

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CIVIL APPELLATE JURISDICTION**

WRIT PETITION NO. 2628 OF 2025

The Kolhapur Urban Co-op Bank Ltd And Ors. ... **Petitioners**

Versus

Bank Employees Union Kolhapur

... **Respondent**

Mr. Kiran Bapat, *Sr. Advocate i/b Mr. Chetan Patil a/w Mr. Mandar Bagkar a/w Mr. Bhushan Jadhav & Mr. Vishwash Gadage for the Petitioners.*

Mr. Prashant Chavan, *Sr. Advocate i/b Mr. Sandeep Koregave a/w Mr. Ravindra Chile for the Respondent.*

CORAM : SANDEEP V. MARNE, J.

DATE : 6 MARCH 2025.

P.C. :

1) **Rule.** Rule made returnable forthwith. With the consent of the learned counsel appearing for parties the Petition is taken up for final hearing and disposal.

2) The Petition challenges order dated 22 October 2024 passed by the Member Industrial Court, Kolhapur allowing the application at Exhibit U-2 and restraining the Petitioner-Bank from recruiting the employees during pendency of the complaint.

3) I have heard Mr. Bapat, the learned Senior Advocate appearing for the Petitioners-Bank and Mr. Chavan, the learned Senior Advocate appearing for Respondent-Union.

4) The Respondent-Union has filed Complaint (ULP) No. 109 of 2024 seeking a direction for collective bargain with the Bank with regard to issues of employees of the Petitioner-Bank. The essence of grievance of the Respondent-Union is that the Bank has not entered into settlements relating to wage structure of its employees for a considerable period of time under the pretext of its weak financial position. Accordingly, the Respondent-Union sought a restraint order against the Petitioner-Bank from undertaking any fresh recruitment process till settlements are entered into with the existing employees relating to the wage structure.

5) It appears that the total sanctioned strength of the Petitioner-Bank as per General Body Resolution of 12 August 2013 is 280. Mr. Bapat would submit that as of today the total working strength of the Petitioner-Bank is 170. It appears that by Resolution dated 30 January 2024 the Bank had proposed filling up of 41 posts of Clerks and 10 posts of Peons.

6) Mr. Bapat, after taking instructions from Bank officials, who are present in the Court would clarify that the Bank would restrict the recruitment process to only 30 clerks and 5 Peons. In my view, Petitioner being a Bank, its operations cannot be permitted to be brought to stand still on account of non availability of required number of staff. Out of the sanctioned strength of 280, the Bank is already functioning with reduced working strength of 170. If it is permitted to fill up 35 posts of Clerk and Peon, its working strength would improve to 205, which again is far below the number of sanctioned strength of 280. In my view, the Petitioner cannot be restrained from undertaking any recruitment process merely because of pendency of complaint filed by the Respondent-Union.

7) Mr. Chavan would highlight letter dated 4 February 2024 issued by the District Deputy Registrar of Co-operative Societies, Kolhapur by which Guardian Officer has been directed to be appointed in respect of various Urban Co-operative Banks their strengthening. By paragraph 3 of the said letter, Guardian Officer has been appointed *qua* the Petitioner-Bank. It is the contention of Mr. Chavan that possible steps are being taken for amalgamation of the Petitioner-Bank with some other bank. Mr. Chavan would therefore submit that if the financial condition of the Petitioner-Bank is indeed so weak, it would be inappropriate to permit it to undertake any recruitment process. However letter dated 4 December 2024 merely communicates policy decision taken by Co-operative Commissioner for strengthening of financial conditions of Urban Co-operative Bank. One of the recommendations made by the Co-operative Commissioner is to nominate Guardian Officer in respect of each Urban Co-operative Bank. In respect of the Petitioner-Bank, Assistant Registrar, Co-operative Societies, Kolhapur has been nominated as a Guardian Officer. In my view, therefore nothing would really turn on the letter dated 4 December 2024, which is apparently issued towards implementation of broader policy guidelines for improvement of conditions of Urban Co-operative Banks facing financial difficulties.

8) It is contended by Respondent-Union that the condition of the Petitioner-Bank is not financially sound. Mr. Bapat would dispute this position by submitting that the Petitioner-Bank has been able to earn profit of Rs. 8 Crores in the last financial year. In any case, it is necessary to ensure that, the banking operations of the Petitioner-Bank are continued so that the members of the Respondent-Union are able to continue their services with the Bank.

The Bank apparently has 20 branches and is currently carrying on its operations only 170 staff. If the impugned order passed by the Industrial Court is allowed to operate, no recruitment would be permissible during pendency of Complaint (ULP) No. 109 of 2024. If the said complaint remains pending from next 2 or 3 years, the working strength of the Bank may fall below 100 and on that count, the bank may collapse. Thus the impugned order, far from acting in interest of the members of Respondent-Union, the same would actually militate against them in the event of working strength of the Bank drastically falling down. In my view, therefore, a balancing approach needs to be adopted in the present case by permitting the Petitioner-Bank to recruit 30 Clerks and 5 Peons during pendency of Complaint (ULP) No. 109 of 2024. Such a course of action would obviate the immediate difficulties of the Bank. In the event, the complaint does not get decided within a reasonable time, the Petitioner-Bank can apply to the Industrial Court seeking permission for undertaking further recruitment process.

9) I accordingly proceed to pass the following order:

- i) Order dated 22 October 2024 passed by Member, Industrial Court is set aside.
- ii) Petitioner-Bank is permitted to recruit 30 Clerks and 5 Peons on its establishment during pendency of Complaint (ULP) No. 109 of 2024.
- iii) If Complaint (ULP) No. 109 of 2024 does not get decided by 31 May 2026, the Petitioner-Bank would be at liberty to file an

application before the Industrial Court seeking permission to undertake further recruitment process, if required.

10) With the above directions, the Petition is partly allowed and disposed of. Rule is partly absolute. There shall be no orders as to costs.

[SANDEEP V. MARNE, J.]