

**HONOURABLE SRI JUSTICE A.RAMALINGESWARA RAO**

**WRIT PETITION Nos.30811, 30777, 30803, 30806, 30808, 30822  
30826 and 30828 of 2015**

**COMMON ORDER:**

1. All these Writ Petitions are being disposed of by this common order as they arise out of an identical order passed by the 3<sup>rd</sup> respondent against the petitioner.

2. The writ petitioner is a company registered under the A.P. Cooperative Societies Act 1964 and later on it was converted into A.P. Mutually Aided Cooperative Societies Act 1995. Thereafter, it was converted as a Company under the Companies Act 1956 on 13.02.2013. The gratuity amount payable to the employees of the petitioner company was maintained by the 5<sup>th</sup> respondent Federation till 2006 and from 2007 onwards the writ petitioner itself is maintaining the gratuity premium of its employees. The 4<sup>th</sup> respondent in all these cases, at the time of their superannuation, were working with the petitioner company. They filed an application before the 3<sup>rd</sup> respondent for payment of gratuity amount and the 3<sup>rd</sup> respondent disposed of the said application by directing the petitioner to pay the gratuity amount along with interest. Challenging the orders passed by the 3<sup>rd</sup> respondent, the petitioner preferred an appeal to the 2<sup>nd</sup> respondent and when the appeal was rejected due to non-deposit of the lower Court awarded amount, by an order dated 28.07.2015, the present writ petitions are filed.

3. Learned Counsel for the petitioner submits that the petitioner-company deposited the gratuity amount adjudged to be due, but it has not deposited the interest portion while preferring the appeal and that the 4<sup>th</sup> respondent in the writ petitions withdrew the said amount also. He further submits that second proviso to sub-section (7) of Section 7 of the Payment of Gratuity Act, 1972 provides for deposit of amount equal to the amount of gratuity required to be deposited under sub-section (4) and

it does not speak about the deposit of interest.

4. Sub-section (4) (a) of Section 7 of the Act allows the employer to deposit the amount admitted to be payable by him as gratuity. However, in case of dispute, the controlling authority had to decide the dispute. Whether the petitioner has to deposit the gratuity amount or should deposit the amount along with interest need not be decided for the time being in the present writ petitions.

5. Since the appeal preferred by the petitioner was rejected only on the sole ground that the petitioner has not deposited the gratuity amount with interest, the interest of the 4<sup>th</sup> respondent-employee can be protected by the future orders to be passed by the appellate authority, this Court, without going into the validity of the order passed by the 2<sup>nd</sup> respondent, directs the 2<sup>nd</sup> respondent to take up the appeal preferred by the petitioner and dispose of the same, in accordance with law, within a period of Six months from the date of receipt of a copy of this order and the payment of interest would be regulated by such order of the 2<sup>nd</sup> respondent.

6. The office is directed to return the original orders filed along with the Writ Petitions for taking appropriate action by the petitioner.

7. The Writ Petitions are accordingly disposed of. No order as to costs. Miscellaneous petitions, if any, pending shall stand closed.

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**A.RAMALINGESWARA RAO, J**

26-07-2016

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