



IN THE HIGH COURT OF JUDICATURE AT BOMBAY
BENCH AT AURANGABAD

117 WRIT PETITION NO. 10031 OF 2022

THE NANDED ZILLA DEKHREKH SAHAKARI SANSTHA MARYA.
THROUGH ITS CHAIRMAN AND SECRETARY

VERSUS

ABDUL GANNI ABDUL NABBI

...

Mr. Gopal D. Kale, Advocate for the Petitioner.

Mr. Hanmant G. Panchal, Advocate for Respondent.

...

CORAM : SIDDHESHWAR S. THOMBRE, J.

DATE : 5th MAY, 2026

PC.:-

1. Heard learned Advocates for the respective parties.
2. By the present petition, the Petitioner is aggrieved by the order dated 23.03.2022 passed below Exhibit O-3 in Application (IDA) No.24 of 2016 by the learned Presiding Officer, I.D.A. Act and Judge, Labour Court, Nanded under Section 33-C(2) of the Industrial Disputes Act, 1947 (for short "**the Act**"), whereby the application filed by the Respondent came to be allowed party and the Petitioner was directed to pay an amount of Rs.1,79,338/- with interest @ 8% per annum.
3. Mr. Gopal D. Kale, learned Advocate for the Petitioner submits that the Respondent filed the application under Section 33-C(2) seeking recovery of leave encashment and unpaid salary along with interest. The Respondent joined service on 02.12.1972 as a Group

Secretary and retired on 31.05.2010. It is contended that the Petitioner is a Co-operative Society and, therefore, the Labour Court had no jurisdiction to entertain the application. It is further submitted that there were no pre-existing rights crystallized in favour of the Respondent so as to invoke jurisdiction under Section 33-C(2) of the Act.

4. It is also submitted that pursuant to the recommendations of the Vaidyanathan Committee and the amendment under Section 69(A) of the Maharashtra Co-operative Societies Act, 1960 w.e.f. 01.01.2009, the financial liability of the Petitioner-Society was substantial and the Society was facing financial constraints.

5. Learned Advocate for the Petitioner further submits, on instructions, that the Petitioner is ready to pay the principal amount of Rs.1,79,338/- within a period of two months, however expresses inability to pay interest considering the financial condition of the Society and the large number of similarly placed employees.

6. Per contra, Mr. Hanmant G. Panchal, learned Advocate for the Respondent supports the impugned order and submits that the Respondent, who is a retired employee, has been deprived of his legitimate dues for a long period. It is submitted that once entitlement is established, the award of interest is justified.

7. Upon hearing the learned Advocates and perusing the record, it appears that the Labour Court has recorded findings based on evidence that the Respondent was not paid salary for 15 months (January 2007 to March 2008), amounting to Rs.1,69,965/-, and after permissible deductions, held that Rs.1,04,346/- was payable towards salary. Further, the Respondent was found entitled to leave encashment of Rs.74,992/-, thereby totaling Rs.1,79,338/-.

8. The findings recorded by the Labour Court are based on evidence, including admissions of the Petitioner's witness, and do not warrant interference. However, as regards the award of interest, it is noted that the Petitioner has expressed willingness to pay the principal amount and has cited financial constraints.

9. Considering the overall facts and circumstances, particularly the readiness of the Petitioner to pay the principal amount and the financial condition of the Petitioner-Society, this Court is inclined to partly allow the petition by modifying the order to the limited extent of interest.

10. Hence, the following order:

ORDER

(i) The writ petition is partly allowed.

(ii) The impugned order dated 23.03.2022 passed by the

learned Presiding Officer, I.D.A. Act and Judge, Labour Court, Nanded in Application (IDA) No.24 of 2016 is upheld to the extent of entitlement of the Respondent to recover an amount of Rs.1,79,338/-.

- (iii) The Petitioner is directed to pay the said amount of Rs.1,79,338/- to the Respondent within a period of eight (8) weeks from today.
- (iv) The direction regarding payment of interest @ 8% per annum is set aside, subject to the condition that the aforesaid amount is paid within the stipulated period.
- (v) In the event of failure to pay the said amount within eight (8) weeks, the Respondent shall be entitled to recover the amount along with interest @ 8% per annum from the date of the order passed by the Labour Court till realization.

(SIDDHESHWAR S. THOMBRE, J.)