# Legal Case Summary

Case Title: Jagbir Singh vs Haryana State Agriculture Marketing Board & Another

Citation: AIR 2009 SC 3004, (2009) 15 SCC 327

Date of Judgment: 14 July 2009

Bench: Justice R.M. Lodha, Justice Tarun Chatterjee

Author of Judgment: Justice R.M. Lodha

## Parties Involved

Appellant: Jagbir Singh

Respondents: Haryana State Agriculture Marketing Board & Another

## Background / Facts of the Case

Jagbir Singh was engaged as a daily wager on 1 September 1995 and worked until 18 July 1996. He claimed that his termination violated Section 25F of the Industrial Disputes Act, 1947. The Labour Court found in his favor and awarded reinstatement with continuity of service and full back wages. The High Court, however, overturned this, denying reinstatement and back wages. The matter came before the Supreme Court.

## Legal Issues Raised

1. Whether termination in violation of Section 25F automatically warrants reinstatement with full back wages.

2. Whether the Labour Court was right in granting full relief despite the short and daily wage nature of service.

## Judgment / Decision

The Supreme Court held that reinstatement with full back wages is not an automatic consequence of termination in violation of Section 25F. Instead, compensation may be a more appropriate relief, especially for daily wagers. The Court referred to various precedents where compensation was awarded instead of reinstatement for similar factual scenarios.

## Final Order

• Appeal partly allowed.

• Instead of reinstatement, compensation of ₹50,000 to be paid by Respondent No. 1.

• Compensation to be paid within 6 weeks, failing which interest at 9% per annum applies.

## Case Timeline

• 01 Sep 1995: Appellant appointed as daily wager

• 18 Jul 1996: Termination of service

• 27 Jan 1997: Demand notice issued

• 16 Sep 2005: Labour Court awards reinstatement and back wages

• 2005–2009: High Court sets aside award

• 14 Jul 2009: Supreme Court partly allows appeal and grants compensation

## Relevant Legal Principles & Precedents

• Section 25F of the Industrial Disputes Act, 1947 – Conditions precedent to retrenchment

• U.P. State Brassware Corpn. Ltd. v. Uday Narain Pandey (2006) 1 SCC 479

• M.P. Admn. v. Tribhuban (2007) 9 SCC 748

• Sita Ram v. Moti Lal Nehru Farmers Training Institute (2008) 5 SCC 75

• Ghaziabad Development Authority v. Ashok Kumar (2008) 4 SCC 261

• Mahboob Deepak v. Nagar Panchayat, Gajraula (2008) 1 SCC 575

## Key Takeaways

- Termination in violation of Section 25F does not always lead to reinstatement.

- Courts may grant compensation based on nature of employment and duration of service.

- Reinstatement is not favored for daily wagers with short service duration.