding (MPS) requirement through a Qualified Institutional Placement (QIP) route.

Despite initiating the OFS process, the government is also expected to request an extension of the August 2026 deadline for achieving MPS compliance, likely pushing it to 2027, as equity dilution will occur gradually. Currently, government holdings in all four PSBs stand at 89% or higher.

In parallel, the government is preparing to invite financial bids for the strategic sale of IDBI Bank between October and December 2025, to select a successful bidder by the end of FY26, according to another CNBC-TV18 report quoting DIPAM Secretary Arunish Chawla.

The government's move to bring down its stake in public sector banks aligns with broader efforts to enhance governance standards, deepen capital markets, and comply with SEBI's MPS norms.■

CIRCULARS

- | | | |
|---------------------------------------|----------|--|
| 36. dated 30th August, 2025 | : | Circular on empowering Defence Representatives through knowledge and training |
| 37. dated 05th September, 2025 | : | Text of Letter by UFBU dated 05.09.2025 addressed to the Hon'ble Finance Minister of India for exemption of group medical insurance paid by retired bank employees and officers.■ |

THREE THINGS CANNOT BE LONG HIDDEN: THE SUN, THE MOON AND THE TRUTH

Common Bond, October - 2025

JUDICIAL

[2025 (184) FLR 762]
(SUPREME COURT)

VIKRAM NATH and PRASANNA B. VARALE, JJ.

Civil Appeal No. 8157 of 2024 with Civil Appeal Nos. 8158-8179 of 2024

January 31, 2025

Between

SHRIPAL and another
and

NAGAR NIGAM, GHAZIABAD

U.P. Industrial Disputes Act, 1947-Sections 6-E and 6-N-Oral termination-Conciliation proceeding with regard to regularisation and other benefits was already pending-Labour Court gave two conflicting awards-One set of award against termination was in favour of workman whereas another set of award was against the workmen-High Court partly allowed the cases filed by workmen and Nagar Nigam-Direction was issued to allow the workmen to work on daily wage and to pay minimum of regular pay scale-Hence, instant appeals by both sides-Held, employer discontinued the services of workmen in violation of section 6-E of Act, 1947-No prior approval was taken when already conciliation proceeding for regularisation was in existence-Employer failed to prove that workmen were engaged through unnamed contractors-No proper notice or wages in lieu of retrenchment which violated section 6-N of Act, 1947-Work of workmen like upkeeping of parks, horticultural tasks and city beautification was perennial one-A ban on fresh appointment could not be used to deny labour protections to long serving workmen -Order of High Court to continue the workmen as daily wagers quashed-Workmen would be reinstated with continuity of services along with all service benefits-Would be considered for regularisation-50% of the backwages would be paid-Appeal of workmen allowed and that of employer dismissed. [Paras 14 to 19]

JUDGMENT

VIKRAM NATH, J. - These appeals, one filed by certain workmen (hereinafter, the workmen in all the appeals are referred to as the Appellant-Workmen) and the other by the employer department i.e. , Ghaziabad Nagar Nigam (hereinafter referred to as the Respondent-Employer as the employer in all the appeals), arise out of a common final judgment and order dated 01.03.2019, passed by the High Court of Judicature at Allahabad in Writ Petition No. 13381 of 2012 and connected matters.

2. By the impugned judgment, the High Court considered the legality of two conflicting sets of awards passed by the Labour Court, Ghaziabad-one set allowing reinstatement of some workmen with partial back wages, and another set denying relief altogether to other similarly placed workmen.

3. The factual matrix leading up to the appeal before us is as follows:

3.1 The Appellant-Workmen claim to have been engaged as Gardeners (Malis) in the Horticulture Department of the Respondent-Employer, Ghaziabad Nagar Nigam, since the year 1998 (in some instances, since 1999). According to them, they continuously discharged horticultural and maintenance duties- such as planting trees, maintaining parks, and beautifying public spaces- under the direct supervision of the Respondent-Employer. They further allege that no formal appointment letters were ever issued to them, and that they were persistently denied minimum wages, weekly offs, national holidays, and other statutory benefits.

