



W.A.(MD)No.583 of 2019

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

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DATED : 29.11.2023

CORAM:

**THE HONOURABLE MR.JUSTICE S.M.SUBRAMANIAM**

**AND**

**THE HONOURABLE MR.JUSTICE V.LAKSHMINARAYANAN**

W.A.(MD)No.583 of 2019

and

C.M.P.(MD)No.4797 of 2019

The General Manager,  
Madurai District Cooperative Milk  
Producers Union Ltd.,  
Madurai-20.

... Appellant

Vs.

1.T.Jeyapaul

2.The Managing Director,  
Tamilnadu Cooperative Milk  
Producers Federation Ltd.,  
Revenue Department,  
Avin Illam, Mathavapuram,  
Milk Colony, Chennai.

3.The Accounts Officer,  
Tamil Nadu Cooperative Milk  
Producers Federation Ltd.,  
Employees Gratuity Fund Trust,  
Avin Illam, Mathavapuram,  
Milk Colony, Chennai.

...Respondents



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**PRAYER:** Appeal filed under Clause 15 of Letters patent, against the order made in W.P.(MD)No.6966 of 2015 dated 12.03.2019.

For Appellant : Mr.V.O.S.Kalaiselvam

For R1 : Mr.J.Lawrance

For R2 & R3 : No Appearance

### **JUDGMENT**

(Judgment of the Court was delivered by ***S.M.SUBRAMANIAM, J.***)

This writ appeal is directed against the orders dated 12.03.2019 in W.P. (MD)No.6966.

2.The first respondent instituted the writ proceedings challenging the order dated 20.08.2014 rejecting the claim of the first respondent to grant interest for the belated settlement of gratuity.

3.The learned single Judge directed the respondents in the writ proceedings to consider the claim of the writ petitioner based on his representation dated 31.10.2014 and pass appropriate orders on the same line as observed in the



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order made in W.P.(MD)No.7022 of 2015, which was disposed of with a direction to the respondents to pay the interest due.

4.The learned counsel for the appellant mainly contended that the private respondents are not entitled for interest in view of Section 7(3A) of the Payment of Gratuity Act. The delay had occurred at the instance of the employee concerned and therefore, it is not necessary for the appellant to settle the interest for the belated payment of gratuity.

5.The learned counsel for the writ petitioners states that under Section 7(2) of the Payment of Gratuity Act, the writ petitioners are entitled to claim interest, because the management failed to deposit the gratuity amount with the controlling authority.

6.This Court is of the view that in the event of administrative delay in settling the gratuity, the private respondent is entitled for interest. If the delay had occurred at the instance of the employee, then the employee is not entitled to claim interest for the belated payment of gratuity. The issue in this regard is to be decided based on the bylaws and by considering the merits of the matter. Further,



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the learned Single Judge has only directed to consider the representation made by the writ petitioner and pass appropriate orders.

7.In view of the above, we are not inclined to interfere with the order impugned in this writ appeal. The appellant is directed to comply with the order passed by the learned Single Judge within a period of six weeks from the date of receipt of a copy of this order. No costs. Consequently, connected miscellaneous petition is closed.

**(S.M.S., J.) & (V.L.N., J.)**  
**29.11.2023**  
**(1/2)**

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Index : Yes / No  
Internet : Yes / No

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**S.M.SUBRAMANIAM, J.**

**AND**

**V.LAKSHMINARAYANAN, J.**

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