

**IN THE COURT OF INDUSTRIAL TRIBUNAL, MAHARASHTRA AT
PUNE**

REFERENCE (IT) No.04 OF 2023

(CNR No.MHIC120000112023)

Between

M/s Maass Flange India Pvt. Ltd.
Plot No.A, Udyog Nagar, Markal-Alandi
Road, Markal,
Tal. : Khed, Dist. : Pune-412 102. ..First Party

And

Shivgarjana Kamgar Sanghtana
Near Haveli Hotel, Back of Shamrao
Vithal Co-Operative Bank, Near Pune-
Nashik Road, Indrayani Nagar, Bhosari,
Pune- 412105. ..Second Party

CORAM : D.M. Patil, Presiding Officer, Industrial Tribunal

Appearances : Adv.Mr.D.J. Bhanage for First Party
Adv.Mr.C.P. Audichya for Second Party

INTERIM AWARD
(Order Below Exh.U-10)
(Date : 3rd October 2025)

This reference has been referred to this Tribunal u/s 10(1) of the Industrial Disputes Act,1947 vide Order of Reference dt.05/01/2023. Schedule of Reference is with regard to General Demands dt.02/09/2021 forwarded by Second Party union and as to whether said demands are justified and whether interim or final relief is required to be granted.

2. Both the parties filed pursis at **Exh.C-26 and Ex.U-35** declaring that both the parties do no wish to lead oral evidence on interim

relief and the interim application may be decided based on documents on record. Hence the aspect of interim relief is being decided on the basis of documents on record.

3. After receipt of the reference parties have appeared in the matter. The Second Party union has filed Statement of Claim at **Ex.U-6** thereby sought to justify the demands made in Charter of Demands dt.02/09/2021. There are 33 demands in total made in said Charter of Demands towards increase of wages and arrears thereof including other benefits to the workers.

4. The Second Party union has also filed an interim application at **Ex.U-3** thereby claimed interim wage rise to the workers @ Rs.12,000/- pm pending till final disposal of the reference. According to union, the earlier settlement was in existence till 31/10/2021 and it was for the period 01/11/2018 to 31/10/2021 and as per said settlement the management had given wage rise of Rs.10,000/- to its workers. Hence the Tribunal can grant interim wage rise pending final adjudication of the dispute. It is also contended that the workers are facing difficulties due to inflammation and delay in executing further settlement. The Second Party has referred to various case laws in its application and contended that no harm or prejudice would be caused to the First Party by granting such interim relief.

5. The application is opposed by the First Party by filing Reply at **Ex.C-6** contending that the interim application is devoid of merit and

deserves to be rejected. Entire application for interim relief do not assign any reason as to why interim application is to be granted. According to First Party, the interim relief sought is much more than the final relief. According to First Party, the management has already given wage rise of Rs.10,000/- as requested by the union on the basis of commitment of the workers to complete the target of production. However, such targets were not completed according to commitment and on the contrary productivity is reduced. Due to the same the business of the First Party is having adverse impact resulting into loss of business. According to First Party, the demands of the union are exorbitant. According to First Party, when the matter was subjudice for conciliation the Second Party take shelter of social media, print media thereby defaming the First Party. Hence some of the customers came in suspicion about the business of the company. According to First Party, the workers are drawing wages of more than that of minimum wages and also getting other benefits. The Second Party has not given any single reason for not arriving an understanding about the settlement and there is no rule that after expiry of the settlement it should be replaced by another settlement immediately. Even after expiry of term of earlier settlement the management continues to give all the benefits as agreed in the last agreement dt.20/06/2020. The demand of wage rise is depending upon market situation, credibility, to adhere to the commitments,

terms and conditions of agreement, understanding between the parties and mainly on the business necessities. According to First Party, any consideration for interim relief may result in unhealthy industrial situation. It is therefore prayed to reject interim relief.