3.2 In 2004, the Appellant-Workmen, along with many other similarly situated employees, raised an industrial dispute (C.B. Case No. 6 of 2004) before the Conciliation Officer at Ghaziabad , seeking

BETTER THAN A HUNDRED YEARS OF IDLENESS IS ONE DAY SPENT IN DETERMINATION

regularization of their services and the requisite statutory benefits. They contend that, upon learning of this demand, the Respondent-Employer began delaying their salaries and subjected them to adverse working conditions. Eventually, around mid-July, 2005, the services of numerous workmen were allegedly terminated orally, without any notice, written orders, or retrenchment compensation.

3.3 Since the above termination took place during the pendency of the conciliation proceedings, the Appellant-Workmen argue it violated Section 6-E of the U.P. Industrial Disputes Act, 1947. Consequently, the State Government referred the disputes concerning both (i) regularization and (ii) legality of the alleged termination, to the Labour Court, Ghaziabad for adjudication.

3.4 The Labour Court proceeded to decide the references *vide* two orders:

- (i) **Order dated 03.06.2011:** In numerous adjudication cases (e.g., Adjudication Case Nos. 448, 451, 467 of 2006, etc.), the Labour Court passed awards holding the terminations illegal for want of compliance with Section 6-N of the U.P. Industrial Disputes Act, 1947, and directed reinstatement with 30% back wages.
- (ii) **Order dated 11.10.2011:** However, in about 41 other adjudication cases (e.g., Adjudication Case Nos. 269, 270 and 272, etc.), the Labour Court arrived at a contrary conclusion, dismissing the claims on the finding that the concerned workmen had not been engaged directly by the Nagar Nigam but rather through a contractor, and hence had no enforceable right to reinstatement or regularization against the Respondent-Employer.

3.5 Aggrieved by the adverse portion of the awards (*i.e.*, those granting reinstatement), the Respondent-Employer, Ghaziabad Nagar Nigam, filed several writ petitions before the High Court of Judicature at Allahabad, challenging the Labour Court's findings. On the other hand, the workmen whose claims were dismissed by the other set of awards also approached the High Court by filing

their own writ petitions. All these writ petitions were heard together, culminating in the common judgment dated 01.03.2019, which partly modified the Labour Court's conclusions.

3.6 Through the impugned judgment, the High Court held that while the Labour Court was correct in exercising jurisdiction under the U.P. Industrial Disputes Act (since municipalities could be treated as "industry"), there remained factual complexities as to whether the workmen were genuinely on the rolls of the Nagar Nigam or were provided by contractors. The High Court also noted that the State Government had, by notifications/ orders, placed a ban on fresh recruitments in Municipal Corporations, thereby restricting direct appointments to any post. Ultimately, the High Court partially modified the relief granted, directing re-engagement of the workmen on daily wages, with pay equivalent to the minimum in the regular pay scale of Gardeners, while allowing future consideration of their regularization if permissible by law.

4. Both the Appellant-Workmen and the Respondent-Employer have now approached this Court by way of Special Leave Petitions. The workmen primarily seek full reinstatement with back wages and a direction to secure their regularization, whereas the Respondent-Employer seeks to quash the modifications ordered by the High Court on the ground that the High Court exceeded its jurisdiction by granting partial relief akin to regular employees, contrary to constitutional provisions and the State's ban on recruitment.

5. Learned counsel for the Appellant-Workmen made the following submissions:

I. Continuous Service & Comparable Duties:

The Appellant-Workmen had continuously discharged horticultural and maintenance duties- like planting trees, upkeep of public parks, and general beautification-under the direct supervision and control of the Respondent-Employer for periods often exceeding a decade. They insist such long-standing, continuous work parallels that of permanent Gardeners.

