

THE HON'BLE SRI JUSTICE RAMESH RANGANATHAN

AND

THE HON'BLR SRI JUSTICE M.SATYANARAYANA MURTHY

WRIT PETITION NO.8309 OF 2015

ORDER: {Per the Hon'ble Sri Justice Ramesh Ranganathan}

The dispute in this Writ Petition relates merely to the percentage of interest payable on belated payment of gratuity. While the Tribunal directed the petitioners herein to release all pensionary benefits with interest at 9% per annum, learned Government Pleader for Services-I would draw attention of this Court to the Circular Memo No.16077/135/A.2/Pen.I/2004 dated 20.02.2006, issued by the Secretary to the Government, in support of her submission that the rate of interest payable is only 5%.

The said Circular is issued by the Secretary to the Government. It neither has the force of law (either plenary or subordinate) nor is it even in the nature of executive instructions issued under Article 162 of the Constitution of India. A unilateral decision of the Secretary to the Government, to prescribe the rate of interest at 5%, would not bind the Tribunal. The jurisdiction which this Court exercises over the Administrative Tribunal is supervisory, and not appellate. Save cases where the interest, directed to be paid, is so unreasonable as to warrant interference, this Court would exercise restraint. The direction of the Tribunal, to award 9% interest for belated payment of gratuity, is not so unreasonable as to necessitate interference in proceedings under Article 226 of the Constitution of India.

The Writ Petition fails and is, accordingly, dismissed. There shall be no order as to costs. Miscellaneous petitions, if any, pending shall stand dismissed.

(RAMESH RANGANATHAN, J)

(M.SATYANARAYANA MURTHY, J)

27th March 2015

RRB