6. Considering rival contentions of the parties, following points arise for my determination and I record my findings alongwith reasons thereon are as under -

	<u>Points</u>	<u>Findings</u>
(1)	Whether the Second Party union has made out a strong prima-facie case in their favour, that is to say, for the wage revision claimed by it as and by way of final Award ?	Partly in the Affirmative
(2)	Whether the balance of convenience lies in favour of the workmen ?	Partly in the Affirmative
(3)	Whether irreparable loss would be caused to the workmen if the interim relief, namely, the interim wage rise was not granted ?	Partly in the Affirmative
(4)	What Award ?	As Per Final Order

Reasons

7. **As to Point Nos.1 to 4 :-**

Heard both the learned advocates representing the parties. It is vehemently submitted on behalf of Second Party union that vide Charter of Demands dt.02/09/2021 raised general demands of wage rise and other benefits. In support of the said demands Second Party has filed Balance Sheet of the company for three years. Earlier settlement was expired in the year 2021. In the Charter of Demands

the union has forwarded 33 demands and in interim relief application the union is only demanding interim wage rise @ Rs.12,000/- pm. According to union, the profit of the First Party company goes to 70 crores from 6 crores. It is submitted that by taking social view and to protect weaker section of the society the Tribunal is empowered to grant interim relief. It is submitted that the said relief is justified by the documents filed alongwith **Ex.U-12**. It is submitted that after expiry of the earlier settlement in the year 2021 the next settlement is due in the year 2024 but due to adamant view of the management no settlement was arrived. It is submitted that workers strength has been reduced and 100 workers were reduced out of 552. Therefore, approximately amount of Rs.52 lakhs per month is saved by the company. The company has also reduced strength of contract labour and thereby saved Rs.13,05,000/- and all the workload has been shifted on the existing workers. During the last four years the company has saved Rs.8,76,00,000/- by reduction of manpower. Canteen was closed during lock-down but not restarted. It is submitted that Balance Sheet as of 31st March 2022 shows that the gross profit of the company was of Rs.7,85,52,265/- and net profit was of Rs.6,11,60,827/-, in comparison to the gross profit earned in the year 2020-2021 of Rs.3,74,20,484/- and net profit of Rs.2,37,45,514/-, which is more than 52%. In short, it is submitted that in the year 2020 total sell of the company was Rs.1,15,75,21,953/- and

the profit was Rs.9,44,57,329/-. According to Second Party, union is justified in raising demand of upward revision of the wages. It is submitted that industry in similar category i.e. Bharat Forge Ltd. manufacturing flanges has increased the wages Rs.16770/- and Rs.17500/- and also granted other benefits to the workers by settlement dt.12/05/2023. It is submitted that there has been sky rocketing rise in prices and inflation chart going up so fast. Therefore, the Second Party union claimed interim relief of Rs.12,000/- pending adjudication of dispute. The Second Party has relied upon following Judgments -

- (i) Messrs Budge Budge Floor Coverings Ltd. v/s Second Industrial Tribunal and Ors. (Writ Petition No.15274/2014 dt.30/06/2014-Hon'ble Calcutta High Court)**
- (ii) Narendra and Ors. v/s State of U.P. (2017 (9) SCC 426 – Hon'ble Supreme Court)**
- (iii) Management of Pradip Lamp v/s Karmacharya Sangh (1070(2) SCR 880)**
- (iv) Secure Meter Ltd. v/s Workers Union of Secure Meters (Civil Writ Petition No.2935/2019 dt.14/11/2022 – Hon'ble Himachal Pradesh at Shimla)**
- (v) Western India Automobile Association v/s Industrial Tribunal, Bombay (1949 I LLJ 245)**
- (vi) Bharat Bank v/s Employees of Bharat Bank (1950 I LLJ 921 – Hon'ble Supreme Court)**
- (vii) Indian Express Newspapers (Bombay) Pvt. Ltd. v/s Their Employees Union (1978 II LLJ 11)**
- (viii) Hotel Imperial v/s Hotel Workers Union (1959 II LLJ 544)**

- (ix) ***National Textile Corporation Ltd. and Ors. v/s State of Rajasthan and Anr. (1989 Lab.IC Page-1722 – Hon'ble Rajasthan High Court)***
- (x) ***M/s Darshak Ltd. v/s Presiding Officer (1985 SCC Online Kar.345- Hon'ble Karnataka High Court)***
- (xi) ***Standard Vacuum Refining Co. of India v/s It's Workmen and Anr. (1961(3) SCR 536 – Hon'ble Supreme Court)***
- (xii) ***Express Newspapers (P) Ltd. v/s Union of India (1959 SCR 12)***

