

**THE HON'BLE SRI JUSTICE DILIP B.BHOSALE
AND
THE HON'BLE SRI JUSTICE A.RAMALINGESWARA RAO**

WRIT APPEAL No.919 of 2007

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JUDGMENT: (per Hon'ble Sri Justice A.Ramalingeswara Rao)

This writ appeal is directed against the order passed by the learned single Judge in W.P.No.25512 of 1998 dated 13.07.2007.

The only point that arises for consideration in the present writ appeal is 'whether the appellants are liable to pay interest @ 6% per annum on the delayed payment of leave encashment component?'

The first respondent herein retired from service on 30.06.1996 and the leave encashment payment was paid on 21.12.2001 i.e. 5 ½ years after his retirement. The learned single Judge has considered the delay in making payment of the said leave encashment amount and ordered payment of interest w.e.f.01.01.1997 i.e. immediately after the expiry of six months from the date of retirement till the actual payment has taken place. In fact, before the learned Single Judge, the learned standing counsel has conceded that the interest component payable on the delayed payment had been accepted and the same was recorded. In spite of that, the Management chose to file the present appeal and by virtue of stay granted by this Court, at the time of admitting the appeal, the payment could not be made to the respondents. The only reason assigned by the learned counsel for the appellant for not paying the amount is that during pendency of the writ appeal, the appellant-Company has become a sick unit. That is not a consideration for denying the payment of interest ordered by the learned Single Judge and accepted by the appellant before him. In these circumstances, we uphold the order of the learned Single Judge.

Accordingly, the Writ Appeal is dismissed. No order as to costs.

Miscellaneous petitions pending in the appeal, if any, also stand disposed of.

Dilip B.Bhosale, J

A.Ramalingeswara Rao, J

27th April, 2015.
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