IN THE HIGH COURT OF JUDICATURE OF BOMBAY
BENCH AT AURANGABAD

WRIT PETITION NO.15558 OF 2019

Agriculture Produce Market Committee,
Parli (V), Tq. Parli (V), District Beed,
through its Authorized Officer,
Dnyanoba s/o Shankar Chate,
age: 46 years, Occ: Service as
Inspector. Petitioner

Versus

Umakant s/o Govindrao Gadgul,
age: 60 years, Occ: Retired,
R/o Panchwati Nagar,
Opp. Old Power House,
Parli (V), Tq. Parli (V),
District Beed. Respondent

WITH
WRIT PETITION NO.15560 OF 2019

Agriculture Produce Market Committee,
Parli (V), Tq. Parli (V), District Beed,
through its Authorized Officer,
Dnyanoba s/o Shankar Chate,
age: 46 years, Occ: Service as
Inspector. Petitioner

Versus

Ramdas s/o Rangnathrao Kakde,
age: 60 years, Occ: Retired,
R/o Near Sant Savtamali Temple,
Parli (V), Tq. Parli (V),
District Beed. Respondent

Mr.G.K.Naik-Thigle, advocate for the petitioner.
Mr.K.J.Suryawanshi, advocate for both the respondents.

CORAM : ROHIT B.DEO, J.

DATE : 02/01/2020

<u>ORAL JUDGMENT</u> :

1 Rule. Rule made returnable forthwith and heard finally by consent learned Counsel for respective parties.

2 The petitioner is constituted under Section 13 of the Maharashtra Agricultural Marketing (Regulation & Development) Act, 1963 (hereinafter referred to as “the Act”).

3 It is not in dispute that the non applicants-employees superannuated on 30.04.2014 and 31.01.2014 respectively, and the payment of gratuity is done on 03.06.2015 and 29.05.2015, respectively.

4 The authorities have concurrently held that the petitioner-APMC is liable to pay interest @ 10% p.a. on the delayed payment.

5 I do not see any reason to take a different view. The statutory scheme is that if gratuity is not paid within the period of

thirty days, the employer is liable to pay interest as per Section 7(3A) of the Payment of Gratuity Act, 1972.

6 The learned Counsel for the petitioner, however, expressed his apprehension that the non applicants-employees may expect the petitioner-APMC to pay interest on interest.

7 I do not see any reason for the petitioner-APMC to nurture such an apprehension. The operative part of the order of the first authority, which is upheld in appeal, is clear. The petitioner-APMC is directed to pay interest only for the period of delay i.e. the interest shall have to be paid for the period from which the gratuity became due and payable till the gratuity is actually paid. The petitioner-APMC shall pay the interest in accordance with the order impugned within 30 days, failing which, said amount shall carry interest @ 18% p.a.

8 The other submission is that in the absence of the Life Insurance Corporation as a party respondent in the proceedings, the proceedings were not maintainable.

9 The submission is noted only for rejection. The APMC is under a statutory duty to pay the gratuity and the fact that there was a bilateral arrangement between the APMC and the LIC, would not render the LIC a necessary party to the proceedings taken out under the provisions of the Payment of Gratuity Act, 1972.

10 Writ Petition is dismissed. Rule discharged. No costs.

(**ROHIT B.DEO)**
JUDGE

adb