8. *Per contra*, it is the submission of learned advocate Mr.Bhanage for the First Party company that interim relief application do not show any justification for the demand. Only justification is that the company gave Rs.9000/-, Rs.10,000/- wage rise in earlier settlement. It is submitted that the company has taken the burden by the settlement of 2021 retrospectively. The Charter of Demands submitted by the Second Party union depicts gross and costlier demands of more than Rs.25,000/- and the wages of the workers comes to Rs.44,776/-. It is submitted that the Second Party placed no material how the inflation has gone high. Special allowance declared by the Government in fact takes care of inflation. So far as reduction of strength of workers is concern it is submitted that workload has not been shouldered upon existing work force. The union cannot ask revision of wages from savings of the company. No details thereof are given. It is submitted that when employees reduced and workforce not replaced because of less workload, no productivity is given by the present workforce, there is loss of business and loss is

accumulated to Rs.296 crores. Interim relief is based upon equitable consideration and balance of convenience is to be seen. The existing wages of the workers are more than fair and reasonable and company cannot afford any further wage increase. According to First Party, no workload available as the orders were reduced considerably. So far as profitability is concern it is submitted that the figures of profit arrived at by the Second Party are whimsical and imaginary and mischievous calculations. It is submitted that since 2018-2019 unionised labour cost has been increased whereas figures of production are decreased. It is submitted that the figures of profit which is compared by the Second Party union is with regard to profit earned during Covid-19 and the profit after lock-down, which is misleading. In fact the profit for the year 2019-2020 has come down considerably in the year 2020-2021 due to Covid-19 pandemic. The company did not recover from pre-covid year and gross profit is reduced 17%. Whereas net profit is reduced by 13%. Hence the contention that profit rose by 52% is misleading and baseless. With regard to as comparable concern the First Party submits that there is one company called Bharat Forge Ltd. is engaged in multiple times of activities and one of which is forging. Whereas the First Party company is restricted its activities only to forging of flanges. The turnover of Bharat Forge is Rs.13000 crores, whereas turnover of Second Party is hardly Rs.95 to 100 crores. Hence there can be no

comparison between the Bharat Forge and First Party company. It is submitted that there is one company called KCTR Varsha Automotive Pvt. Ltd. within Alandi-Markal Region engaged in forging and machining with turnover of Rs.75.65 crores for 2021-2022 can be a comparable concern which has given increase of Rs.10,500/- in gross inclusive of all allowances for the period of 8 years since May 2011 to June 2026 and similar kind of increase was granted by First Party company in the settlement of 20/06/2020 which is excluding variable DA. It is therefore submitted that union has failed to give proper justification. The First Party has made huge investment and at present the First Party is not in a position to bear additional burden. It is submitted that average salary of the workers in June 2025 is Rs.38,000/- and gross CTC Rs.48,612/-. Maximum take home salary is Rs.46,569/- and CTC is Rs.56,956/-. It is therefore submitted that the company is paying huge amount to the workers and therefore there is no justification in granting interim wage rise to the workers pending adjudication. In support of its contention he relied on Judgment of **Workmen of Balmer Lawrie and Co. Ltd. v/s Balmer Lawrie and Co. and Anr. (1964 AIR (SC) 728- Hon'ble Supreme Court)**

9. Upon hearing the parties, I have gone through the voluminous documents placed on record by the parties alongwith their interim application and say filed thereon as well as written notes of arguments filed by both the parties. Before proceeding further it is

better to consider the legal position for passing the interim relief / award in an industrial adjudication. In the case of **Maharashtra Girls Education Society Pune v/s Maharashtra Karmachari Sanghatna, Pune (2018 III CLR Page-601 (Bom.)**, the Hon'ble Bombay High Court had an occasion to deal with this issue and it is observed that the jurisdiction of the Tribunal u/s 10(4) extends not only over adjudication of terms of reference, but even matters incidental thereto and the explanation incidental thereto appearing in Sec.10(4) of the Act relates to the subject matter of adjudication relating to points of dispute specified and matters incidental thereto and does not in any way refer to interim relief pending or in aid of such specified matters. It is further observed that all interim awards would necessarily involve interim relief, but not vice-versa and determination of the issue in an interim award may stand, thus, on a higher pedestal than passing of an order of interim relief. It is further held that for passing such interim award the court / tribunal has to consider prima-facie case of the industrial dispute referred to it and to apply its mind for such prima-facie adjudication.

