

SUPREME COURT OF INDIA

Ram Nayak

Vs.

U.P. State Sugar Corporation

(Tarun Chatterjee and D.K.Jain JJ.)

31.08.2007

JUDGMENT

TARUN CHATTERJEE, J.

1. Leave granted.

2. This appeal, by grant of special leave, is directed against the final judgment and order dated 10th July, 2006 passed by the Allahabad High Court in Civil Miscellaneous Writ Petition No.5385 of 1998 whereby the High Court had allowed the writ petition filed by the respondent and set aside the award dated 5th June, 1997 passed by the Presiding Officer, Labour Court, Varanasi, U.P. in Adjudication Dispute No.89 of 1994 directing re-instatement of the appellant with continuity of service and payment of full back wages by the respondent U.P. State Sugar Corporation (for short 'the Corporation').

3. The following reference was made for adjudication before the Labour Court :

"Whether the termination of service by the employer of their workman Ram Nayak from 1st June 1990 was bad or invalid."

The said reference came to be registered as Adjudication Dispute No.89 of 1994 before the Presiding Officer, Labour Court, Varanasi, U.P. The appellant claimed that he was working under the erstwhile Ratna Sugar Mills on the "appointed day" under the U.P. Sugar Undertaking Acquisition Act, 1971 (hereinafter referred to as "the Acquisition Act"). On and from 24/4/1989, Ratna Sugar Mills had vested with the Corporation as the said date was the "appointed day"

under Section 2(A) of the Acquisition Act. However, the service of the appellant was terminated by an oral order for which the reference was made. The Labour Court, after considering, both the oral and the documentary evidence on record, held that the oral termination order was bad and, therefore, directed re-instatement of the appellant in the Corporation with continuity of service and back-wages. This award was challenged by the Corporation before the High Court by way of a writ petition. As noted herein above, the High Court allowed the writ petition and set aside the award passed by the Labour Court solely on the ground that the award could not be allowed to stand in view of Section 16(3) of the Acquisition Act. We may keep it on record that the High Court, while setting aside the award, had not gone into the merits whether the appellant had failed to prove that his oral termination order was bad or invalid in law.

4. Feeling aggrieved by the judgment of the High Court, this appeal has been preferred by the

appellant. After hearing the arguments advanced by the learned counsel for the parties and considering the provisions of Section 10 read with Section 16(3) of the Act, we are of the firm opinion that a finding whether the appellant was working under the respondent on the "appointed day"

under the Acquisition Act was necessary. For that purpose, it would be appropriate to direct the appellant to approach the prescribed authority under Section 10 read with Section 16(3) of the Act for a finding whether he was exclusively employed in connection with the scheduled undertaking before the appointed day as we are of the view that the Acquisition Act, being a special act, is conferred with the power to make such a finding.