II. Direct Engagement & Wage Disbursement: They aver that their wages, though inadequate, were paid directly by the Horticulture Department of the

Respondent-Employer, nullifying the Employer's claim of contractual hiring. Muster rolls and internal notes are cited to show direct employer-employee relations.

III. Illegal Termination: Alleging violation of Sections 6-E and 6-N of the U.P. Industrial Disputes Act, 1947, the Appellant-Workmen maintain their abrupt termination in July, 2005 (during pendency of conciliation proceedings) was devoid of due process and statutory payments, rendering it patently illegal.

Entitlement to Reinstatement & Regularization: Given their long service and the principle of "equal pay for equal work," the Appellant-Workmen submit they deserve full reinstatement with back wages and a legitimate pathway to regularization, as opposed to the partial relief of mere daily-wage re-engagement prescribed by the High Court.

6. On the other, the learned counsel for the Respondent-Employer, Ghaziabad Nagar Nigam made the following submissions:

I. Compliance with Constitutional Requirements: Emphasizing the constitutional scheme of public employment, it is urged that there was (and remains) a ban on fresh recruitment in Municipal Corporations, and no proper selection process was ever followed to appoint the Workmen on any sanctioned posts.

II. No Direct Employer-Employee Relationship: The Respondent-Employer contends that all horticulture work was carried out through independent contractors appointed via tender processes. It claims any partial wage documentation cited by the Workmen fails to establish direct engagement.

III. Inapplicability of Regularization : Relying on *Secretary, State of Karnataka v. Umadevi*,⁺ it is asserted that no daily wager can claim permanent absorption without adherence to constitutional requirements and availability of duly sanctioned vacancies.

Inadequate Proof of 240 Days' Service: The Respondent-Employer points out that the Workmen did not convincingly demonstrate they completed 240 days of continuous work in any calendar year, thus undermining the assertion that their cessation from service was illegal.

V. Challenge to Modified Relief: Finally, it argues that the High Court's direction to pay minimum-scale wages and to consider the Workmen for future regularization oversteps legal boundaries, disregards the recruitment ban, and fosters an impermissible avenue of public employment. The Respondent-Employer, therefore, seeks the quashing of the impugned judgment.

7. Having heard the arguments and submissions of the learned counsel for the parties and having perused the record, this Court is of the considered opinion that the nature of engagement of the Appellant-Workmen, the admitted shortage of Gardeners, and the circumstances under which their services were brought to an end, merit closer scrutiny.

8. It is undisputed that, while the Appellant-Workmen were pressing for regularization and proper wages through pending conciliation proceedings, the Respondent-Employer proceeded to discontinue their services, without issuing prior notice or granting retrenchment compensation. At this juncture, it is to have a look at the requirements of Section 6-E of the U.P. Industrial Disputes Act, 1947 which has been reproduced hereunder:

"6-E. [Conditions of service, etc. to remain unchanged in certain circumstances during the pendency of proceedings. [Inserted by U.P. Act No. 1 of 1957.]

(1) During the pendency of any conciliation proceeding before a Conciliation Officer or a Board or of any proceeding before a Labour Court or Tribunal in respect of an industrial dispute, no employer shall, -

(a) in regard to any matter connected with the dispute, alter, to the prejudice of the workmen concerned in such dispute, the conditions of service applicable to them immediately before the commencement of such proceeding, or

(b) for any misconduct connected with the dispute, discharge or punish, whether by dismissal or otherwise any workman concerned in such dispute save with the express permission in writing of the authority before which the proceeding is pending.

(2) During the pendency of any such proceeding in respect of an industrial dispute, the employer may, in accordance with the standing orders applicable to a workman concerned in such dispute,-

(a) alter, in regard to any matter not connected with the dispute, the conditions of service applicable to that workman immediately before the commencement of such proceeding, or

(b) for any misconduct not connected with the dispute, discharge or punish, whether by dismissal or otherwise:

Provided that no such workman shall be discharged or dismissed, unless he has been paid wages for one month and an application has been made by the employer to the authority before which the proceeding is pending for approval of the action taken by the employer.

