# CASE COMMENT: WORKMEN OF DIMAKUCHI TEA ESTATE V. THE MANAGEMENT OF DIMAKUCHI TEA ESTATE, AIR 1958 SC 353

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#### **ABSTRACT**

The Industrial Disputes Act, 1947, came into force in India to maintain industrial peace and harmony, promote collective bargaining, and provide a framework for the resolution of conflicts in the industrial sector. Legal precedents have played a significant role in shaping the attitude of employers towards their employees in the industrial setup. One such case is the Workmen Of Dimakuchi Tea Estate v. The Management of Dimakuchi Tea Estate. This is a landmark case in interpreting the scope of the definition of 'workman'. This case comment presents an analysis of the legal provisions and outcome of this labour dispute. The case holds significant importance as it deals with the rights and welfare of tea estate laborers and examines various legal aspects related to labour disputes. This case comment aims to provide a comprehensive overview of the background, key issues, court's decision, and implications of the case.

Keywords: Industrial Peace, Workman, Labour Dispute, Collective Bargaining.

INTRODUCTION rnal of Legal Research and Juridical Sciences

The Industrial Disputes Act, 1947, forms a cornerstone in India's labor legislation, intending to maintain industrial harmony and regulate conflicts between employers and employees. It recognizes the significance of a stable industrial environment for the overall economic development of the country. It provides for various mechanisms to resolve industrial disputes, including negotiation, conciliation, arbitration, and adjudication. These mechanisms aim to settle disputes amicably and avoid disruptions in industrial activities. The act also provides legal protections to workers against unfair labor practices and arbitrary actions by employers.

This is a case concerning the Industrial Disputes Act, 1947 wherein the scope of the 'workmen' definition was analysed. This case comprehensively laid down the intention behind enacting

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such a statute. The legal interpretation of this term carried profound implications for the rights, welfare, and legal standing of such workmen.

#### **FACTS**

The factual matrix leading to the dispute was that Dimakuchi Tea estate, who is the respondent in this case had appointed Dr. K.P. Banerjee as the assistant medical officer on a three-month probation period. A seven-day prior notice terminating his probation period had to be served if he was held unsuitable for the job. Only in cases of misconduct would he be immediately terminated without any prior notice. Dr. Banerjee received a letter one day from Mr. Booth, the tea estate manager, informing him that his employment was being terminated. The letter also mentioned that he would be compensated with one month's salary in place of the usual notice period. The reason for termination was medical-related and beyond the jurisdiction of Mr. Booth. The main issue, however, was the fraudulent way in which he added figures to the requirements of the earlier medical record after Dr. Cox signed it.

The case was taken over by the Mangaldai Circle of the Assam Chah Karmachari Sangha, who questioned the reasoning behind Dr. Banerjee's dismissal. The manager responded stating due to his incompetence and lack of sufficient knowledge he had been discharged. They also alleged that Dr. Banerjee had administered an incorrect and unprofessional quinine injection to an employee named Mr. Peacock at the Dimakuchi tea estate, resulting in a severe and acute illness that nearly paralyzed Mr. Peacock's leg. The manager's explanations for terminating Dr. K. P. Banerjee's employment were unsatisfactory to the appellants. Despite unsuccessful attempts at conciliation, the matter was referred to the Tribunal established under the Industrial Disputes Act, 1947, Section 7, by the Government.

Both parties submitted written statements to the Tribunal, which determined that Mr. Banerjee did not qualify as a 'workman,' and thus, his case did not fall under the category of an 'industrial dispute.' Consequently, the court lacked jurisdiction, and no remedies could be provided. This decision was affirmed on appeal to the Labour Appellate Tribunal of India in Calcutta. Pursuant to Art 136 the appellants filed a special leave petition in the Supreme Court.

## **ISSUES**

1. Whether a dispute relating to a person who is not a workman would fall under the ambit of the Industrial Disputes Act, 1947.

2. Does 'any person' under sec 2 (k) definition of a workman cover non-workmen also?

## **SUMMARY OF ARGUMENTS**

The petitioners contended that the conditions mentioned in the definition are duly fulfilled as the dispute is regarding the termination of the services of the doctor. Even if the definition is considered in a narrow scope it qualifies to be an industrial dispute as it is between the employer and the workman. Furthermore, the appellants have asserted that the phrase "of any person" found in the third segment of the definition clause possesses a broad and extensive meaning and should not be confined solely to the realm of workmen. They further brought into light the essential ingredients of sec 2(k) which are the existence of a dispute or conflict, it must be related to employees or employers and their work conditions, appointment or removal. Since the matter at hand fulfills these conditions, it falls within the scope of the act. Hence employer is liable to give relief to Dr. K. P. Banerjee for his unusual termination. The respondents while refusing all the claims made by the petitioners contended that Dr. K. P. Banerjee is not a workman or an employee hence beyond the scope of the ID act.

