

IN THE HIGH COURT OF JUDICATURE AT HYDERABAD
FOR THE STATE OF TELANGANA AND THE STATE OF ANDHRA PRADESH

The Hon'ble Sri Justice V. RAMASUBRAMANIAN
and
The Hon'ble Sri Justice M. GANGA RAO

WRIT PETITION No.37240 OF 2017

Date:14.11.2017

Between:

Union of India, through its Secretary,
Government of India, Ministry of Labour &
Employment, Shram shakthi Bhavan,
Rafi Marg, New Delhi.

...Petitioner

Vs.

.. Respondents

T. Koteswara Rao S/o. T. Ankineedu,
Aged about 64 years, Occ: Welfare Commissioner
(Retd), Government of India, Ministry of Labour
And Employment, Kendriya Sadan, Sultan bazaar,
Koti, Hyderabad.

For Petitioner : Sri M. Lakshman
(Asst. Solicitor General)

For Respondents : Sri T. Koteswara Rao
(Party-in-Person)



HON' BLE SRI JUSTICE V. RAMASUBRAMANIAN

AND

HON' BLE SRI JUSTICE M. GANGA RAO

WRIT PETITION No.37240 OF 2017

ORDER: (per V. Ramasubramanian, J)

Aggrieved by the order passed by the Central Administrative Tribunal allowing an application filed by the respondent partly, directing the competent authority to sanction interest at GPF rate on the delayed payment of Gratuity and Central Government Employees Group Insurance Scheme (CGEGIS) benefits from the due date to the date of payment, the Union of India has come up with the above writ petition.

2. Heard Mr. K. Lakshman, learned Assistant Solicitor General for the petitioners and Mr. T. Koteswara Rao, the respondent appearing in person.

3. The respondent retired from service on 31.12.2012 as Welfare Commissioner. Though a major portion of the Death-cum-Retirement Gratuity (DCRG) was paid on 18.03.2013, the remaining portion was paid only on 25.09.2013.

4. Claiming (1) that the contributions made by him to the CGEGIS, from 01.07.1982 to 31.12.1982 was not taken into account, and (2) that there was a delay even in the payment of those contributions, after his retirement, the respondent filed an application before the Central Administrative Tribunal. The Tribunal allowed the application directing payment of interest. Contending that there is no provision for payment of interest on delayed payment of CGEGIS benefits, the Union of India has come up with the above writ petition.

5. The total amount that may be payable to the respondent on account of the impugned order of the Tribunal is about Rs.15,000/-.

There is no dispute that Gratuity carries interest if there was any delayed payment. On the question of entitlement to interest for belated payment of CGEGIS benefits, the Union of India relies upon the Department Circulars.

6. But, the law in this regard is already settled by two decisions of the Supreme Court (1) Vijay L. Mahotra v. State of U.P. and others¹ and (2) S.K. Dua v. State of Haryana and another². Therefore, we find nothing wrong in the order of the Tribunal.

7. Hence, the Writ Petition is dismissed. As a sequel thereto, miscellaneous petitions, if any, pending shall stand dismissed. No order as to costs.

V. RAMASUBRAMANIAN, J

M. GANGA RAO, J

November 14, 2017
KTL



¹ 2001 (9) Supreme Court Cases 687

² 2008 (3) Supreme Court Cases 44