(3) Notwithstanding anything contained in sub-section

(2) no employer shall during the pendency of any such proceeding in respect of an industrial dispute, take any action against any protected workman concerned in such dispute, -

(a) by altering, to the prejudice of such protected workman, the conditions of service applicable to him immediately before the commencement of such proceeding, or

(b) by discharging or punishing, whether by dismissal or otherwise, such protected workman, such with the express permission in writing of the authority before which the proceeding is pending.

Explanation.- For the purposes of this sub-section, a 'protected workman' in relation to an establishment, means a workman who, being an officer of a registered trade union connected with the establishment, is recognized as such in accordance with rules made in this behalf.

(4) In every establishment, the number of workmen to be recognized as protected workmen for the purposes of sub-section (3) shall not exceed one per cent of the total number of workmen employed therein subject to a minimum number of five protected

workmen and a maximum number of one hundred protected workmen and for the aforesaid purpose, the State Government may make rules providing for the distribution of such protected workmen among various trade unions, if any, connected with the establishment and the manner in which they may be chosen and recognized as protected workmen.

(5) Where an employer makes an application to a Board, Labour Court or Tribunal under the proviso to sub-section (2) for approval of the action taken by him, the authority concerned shall, without delay, hear such application and pass, as expeditiously as possible, such order in relation thereto as it deems fit."

9. On a plain reading of this section, we can deduce that any unilateral alteration in service conditions, including termination, is impermissible during the pendency of such proceedings unless prior approval is obtained from the appropriate authority. The record in the present case does not indicate that the Respondent-Employer ever sought or was granted the requisite approval. *Prima facie*, therefore, this conduct reflects a deliberate attempt to circumvent the lawful claims of the workmen, particularly when their dispute over regularization and wages remained sub judice.

10. The Respondent-Employer consistently labelled the Appellant-Workmen as casual employees (or workers engaged through an unnamed contractor), yet there is no material proof of adherence to Section 6-N of the U.P. Industrial Disputes Act, 1947, which mandates a proper notice or wages in lieu thereof as well as retrenchment compensation. In this context, whether an individual is classified as regular or temporary is irrelevant as retrenchment obligations under the Act must be met in all cases attracting Section 6-N. Any termination thus effected without statutory safeguards cannot be undertaken lightly.

11. Furthermore, the Employer's stance that there was never a direct employer-employee relationship is wholly unsubstantiated. If, in fact, the Appellant-Workmen had been engaged solely through a contractor, the Employer would have necessarily maintained some form of contract documentation, license copies, or invoices substantiating the

contractor's role in hiring, paying, and supervising these workers. However, no such documents have been placed on record. Additionally, the Employer has failed to establish that wages were ever paid by any entity other than its own Horticulture Department, which strongly indicates direct control and supervision over the Workmen's day-to-day tasks is a hallmark of an employer-employee relationship. Had there been a legitimate third-party contractor, one would expect to see details such as tender notices, contract agreements, attendance records maintained by the contractor, or testimony from the contractor's representatives. The absence of these crucial elements undermines the Employer's claim of outsourced engagement. In fact, it appears that the Workmen were reporting directly to the Horticulture Department officials, receiving instructions on their duties, and drawing wages issued under the Municipality's authority. This pattern of direct oversight and wage disbursement substantially negates the narrative that they were "contractor's personnel." Consequently, the discontinuation of their services carried out without compliance with statutory obligations pertaining to notice, retrenchment compensation, or approval under Section 6-E of the U.P. Industrial Disputes Act, stands on precarious ground. The very foundation of the Employer's defense (i.e., lack of an employer-employee relationship) is not supported by any credible or contemporaneous evidence.

