

S U P R E M E C O U R T O F I N D I A  
R E C O R D O F P R O C E E D I N G S

Petition(s) for Special Leave to Appeal (C) No(s). 14864/2012

(Arising out of impugned final judgment and order dated 29/02/2012  
in WP No. 3299/2009 passed by the High Court Of Bombay at  
Aurangabad)

CHIEF OFFICER BHUSAWAL MUNL.COUNCIL Petitioner(s)

VERSUS

BHUSAWAL MUNL.PENSIONERS ASSN.& ORS. Respondent(s)

Date : 08/07/2014 This petition was called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE DIPAK MISRA  
HON'BLE MR. JUSTICE V. GOPALA GOWDA

For Petitioner(s) Mr. Uday B. Dube ,Adv.

For Respondent(s) Mr. Aniruddha P. Mayee ,Adv.  
Mr. Sunil A. Kulkarni, Adv.  
Mr. Charudatta Mahindrakar, Adv.  
Ms. Pareena Gautam, Adv.  
Mr. A. Selvin Raja, Adv.

Mr.Amol N. Suryawanshi, Adv.  
Ms. Asha Gopalan Nair ,Adv.

UPON hearing the counsel the Court made the following  
O R D E R

Leave granted.

The appeal is disposed of without any order as to costs.

(USHA BHARDWAJ)  
AR-CUM-PS

(RENUKA SADANA)  
(COURT MASTER)

Signed order is placed on the file.

Signature Not Verified

Digitally signed by  
Usha Rani Bhardwaj  
Date: 2014.07.10  
17:49:15 IST  
Reason:

IN THE SUPREME COURT OF INDIA  
CIVIL APPELLATE JURISDICTION

CIVIL APPEAL NO. 6117 OF 2014  
(Arising out of S.L.P.(Civil) No.14864 of 2012)

Chief Officer Bhusawal Municipal Council .. Appellant(s)

Versus

Bhusawal Municipal Pensioners Association & Ors. .. Respondent(s)

O R D E R

Leave granted.

The grievance of the appellant, Bhusawal Municipal Council is that the High Court has directed that the council is bound to pay the entire arrears of pension and pensionary benefits to its retired employees before payment of any further salary to the present employees of the council. It is submitted by learned counsel for the appellant that the employees of the council are entitled to pension but the State after abolition of octroi has been giving the grant for payment of pension and other ancilliary expenses of the Municipal Council, but the same has not yet been received.

The learned counsel for the respondents submitted that the High Court has adverted to the same in paragraph 5 how the Council has been given the grant and not yet paid the arrears of pension.

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This Court on 10.05.2012 while issuing notice had passed the following interim order:

"In the meantime, operation of the impugned order shall remain stayed subject to petitioner's releasing to the members of the respondent-association, 20% of the subject arrears within four weeks."

In pursuance of the aforesaid order, the Council has already paid approximately 37% of dues of the retired employees. The learned counsel for the Council appellant would submit that the observations made in paragraph 5 of the High Court's order is not correct and there is a fiscal handicap on the part of the Council to pay the arrears. The learned counsel for the State supported the order passed by the High Court.

Having heard learned counsel for the parties, we

direct that the Council shall pay a another 25% of the arrears by end of October, 2014 and the rest of the amount by end of February, 2015. It will be open to the Council to submit the accounts statement to the competent authority of the State Government with regard to the grant and the expenditure involved in payment of arrears of pension. When such an account statement is given, the State Government shall consider the same in proper

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prospective and pass an appropriate order so that the Municipal Council does not suffer. We may hasten to clarify that the observations and findings recorded by the High Court in paragraph 5 would not be taken into consideration by the State Government for the purpose of release of the grant. If the Council is entitled to the grant it should be given the grant. However, we reiterate that the time frame which we have fixed for payment of arrears of pension to the employees shall not be deviated by the Council. The salary of the employees who are presently working shall be paid regularly.

With the aforesaid modification in the order of the High Court, the appeal stands disposed of without any order as to costs.

.....J.  
[DIPAK MISRA]

.....J.  
[V.GOPALA GOWDA]

NEW DELHI,  
July 08, 2014.