# JUDGMENT AND REASONING BEHIND IT

Chief Justice S.R. Das and Justice S.K. Das gave the majority decision on the other hand Justice A.K. Sarkar gave the dissenting judgment. The court interpreted "any person" in a limited sense to include

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- dispute which is real and capable of being resolved
- dispute must be of substantial interest and it must be related to employees or employers and their work conditions, appointment or removal.

Hence the term "any person" was not interpreted in a broad sense to prevent any inconsistencies and confusion in the future. The court further held that Dr. K. P. Banerjee is not a workman but rather a medical staff. Therefore, a substantial interest could not be established. The court observed that the intent behind using the term 'any person' is to include the nonemployment of dismissed workers also under the ID Act. Further stated that it is important to distinguish between workmen and non-workmen or other employees. Furthermore, the contending party must have a substantial or direct interest in the dispute or must have been significantly affected by it.

Justice A. K. Sarkar differed in his opinion as he did not restrict the meaning of 'any person' solely to individuals of the workman class. He noted that, while the definition of "workman" was later amended to include discharged workers, the term "any person" remained unaltered and was not substituted. This, in his view, indicates that the intention was never to confine "any person" to employed or discharged workmen. Therefore, he advocated for a broader and more straightforward interpretation of this phrase.

The 3 main reasons for the court's decision were that

- the phrase "any person" specifically refers to workmen. Therefore, in Section 2(k), the term "any person" should be interpreted to mean individuals belonging to the workman class.
- In view of the intention behind the act and its purpose the words "any person" should be limited to those within the workman category for their welfare.
- The person filing the complaint must have a legitimate or significant interest in the matter, and the dispute must pertain to employees or employers with respect to their work conditions, appointment or removal.

## **ANALYSIS**

This case proved to be a landmark case as the judiciary took the extra initiative of looking into the objective and intention of the legislature that enacts such provisions. Moreover, it laid down a comprehensive interpretation of the terms in the statute. It made clear the words of the preamble as well as gave meaning to the term 'other purposes' to include any issues that impact the employer, employee, or their relationship within the workplace. Industrial Relations involve the interactions between employers and employees in modern industries, influenced by regulations, social organizations, and institutions. It includes cooperation and conflict, with conflict potentially causing disruptions in the economy and productivity. Effective mechanisms for resolving industrial disputes are crucial for fostering growth in industrial society.

The test of whether a sec 2 (k) includes "any person" was comprehensively addressed by the judiciary in this case where they clearly stated that this term is to be interpreted only in terms of individuals belonging to the working class and not anyone. Moreover, this decision was made in view of the welfare of the workers so as to keep the purpose and objective of the act

intact. By limiting the applicability of the act to individuals having a substantial interest, the court has cleared any confusion and pertaining labour conditions of an individual.

In the case of *Birla Brothers Ltd. v. Modak I.L.R.*<sup>1</sup> (1948) 2 Cal. 209, it was ruled that the term "any person" was not restricted to the definition of workmen within the Act but had a broad and inclusive meaning, encompassing individuals beyond the defined workmen. However, in the case of *Narendra Kumar Sen v. All India Industrial Disputes (Labour Appellate) Tribunal*<sup>2</sup> (1953) *IILLJ6Bom*, it was held that interpreting the term "any person" without any limitations or qualifications would allow workmen to raise disputes involving any workman, labourer, or individual anywhere in the world. Such an interpretation was considered untenable.

## **CONCLUSION**

In the Dr. K.P. Banerjee case, it was determined that he did not fall under the definition of a workman rather was considered to be a medical or technical staff, which is a distinct category from a workman. In spite of being a member of a trade union, since he failed to meet the necessary requirements under the Industrial Dispute Act (Section 2(k)) he was not considered to be a workman. As a result, the appeal was turned down.

Additionally, the Court outlined the objectives of the Act. It underscored that the Act aims to achieve several goals: first, to promote harmonious relationships between employers and workmen. Second, it seeks to investigate and resolve industrial disputes involving various parties. Lastly, the Act aims to prevent unlawful strikes and lockouts while providing safeguards for workmen in cases of lay-offs and retrenchment. The case underscored the importance of upholding the rights and welfare of laborers, establishing a framework for fair labor practices and dispute resolution.

<sup>1 (1948) 2</sup> Cal. 209

<sup>&</sup>lt;sup>2</sup> (1953) IILLJ6Bom