12. The evidence, including documentary material and undisputed facts, reveals that the Appellant-Workmen performed duties integral to the Respondent-Employer's municipal functions specifically the upkeep of parks, horticultural tasks, and city beautification efforts. Such work is evidently perennial rather than sporadic or project-based. Reliance on a general "ban on fresh recruitment" cannot be used to deny labour protections to long-serving workmen. On the contrary, the acknowledged shortage of Gardeners in the Ghaziabad Nagar Nigam reinforces the notion that these positions are essential and ongoing, not intermittent.

13. By requiring the same tasks (planting, pruning, general upkeep) from the Appellant-Workmen as from regular Gardeners but still compensating them inadequately and inconsistently the Respondent-Employer has effectively engaged in an unfair labour practice. The principle of "equal pay for equal work,"

repeatedly emphasized by this Court, cannot be casually disregarded when workers have served for extended periods in roles resembling those of permanent employees. Long-standing assignments under the Employer's direct supervision belie any notion that these were mere short-term casual engagements.

14. The Respondent-Employer places reliance on *Umadevi* (supra), to contend that daily-wage or temporary employees cannot claim permanent absorption in the absence of statutory rules providing such absorption. However, as frequently reiterated, *Uma Devi* itself distinguishes between appointments that are "illegal" and those that are "irregular," the latter being eligible for regularization if they meet certain conditions. More importantly, *Uma Devi* cannot serve as a shield to justify exploitative engagements persisting for years without the Employer undertaking legitimate recruitment. Given the record which shows no true contractor-based arrangement and a consistent need for permanent horticultural staff the alleged asserted ban on fresh recruitment, though real, cannot justify indefinite daily-wage status or continued unfair practices.

15. It is manifest that the Appellant-Workmen continuously rendered their services over several years, sometimes spanning more than a decade. Even if certain muster rolls were not produced in full, the Employer's failure to furnish such records-despite directions to do so-allows an adverse inference under well-established labour jurisprudence. Indian labour law strongly disfavours perpetual daily-wage or contractual engagements in circumstances where the work is permanent in nature. Morally and legally, workers who fulfil ongoing municipal requirements year after year cannot be dismissed summarily as dispensable, particularly in the absence of a genuine contractor agreement. At this juncture, it would be appropriate to recall the broader critique of indefinite "temporary" employment practices as done by a recent judgement of this court in *Jaggo v. Union of India*, in the following paragraphs:

"22. The pervasive misuse of temporary employment contracts, as exemplified in this case, reflects a broader systemic issue that adversely affects workers' rights and job security. In the private sector, the rise of the gig economy has led

to an increase in precarious employment arrangements, often characterized by lack of benefits, job security, and fair treatment. Such practices have been criticized for exploiting workers and undermining labour standards. Government institutions, entrusted with upholding the principles of fairness and justice, bear an even greater responsibility to avoid such exploitative employment practices. When public sector entities engage in misuse of temporary contracts, it not only mirrors the detrimental trends observed in the gig economy but also sets a concerning precedent that can erode public trust in governmental operations.

.....

25. It is a disconcerting reality that temporary employees, particularly in government institutions, often face multifaceted forms of exploitation. While the foundational purpose of temporary contracts may have been to address short-term or seasonal needs, they have increasingly become a mechanism to evade long-term obligations owed to employees. These practices manifest in several ways:

Misuse of "Temporary" Labels: Employees engaged for work that is essential, recurring, and integral to the functioning of an institution are often labelled as "temporary" or "contractual," even when their roles mirror those of regular employees. Such misclassification deprives workers of the dignity, security, and benefits that regular employees are entitled to, despite performing identical tasks.

Arbitrary Termination: Temporary employees are frequently dismissed without cause or notice, as seen in the present case. This practice undermines the principles of natural justice and subjects workers to a state of constant insecurity, regardless of the quality or duration of their service.

