

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED 12.09.2019

CORAM

THE HONOURABLE MR. JUSTICE S.M.SUBRAMANIAM

W.P.No.24576 of 2005
and
W.M.P.No.26891 of 2005

Tirumurti Mills,
represented by its Joint Managing Director,
V.Rajkumar,
No.1330, Kamala Nilayam,
Avinasi Road, Peelamedu (Post),
Coimbatore.

... Petitioner

..Vs..

1.The Thasildar,
Udumalpet Taluk,
Coimbatore District.

2.Chellappan

... Respondents

PRAYER : Petition filed Under Article 226 of the
Constitution of India praying to issue a Writ of
Certiorari, to call for the records relating to the 1st
respondent in his proceedings Na.Ka.21426/2001/A2 dated
14.03.2005 and quash the same.

For Petitioner : Mr.M.Ajmal Khan
For Respondents : Mr.M.Elumalai,
Government Advocate for R1
Mr.Venkatachelam for R2

O R D E R

The order dated 14.03.2005, directing the writ
petitioner to pay 15% interest for the belated settlement
of gratuity, is under challenge in the present writ
petition.

2. The petitioner is Tirumurti Mills. The second
respondent was a workman and retired from service. After

his retirement, he filed P.G.No. G.A.66 of 2000, before the Assistant Commissioner of Labour, Coimbatore, claiming gratuity under the payment of Gratuity Act. The Assistant Commissioner of Labour passed an order dated 26.04.2001 holding that a sum of Rs.91,723/- being gratuity amount payable to the workman within a period of 30 days @ 10% per annum. The amount was not paid to the second respondent and the second respondent workman filed W.P.No.37743 of 2002 for a direction to direct the writ petitioner to pay the said amount to the petitioner. The petitioner gave an undertaking that the gratuity amount of Rs.91,723/- will be paid within six months. Accordingly, this Court passed an order dated 28.10.2003, as follows:

"The learned counsel for the third respondent Management on instruction reports that they are ready and willing to pay the entire amount as ordered by the Authority within a period of six months from today. The above statement of the Learned Counsel for the third respondent is hereby recorded third respondent Management is permitted to pay the award amount in two equal installments within a period of six months from today. It is made clear that if the third respondent fails to comply with the above order and fails to pay the amount as directed it is for the respondents 1 and 2 to recover the amount from the third respondent accordance with law. The writ petition is ordered accordingly. No costs."

3. Subsequent to the order of this Court, the writ petitioner settled the gratuity amount of Rs.91,723/-, within a period of six months. Thereafter the impugned order was passed by the Tahsildar, Udumalpet, in proceedings dated 14.03.2005, stating that in respect of the belated settlement of gratuity amount, the workman is entitled for interest @ 15% per annum. The order impugned states that there was a delay from 26.04.2001 to 12.03.2005 nearly about 3 years 10 months and 15 days. In respect of the delay the interest amount of 15% was ordered, as per the provisions of the Tamil Nadu Revenue Recovery Act.

4. This Court is of the considered opinion that the workman is entitled for interest for the belated settlement of gratuity amount. This being statutory liability on

behalf of the employer, this Court cannot interfere with regard to the interest amount to be paid by the employer to the workman. In the present case, there was a delay in settling the gratuity amount and the delay was calculated from 26.04.2001 to 12.03.2005 nearly about 3 years 10 months and 15 days. As per the notification issued under the Act, the interest amount of 15% was prescribed for the belated settlement of gratuity, once the Revenue Recovery proceedings are initiated. In the present case, the Revenue Recovery proceedings were initiated and passed the impugned order in proceedings dated 14.03.2005, directing the Revenue Inspector to recover the interest amount of Rs.66,085/- and to submit a report.

5. This being the order impugned, this Court is of the considered opinion that the impugned order is in consonance with the provisions of the Revenue Recovery Act as well as the notifications issued thereunder.

6. Accordingly, the writ petitioner is liable to pay interest for the belated settlement of gratuity amount and in this view of the matter, the writ petition is devoid of merits and stands dismissed. No costs. Consequently, connected miscellaneous petition is closed.

Sd/-

Assistant Registrar(CS)

//True Copy//

Sub Assistant Registrar

Pns

To

The Thasildar,
Udumalpet Taluk,
Coimbatore District.

+1cc to Mr.M.Ajmal Associates, Advocate SR.No. 78611

+1 cc to Government Pleader Sr.No. 78953

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A.SK(22/10/2019)