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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

\+ LPA 541/2015

MEHAR SINGH ..... Appellant

Through: Mr.Naveen R. Nath, Advocate.

versus

NATIONAL SEEDS CORPORATION LIMITED ..... Respondent

Through: Mr.C.N. Sreekumar, Advocate.

CORAM:
HON'BLE MR. JUSTICE VIPIN SANGHI
HON'BLE MS. JUSTICE REKHA PALLI

<u>O R D E R</u>

% 16.10.2017

In response to the order dated 27.10.2016 passed by this Court, the respondent has issued communication dated 19.12.2016 addressed to the counsel for the respondent, which has been placed on record. The respondent has communicated in its said communication its decision to release the gratuity amount to the petitioner. The computation of gratuity along with the interest up to 23.05.2013 has been worked out at Rs.1,55,871/-. However, the said amount has still not been paid. Secondly, so far as the claim for VRS compensation is concerned, the respondent has stated that so as to avoid any adverse orders from the Court, the competent authority has decided to grant compensation to the appellant under the VRS Scheme. The ex-gratia amount payable to the appellant has been worked out at Rs.3,13,260/-.

The submission of learned counsel for the appellant is that the appellant does not refute the computation of either the gratuity amount with interest upto 23.05.2013, or calculation of the ex-gratia amount payable under the VRS Scheme. However, learned counsel submits that since the gratuity amount has not been paid till date, further interest would be admissible on the gratuity till the date of payment. Similarly, the appellant also claims interest on the ex-gratia amount payable under the VRS Scheme.

The said prayers made by the appellant are, however, opposed by the respondent. Learned counsel for the respondent has sought to re-urge the issues which already stand covered by the order dated 27.10.2016. We cannot permit the re-opening of the said issues which have already been examined by the Bench while passing the order dated 27.10.2016. Suffice it to say that the appellant was a permanent employee of the State Farm Corporation of India. He was required to give an option vide option form which was filled by him and submitted on 17.02.2000. The appellant did not opt for being transferred to Government of Punjab and stated that he intended to remain in the State Farms Corporation of India Limited. Despite the said option having been exercised, the same was ignored and the respondent continued to insist that the appellant had failed to report at Punjab Land Development and Reclamation Corporation which is the

Government of Punjab undertaking. In these circumstances, the Appellant had filed the writ petition *inter alia* seeking a mandamus to declare that he was in the continuous employment of the respondent. The same was dismissed by the learned Single Judge vide the impugned order.

Pursuant to order dated 27.10.2016 passed by this Court, the respondent has itself considered the appellant to have superannuated on the date of his attaining the age of superannuation in the year 2010, and on that basis, the gratuity amount has been worked out. In these circumstances, in our view, it would be most unjust if the appellant were not to be granted interest on the ex-gratia amount worked out under the VRS Scheme. At the same time, the appellant not having exercised the option to avail of the VRS Scheme by the closing date - that was 18.03.2000, and having exercised the same only on 22.03.2001, we are of the view that the interest can possibly be awarded only for the period after 22.03.2001. Accounting for a reasonable period for payment of the ex-gratia amount under the VRS Scheme, we consider it appropriate to grant interest from 01.05.2001 on the VRS amount. The respondent is, therefore, directed to pay interest at the rate of 7.5 % per annum on the ex-gratia amount of Rs.3,13,260/- from 01.05.2001 till the date of payment. Similarly, on the gratuity amount, interest shall also be paid on the principal due amount at the rate of 10% per annum from 23.05.2013 onwards till the payment, apart from the amount of Rs.1,55,871/- which has been calculated upto 23.05.2013. The payments should be released to the appellant within four weeks from today.

The appeal stands disposed of with the aforesaid.

VIPIN SANGHI, J

REKHA PALLI, J

OCTOBER 16, 2017
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