10. In the case of Workmen of *Balmer Lowrie and Co. Ltd. v/s Balmer Lowrie and Co. Ltd. (supra)*, the Hon'ble Supreme Court has observed that an award of wage revision can be passed taking into consideration principle of gradual advance to the living wage, paying capacity of the employer, comparable character of industrial

undertaking etc. and the question cannot be decided merely on the basis of interested testimony of the parties.

11. I have also gone through the Judgments relied upon by the Second Party union. These Judgments, on perusal of it, appears to be relating to final adjudication of industrial dispute. However, while considering the interim award also all these factors are prima-facie required to be taken into consideration. Therefore, I consider all the Judgments relied upon by both the parties as guiding principles.

12. The First Party has entered into settlement with the Second Party and last such settlement came to an end on 31/10/2021. During the conciliation about the present Charter of Demands the company had given a letter dt.24/11/2022 to the Assistant Commissioner of Labour, Pune, in which it has proposed wage rise at Rs.5000/- which is to be given to the workers at the rate of Rs.1000/- in each year for five years . Though in the said letter the company did not agree to all the demands in Charter of Demands it can be seen that the company acceded to the demand of wage rise to certain extent. However, this letter and proposed wage rise cannot be a sole consideration for granting interim relief to the workers. At the same time it cannot be ignored that while proposing the said increase of Rs.5000/- the company must have aware about its viability and financial ability to grant increase to the workers. Certainly this letter cannot operate as estoppel against the First Party company but it certainly reflects that

the First Party company is in the position of granting wage revision.

13. Keeping aside the letter issued by the company it can be seen that though there is dispute about figures of profit earned by the company but no party has disputed that the company has earned profit gradually since 2018. It is material to note that even during the period of Covid pandemic in the year 2020-2021 the ratio of profit has got down but still the company has succeeded to earn profit. In this regard the Second Party union has referred to earlier settlements of the year 2016, 2020 alongwith Balance Sheets of the company for the year 2020-2021, 2021-2022 produced alongwith **Ex.U-9**. It appears that the said information has been derived by the Second Party from the website of the First Party company which include "Disclosure in Board of Directors Report Explanatory". It shows that revenue from operations of the company for the year ending 2020 was Rs.1,15,75,21,953/- whereas for the year ending for the year 2021 was Rs.68,39,47,434/-. It shows total income of the company for the year ending on 31st March 2020 was Rs.1,16,90,30,903/- and for the year ending on 31st March 2021 was Rs.69,45,76,141/-. It can be seen that the company has reported net profit for the year 2020 was Rs.7,01,62,004/- and for the year ending 2021 was Rs.2,37,45,514/-. It is also mentioned in the said report that the company has transferred the said profit to its reserves. The Second Party has produced copy of Balance Sheet for the year 31/03/2021 and 31/03/2022 alongwith

Ex.U-9. It shows that in the year ending 2022 the company has recorded total profit of Rs.6,11,60,827/-. The Second Party has also produced copy of statement of Profit and Loss A/C and Balance Sheet of the company alongwith **Ex.C-23** which shows that total profit of the company before tax as on year ending 31/03/2023 was Rs.17,07,39,804/-. There were from the said figures depicted in the documents it can be prima-facie inferred that the company is earning the profit every year which is increased in each year. The said ratio of profit though decreased in the period of Covid pandemic in the year 2021 but even though the company has recorded profit thereafter.

14. The First Party company has filed additional counter affidavit alongwith **Ex.C-27** and also annexed copies of position about turnover and profits, profit excluding exchange fluctuation, percentage of short fall and revenue loss due to violation of productivity obligation, yearwise short fall in targets, revision in special allowances as declared by the Government during the period 2022 to 2025, statement of Profit and Loss from the year 2016 till the year 2024. In so far as statement of Profit and Loss as produced by the company is concern it can be seen that figures of profit in the statements produced by both the parties are same and can be relied upon. The company has produced statement of Profit and Loss for the year ending 31/03/2024 which shows that total profit before tax as Rs.15,42,82,789/-.

15. The First Party company has produced alongwith its reply at Ex.C-6, the copies of salary and benefits, salary statements and pay slips of the workers to contend that the company is paying much more wages to the workers. The Annexure-A shows average gross salary of the workers is Rs.37,820/- and submitted that the said wages are much more than the minimum wages as declared by the Government. It is no doubt true that company is paying to the workers the wages more than minimum wages but when terms and conditions of the workers are governed by settlements between them which are more beneficial than the minimum wages, it is not required to again consider the rates of minimum wages for the purpose of deciding interim wage revision.

