

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
BENCH AT AURANGABAD

980 WRIT PETITION NO. 14062 OF 2023

DEOGIRI SAHAKARI SAKHAR KARKHANA LTD PHULAMBRI THROUGH
 ITS LIQUIDATOR SHRIRAM EKNATH SONNE
VERSUS
 VALJINATH TULSHIRAM NAMEKAR

AND
WRIT PETITION NO. 13999 OF 2023

DEOGIRI SAHAKARI SAKHAR KARKHANA LTD PHULAMBRI THROUGH
 ITS LIQUIDATOR SHRIRAM EKNATH SONNE
VERSUS
 RAMESH PANDURANG SONAWANE

AND
WRIT PETITION NO. 14071 OF 2023
 DEOGIRI SAHAKARI SAKHAR KARKHANA LTD PHULAMBRI THROUGH
 ITS LIQUIDATOR SHRIRAM EKNATH SONNE
VERSUS
 DINKAR BAPURAO CHAVAN

...
 Mr. Kamlakar J. Suryawanshi – Advocate for Petitioner
 Mr. A.A. More and Mr. S.S. Joshi – Advocates for respective Respondents

...
CORAM : SIDDHESHWAR S. THOMBRE, J.
DATE : 18.12.2025

PER COURT :

1. Writ Petition No.13999 of 2023 and Writ Petition No.14071 of 2023 were not on board. Upon mentioning, they were taken on board and heard along with Writ Petition No.14062 of 2023.
2. Heard learned Counsel for the respective parties.
3. The petitioner in all these petitions challenges the order dated

24.05.2023 passed by the learned Judge, Labour Court, Aurangabad in Misc. P.G.A. Nos.30, 31 and 29 of 2022 respectively.

4. Learned Counsel for petitioner submits that the Controlling Authority under the Payment of Gratuity Act, 1972 (for short 'the Act') had earlier, by orders dated 15.02.2022, allowed the applications and held that the employees were entitled to gratuity amounts of Rs.49,470/-, Rs.42,784/- and Rs.51,726/- respectively, along with interest at the rate of 10% per annum.

5. He further submits that while considering Misc. Applications Nos. 30, 31 and 29 of 2022 under Section 8(1) of the Act, the learned Labour Court issued recovery certificates directing payment of interest at the rate of 10% per annum with effect from 28.03.2011, 28.02.2012 and 30.06.2012 respectively. According to the learned Counsel for the petitioner, once interest at the rate of 10% was already granted while passing the order under Section 7 of the Act, the issuance of recovery certificate directing payment of interest again was erroneous and therefore, the order under challenge liable to be set aside.

6. Per contra, learned Counsel for the respondents invited the attention of this Court to Section 8 of the Act, which reads as under :

"Section : 8

Recovery of gratuity.

If the amount of gratuity payable under this Act is not paid by the employer, within the prescribed time, to the person entitled thereto, the controlling authority shall, on an application made to it in this behalf by the aggrieved person, issue a certificate for that amount to the Collector, who shall recover the same, together with compound interest thereon at such rate as the Central Government may, by notification, specify,] from the date of expiry of the prescribed time, as arrears of land revenue and pay the same to the person entitled thereto :

***Provided** that the controlling authority shall, before issuing a certificate under this section, give the employer a reasonable opportunity of showing cause against the issue of such certificate:*

***Provided further** that the amount of interest payable under this section shall, in no case exceed the amount of gratuity payable under this Act.”*

As well as Section 14 of the Act, which reads as under :

“Section : 14

Act to override other enactments, etc.

The provisions of this Act or any rule made there under shall have effect notwithstanding anything inconsistent therewith contained in any enactment other than this Act or in any instrument or contract having effect by virtue of any enactment other than this Act.”

and submitted that the provisions of the Act have overriding effect over all other enactments. It is contended that since the gratuity amounts were not deposited within the stipulated time, the learned Labour Court

was empowered under Section 8 of the Act to issue a recovery certificates for the amounts along with interest and reliance was placed on the Central Government Notification dated 01.12.1987.

7. After hearing the learned Counsel appearing for the parties and upon perusal of the relevant provisions of law, it reveals that the orders passed under Section 7 of the Act granted interest at the rate of 10% per annum. However, as the gratuity amounts were not paid within the prescribed time, the employees were entitled to seek recovery under Section 8 of the Act and the learned Labour Court was justified in issuing the recovery certificates accordingly.

8. In view thereof, I do not find any reason to interfere with the order dated 24.05.2023 passed by the learned Judge, Labour Court, Aurangabad in Misc. P.G.A. Nos.30, 31 and 29 of 2022 respectively. The petitions are devoid of merit and are accordingly dismissed. No order as to costs. Respective respondents/employees are permitted to withdraw the amount which was deposited in this Court.

[SIDDHESHWAR S. THOMBRE]
JUDGE