

**IN THE SUPREME COURT OF INDIA****CIVIL APPELLATE JURISDICTION**

**CIVIL APPEAL NOS. \_\_\_\_\_ OF 2025**  
**(Arising out of SLP(C) Nos.6136-6144 OF 2024)**

**SATARA DISTRICT AGRICULTURAL RURAL AND  
MULTIPURPOSE DEVELOPMENT CO-OPERATIVE BANK,  
SATARA THROUGH ITS LIQUIDATOR & ANR. APPELLANTS**

**VERSUS**

**RAMCHANDRA KRISHNA PHALKE AND ORS. ETC. RESPONDENTS**

**O R D E R**

**Heard learned counsel for the parties.**

**2. Leave granted.**

**3. The challenge in the present appeals is to the impugned judgment dated 16.10.2023 passed by the High Court of Judicature at Bombay in Writ Petition No.12186 of 2023 and other connected matters, by which the High Court has allowed the interest to the respondents on the payment of their dues from the year 2009 till the date of actual payment, which was made in the year 2019.**

4. Learned senior counsel for the appellants submits that the respondents who were employees, under a settlement dated 27.10.1996, were to be handed out some amount as a final settlement but a No Objection/permission was required from them to dispose of the appellants property, from which such money could be raised, which was given by the respondents only in the month of August, 2019, after which immediately, the bank paid their dues. It was submitted that though the respondents had asked for interest over their dues but before the Industrial Court, Satara, the respondents gave up their claim for interest as has been recorded in the order dated 25.03.2009. However, it was submitted that the respondents had filed a review application before the Industrial Court, Satara for recall/review of the order passed in the award proceedings in the year 2018, claiming interest which according to them, was inadvertently left out. The review petition came to be disposed of against which the respondents moved before the High Court in writ petitions, which have been disposed of vide impugned judgment dated 16.10.2023, holding the respondents eligible for payment of interest from the year 2009 till the time it was actually paid to them.

5. Learned senior counsel for the appellants submits that after a delay of about eight years, the respondents moved before the Industrial Court for review, which clearly indicates that it was a late reaction and by the time, an order came to be passed, the matters stood concluded by the appellants discharging their liability pursuant to the award in terms of the order dated 22.02.2010 passed by the High Court in Writ Petition No.8776 of 2009. Learned senior counsel submitted that the appellants cannot be fastened with the liability more so, when it has since been liquidated and is no more in existence and there is a small corpus lying from which other legitimate obligations/dues against the original appellants have to be satisfied. However, as an alternate argument, learned senior counsel submitted that at best, the respondents can claim interest only for the interregnum period i.e., from the time they filed the writ petition till their dues were cleared by the appellants.

6. Learned counsel for the respondents submits that the prayer for interest was always there in all the petitions filed by the respondents and even before the authority which passed the award, but the same was not dealt with and thus, it was an omission and rightly under the impugned judgment, the High Court has granted interest in their favour. It was

further submitted that the High Court, being conscious of the concession given by the respondents with regard to waiving of the interest, disposed of the writ petitions and directed the appellants to pay the interest @6% p.a. from the date when the order dated 25.03.2009 was passed by the Industrial Court, but even after 2009, the amount being paid after nine years, clearly justifies the award of interest.

7. Having considered the matter, we find that there cannot be any denial of the fact that whatever is due to a person has to be paid within a reasonable time failing which, any loss suffered by him on account of non-payment, has to be compensated by way of an interest by the party who was liable to make such payment. However, this principle is not a generalised principle and would have to be appropriately factored in with the position and conduct of the parties concerned. In the present case, we are of the view that the respondents do deserve interest for delayed payment. Even though, they having sat over such claim despite being fully aware that it was not awarded to them and then, before the Industrial Court, they had waived their claim in the year 2009 and thereafter, the payment was made in the year 2019 but still they filed the writ petition before the High Court in the year 2022 i.e., three years after the appellants having cleared their entire dues as per the award, we cannot hold the

respondents fully liable for delay and laches for approaching the High Court after three years of the dues being finally cleared by the appellants as per the existing award. At the same time, we are also required to consider the submission of learned senior counsel for the appellants that the respondents cannot be allowed to take the benefit of delays on their part, which is totally unexplained as they had been contesting the matter before various authorities and even before the High Court and it was in their writ petition that the order dated 22.02.2010 was passed.

8. Thus, from the overall picture which emerges, in our considered opinion, the cause of justice would be served by awarding interest to the respondents for the time period i.e., three years prior to the actual payment made by the appellants to the respondents. The same be paid after proper accounting being done by the custodian of the appellants from the corpus available to it within a period of three months from today. The rate of interest is maintained as per the impugned judgment passed by the High Court i.e., @ 6% p.a. However, we make it clear that if there is any delay in payment, the rate of interest will stand modified to @ 9% p.a.

9. Accordingly, the appeals stand disposed of in the abovestated terms.

10. Pending application(s), if any, shall also stand disposed of.

.....J.  
[AHSANUDDIN AMANULLAH]

.....J.  
[PRASHANT KUMAR MISHRA]

NEW DELHI  
23<sup>rd</sup> APRIL, 2025

ITEM NO.3

COURT NO.16

SECTION IX

**S U P R E M E C O U R T O F I N D I A**  
**RECORD OF PROCEEDINGS**

Petition(s) for Special Leave to Appeal (C) No(s).6136-6144/2024

[Arising out of impugned final judgment and order dated 16-10-2023 in WP No.12186/2023, WP No.12187/2023, WP No.8960/2022, WP No.8961/2022, WP No.8962/2022, WP No.8966/2022, WP No.8967/2022, WP No.8973/2022 and WP No.8974/2022 passed by the High Court of Judicature at Bombay]

**SATARA DISTRICT AGRICULTURAL RURAL AND  
MULTIPURPOSE DEVELOPMENT CO-OPERATIVE BANK.,  
SATARA & ANR.**

**Petitioner(s)**

**VERSUS**

**RAMCHANDRA KRISHNA PHALKE & ORS.**

**Respondent(s)**

**(IA No. 53709/2024 - PERMISSION TO FILE ADDITIONAL  
DOCUMENTS/FACTS/ANNEXURES)**

**Date : 23-04-2025 These matters were called on for hearing today.**

**CORAM :**

**HON'BLE MR. JUSTICE AHSANUDDIN AMANULLAH  
HON'BLE MR. JUSTICE PRASHANT KUMAR MISHRA**

**For Petitioner(s) Mr. Sudhanshu Choudhari, Sr. Adv.  
Mr. Prashant Shrikant Kenjale, AOR**

**For Respondent(s) Mr. Nitin Tambwekar, Adv.  
Mr. Shailesh S. Pathak, Adv.  
Mr. Seshatalpa Sai Bandaru, AOR**

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

**Leave granted.**

- 2. The appeals stand disposed of in terms of the signed order.**
- 3. Pending application(s), if any, shall also stand disposed of.**

**(SAPNA BISHT)  
COURT MASTER (SH)**

**(ANJALI PANWAR)  
COURT MASTER (NSH)**

**(Signed order is placed on the file)**