Lack of Career Progression: Temporary employees often find themselves excluded from opportunities for skill development, promotions, or incremental pay raises. They remain stagnant in their roles, creating a systemic disparity between them and their regular counterparts, despite their contributions being equally significant.

Using Outsourcing as a Shield: Institutions increasingly resort to outsourcing roles performed by

temporary employees, effectively replacing one set of exploited workers with another. This practice not only perpetuates exploitation but also demonstrates a deliberate effort to bypass the obligation to offer regular employment. *Denial of Basic Rights and Benefits:* Temporary employees are often denied fundamental benefits such as pension, provident fund, health insurance, and paid leave, even when their tenure spans decades. This lack of social security subjects them and their families to undue hardship, especially in cases of illness, retirement, or unforeseen circumstances."

16. The High Court did acknowledge the Employer's inability to justify these abrupt terminations. Consequently, it ordered re-engagement on daily wages with some measure of parity in minimum pay. Regrettably, this only perpetuated precariousness: the Appellant-Workmen were left in a marginally improved yet still uncertain status. While the High Court recognized the importance of their work and hinted at eventual regularization, it failed to afford them continuity of service or meaningful back wages commensurate with the degree of statutory violation evident on record.

17. In light of these considerations, the Employer's discontinuation of the Appellant-Workmen stands in violation of the most basic labour law principles. Once it is established that their services were terminated without adhering to Sections 6-E and 6-N of the U.P. Industrial Disputes Act, 1947, and that they were engaged in essential, perennial duties, these workers cannot be relegated to perpetual uncertainty. While concerns of municipal budget and compliance with recruitment rules merit consideration, such concerns do not absolve the Employer of statutory obligations or negate equitable entitlements. Indeed, bureaucratic limitations cannot trump the legitimate rights of workmen who have served continuously in *de facto* regular roles for an extended period.

18. The impugned order of the High Court, to the extent they confine the Appellant-Workmen to future daily-wage engagement without continuity or meaningful back wages, is hereby set aside with the following directions:

I. The discontinuation of the Appellant-Workmen's

DO NOT DWELL ON THE PAST OR FUTURE. CONCENTRATE ON THE PRESENT MOMENT

services, effected without compliance with Section 6-E and Section 6-N of the U.P. Industrial Disputes Act, 1947, is declared illegal. All orders or communications terminating their services are quashed. In consequence, the Appellant-Workmen shall be treated as continuing in service from the date of their termination, for all purposes, including seniority and continuity in service.

II. The Respondent-Employer shall reinstate the Appellant-Workmen in their respective posts (or posts akin to the duties they previously performed) within four weeks from the date of this judgment. Their entire period of absence (from the date of termination until actual reinstatement) shall be counted for continuity of service and all consequential benefits, such as seniority and eligibility for promotions, if any.

III. Considering the length of service, the Appellant-Workmen shall be entitled to 50% of the back wages from the date of their discontinuation until their actual reinstatement. The Respondent-Employer shall clear the aforesaid dues within three months from the date of their reinstatement.

IV. The Respondent-Employer is directed to initiate a fair and transparent process for regularizing the Appellant-Workmen within six months from the date of reinstatement, duly considering the fact that they have performed perennial municipal duties akin to permanent posts. In assessing regularization, the Employer shall not impose educational or procedural criteria retroactively if such requirements were never applied to the Appellant-Workmen or to similarly situated regular employees in the past. To the extent that sanctioned vacancies for such duties exist or are required, the Respondent-Employer shall expedite all necessary administrative processes to ensure these longtime employees are not indefinitely retained on daily wages contrary to statutory and equitable norms.

19. In view of the above, the appeal(s) filed by the workmen are allowed, whereas the appeal(s) filed by the Nagar Nigam Ghaziabad are dismissed.

20. All pending applications stand disposed of. No orders as to costs. ■

Ordered Accordingly.

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