16. So far as the figures of position of turnover and profits are concern it shows that during the period 2015 to 2025 the company has recorded loss only for the year 2015-2016, 2017-2018 which was -2.19% and 1.66% only. Except that for the remaining years i.e. for the year 2016-2017 and from the year 2018 to 2015 it has recorded profit minimum from 3.47% to maximum 11.58%. Therefore, there may not be a dispute about profitability of the company. The First Party company has shown figures of revenue loss and short fall due to violation of productivity obligations which shows that there are losses of minimum 13% to maximum 29% for the period 2015 to 2024 and loss of revenue of minimum of Rs.17 crores to Rs.62 crores.

However, these factors can be considered at the time of final adjudication on the basis of evidence of both the parties.

17. It is further submitted that the First Party has undertaken total additional burden of Rs.60 lakhs in toto towards wages allowances, and benefits of the workmen involved in the present reference by the last settlement on 20/06/2020 with retrospective effect from 1/11/2018 and company is unable to take additional burden. It is further case of the company that it has been operating on very low margin of the profit. All these factors can be considered at the time of passing final award. At this juncture it can be prima-facie seen that company is gradually earning profit and therefore it has capacity to pay interim wage rise.

18. Considering the comparison between the first party company and other industries the second party has produced certain record of the company 'Bharat Forge Ltd'. which is situated at Mundhwa, Pune. The said company appears to have granted relief of wage rise of Rs.15,600/- as per their agreement for the period 2019 to 2022 and further wage rise by further settlement for the period 2022 to 2025 amounting to Rs.16,000/- to Rs.17,700/-. It is the submission of the first party that said company Bharat Forge is a huge company earning huge profit and apart from this it does not come within the same region as it is situated in Mundhwa, Pune and not in the same region of Markal, Alandi Pune where the first party company is having

manufacturing activities. It is also submitted that the said company Bharat Forge is established in the year 1961 having work force of about 3900 with a turnover of Rs.13000/- crores; whereas first party established in the year 2006 and its activities are restricted to forging of flanges. As against this the First Party has referred to the company KCTR Varsha Automotive Pvt. Ltd. which is situated in the same region which is Markal, Pune and having engaged in similar activities. It is submitted that the said company has granted Rs.20,975/- as current gross salary (average). Whereas the First Party company has given average gross salary of Rs.38,306/-. The said comparison has been given by the First Party in its reply but not supported by any record. However, still the same can be considered at the time of final order.

19. The submissions of learned advocate Mr.Bhanage with respect to Bharat Forge and KCTR Varsha Automotive Pvt. Ltd. can be appreciated but the same can be well considered on the basis of evidence led by the parties at the time of final adjudication. Here at this interim stage it has come to light that the First Party is earning profit and therefore it can bear additional burden to certain extent to the benefits of the workers who are participating in its profit. After considering other liabilities of the company in my opinion the First Party can bear burden of interim wage rise of Rs.5000/- per month to the members of Second Party union since from 01/03/2024 till the

final disposal of the reference. This interim wage rise can be adjusted at the time of final adjudication. However, in order to not to overburden the First Party company at a time I propose to grant installments to the company to pay the arrears as stated in the interim award below. In the result, I answer point Nos.1 to 3 partly in the affirmative and in answer to point No.4, I proceed to pass following award.

Interim Award

- (i) Interim Award answered partly in the affirmative.
- (ii) The First Party company shall give interim wage rise of Rs.5000/- per month to the members of Second Party union since from 01/03/2024 till the final disposal of the reference.
- (iii) The First Party company shall pay the arrears of interim wage rise from 01/03/2024 till actual realisation of wage rise in two installments to the members of Second Party union, first installment to be paid to the members of Second Party union within three months after publication of Interim Award and second installment to be paid within three months thereafter.
- (iv) This Interim Award to be implemented by the parties within the period of three months from the date of publication of Interim Award.
- (v) The Interim Award be sent to the Government for publication.

Pune.

Date : 3rd October 2025.

(D.M. Patil)
Presiding Officer,
Industrial Tribunal, Pune