



Cont.P.No.2714 of 2014

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED 11.02.2021

CORAM

THE HONOURABLE MR. JUSTICE M.SATHYANARAYANAN

AND

THE HONOURABLE MR. JUSTICE A.A.NAKKIRAN

Cont.P.No.2714 of 2014

V.R.Namasivayam,
No.30, Thayumanavar Street,
ThiruNagar, Gandhi Nagar Post,
Vellore – 632 006
North Arcot Ambedkar District

.. Petitioner

Versus

S.Siva Subramaniyam
Commissioner of Municipality,
Avadi Municipality,
Avadi, Chennai.

.. Respondents

Prayer:- Contempt petition filed under section 11 of the Contempt of Court Act, 1971, pleased to initiate contempt proceedings against the respondent and punish him for committing grave contempt in disobeying the order passed by this Court in W.A.No.565/2013 dated 04.03.2014.

For Petitioner : Mr.R.Karthikeyan
For Respondents : Mr.R.Srinivas

ORDER

[Order of the Court was made by M.SATHYANARAYANAN, J.,
through Video Conferencing]

The petitioner, alleging wilful disobedience and non compliance of the order dated 04.03.2014 made in W.A.No.565 of 2013, in and by which, a challenge made to the order dated 01.08.2012 in W.P.No.25493 of 2008, filed by the petitioner, came to be upheld.



2. The primordial submission made by the learned counsel appearing for the petitioner, by drawing attention of this Court to Section 8 of the Payment of Gratuity Act, 1972, is that since the gratuity amount has not been paid within the prescribed time, the petitioner being the eligible person, is entitled to recover the same together with compound interest thereon, by submitting an application before the Control Authority and in the light of the admitted fact that the gratuity amount has been belatedly paid, he is entitled for compound interest.

3. *Per contra*, Mr.R.Srinivas, learned Standing Counsel appearing for the respondent would submit that uniformly simple interest at the rate of 15% has been paid for the belated settlement of gratuity and as such the petitioner had got uniform interest of 15% for the belated settlement of the gratuity, and if the provisions are strictly applied, there may be some recovery of amount from the petitioner also.

4. The learned counsel appearing for the respondent / contemnor has also drawn the attention of this Court to the provision of Section 8 of the Payment of Gratuity Act, 1972.

5. This Court has carefully considered the rival submissions and also perused the materials placed before it.

6. A perusal of the Memorandum of Calculation would disclose that

<https://hcservices.cemilab.com/19970101> uniform percentage of interest at the rate of 15% has been paid for belated



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settlement of the gratuity amount. This Court can also take judicial notice of the fact that even in respect of the award of compensation under the provisions of the Motor Vehicles Act, the Tribunal used to award interest at the rate of 12% and gradually it comes down to 7.5% nowadays. If the petitioner is interested in getting compound interest, as spoken to under Section 8 of the Payment of Gratuity Act, 1972, he may be advised to invoke such provisions, subject to limitation, if any / delay and latches.

7. This Court in contempt jurisdiction cannot go into the legality or otherwise of the calculation and it has to see whether the order, which is the subject matter of contempt, has been complied with.

8. In the light of the above facts and circumstances and reasons assigned above, the Contempt Petition is closed. However, if the petitioner is so advised, and if it is available to him under law, subject to applicability of law of limitation / delay and latches, he is at liberty to workout the same in a manner known to law before the competent Forum.

SD/-
ASSISTANT REGISTRAR(COMM.CASES)

sk

//Certified to be true copy//

Dated at Madras this the day of 2021.

COURT OFFICER(O.S.)

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GS/19/07/2021

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To
The Commissioner of Municipality,
Avadi Municipality,
Avadi, Chennai.

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