



IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 23RD DAY OF MARCH, 2026

BEFORE

THE HON'BLE MR. JUSTICE ANANT RAMANATH HEGDE

COMPANY APPLICATION NO.144 OF 2024

IN

COMPANY PETITION NO.180 OF 2000

BETWEEN:

1. BHARAT GOLD MINES EX-EMPLOYEES
ASSOCIATION,
KOLAR GOLD FIELDS,
REPRESENTED BY ITS SECRETARY,
SRI C VIJAYARAGHAVAN,
S/O LATE CHINNIAN,
AGED ABOUT 72 YEARS,
R/A NO.80, 2 POST OFFICE BLOCK,
MARIKUPPAM POST, KOLAR GOLD FIELDS-563119.
2. SRI G Y MILLER,
S/O YESUDAS,
AGED ABOUT 56 YEARS,
EX-EMPLOYEES BGML AFFORISTATION DEPARTMENT,
NO.33, BANDLAN, OORGAU POST,
KOLAR GOLD FIELDS-563120.

...APPLICANTS

(BY SRI H SANNAMELIGAI, ADVOCATE)

AND:

1. THE MANAGING DIRECTOR,
BHARATH GOLD MINES LTD.,
SUVARNA BHAVAN, OORGAUM POST,
K G F-563120, REPRESENTED BY ITS
MANAGING DIRECTOR.





NC: 2026:KHC:16338
CA No. 144 of 2024
IN COP No. 180 of 2000

2. THE SECRETARY TO GOVT. OF INDIA,
DEPARTMENT OF MINES, MINISTRY OF MINES,
SHASTRI BHAVAN, NEW DELHI-110001.

...RESPONDENTS

(BY SRI T RAJARAM, ADVOCATE)

THIS COMPANY APPLICATION IS FILED UNDER RULE 9 OF THE COMPANIES COURT RULE 1959 AND SECTION 151 OF THE CODE OF CIVIL PROCEDURE 1908 PRAYING TO i) IMPLEMENT THE ORDER DATED 30.05.2017 PASSED BY THE CONTROLLING AUTHORITY UNDER PAYMENT OF GRATUITY ACT, 1972 AND ASST. LABOUR COMMISSIONER (CENTRAL) BENGALURU, AT ANNEXURE - 'A', FOR PAYMENT OF SIMPLE INTEREST AT 10% PER ANNUM ON THE AMOUNT PAID AS GRATUITY FOR THE PERIOD FROM 01.03.2001 TO 12.10.2015, TO 97 APPLICANTS MENTIONED IN THE ORDER AND ETC.

THIS APPLICATION COMING ON FOR HEARING, THIS DAY, ORDER WAS MADE THEREIN AS UNDER:

CORAM: HON'BLE MR. JUSTICE ANANT RAMANATH HEGDE

ORAL ORDER

This application is filed to implement the order dated 30.05.2017 passed by the Controlling Authority under the Payment of Gratuity Act, 1972 (for short 'Act, 1972').

2. The applicants have claimed simple interest at the rate of 10% per annum on the amount of gratuity for the period 01.03.2001 to 12.10.2015 to the 97 applicants mentioned in the order passed by the Controlling Authority.



3. The prayer is also made to direct 15% interest per annum for further delay in payment from 13.10.2015 till the actual amount is paid.

4. The application is filed by the Association of Ex-employees Union of Bharat Gold Mines based on the the order dated 30.05.2017 passed by the Controlling Authority under the Act of 1972.

5. The first respondent has opposed the said application on the premise that the interest is already paid and no amount is due to the 97 employees referred to in the Controlling Authority's order.

6. To substantiate the contention that amount is paid, learned counsel for the first respondent has filed statement of objection along with the documents. Same is taken on record.

7. The applicant has produced the order dated 30.05.2017 passed by the Controlling Authority. Said



order also refers to 97 employees on whose behalf the claim is made.

8. The respondent has filed an appeal against the said order before the Appellate Authority.

9. It is noticed from the order dated 31.07.2019, the Writ Petition No.13399/2019 filed by the first respondent-management challenging the order passed by the Controlling Authority, and the order dated 03.12.2018 passed by the Appellate Authority is dismissed. Under the circumstances, there is no dispute that the order passed by the Controlling Authority on 30.05.2017 has attained finality.

10. To substantiate the contention that the payment is made, the learned counsel for the respondent would refer to Annexure-R5, the statement of account relating to alleged payment. The Court has perused the said statement. It is noticed that the first respondent has calculated 10% interest on the gratuity amount paid from 01.03.2001 to 12.10.2015. However, what is required to



be noticed is the Controlling Authority has recorded a finding on 31.05.2017 that interest is not paid. At this juncture, it is relevant to notice the finding recorded by the Controlling Authority which reads as under:-

"8. There is no dispute that the Respondent has paid gratuity amount on 13.10.2015 in most of the cases and in cases where the ex-employees had died, the gratuity amount was paid a little later. So, even if we consider that all of them were paid gratuity amount on 13.10.2015, it was paid after a period of 14 years, 9 months and 12 days from the last working day of the applicants. The Gratuity Act provides the remedy for delay in the payment of gratuity amount by way of simple interest for the delayed period (Section 7(3-A)). The interest on delayed payment of gratuity is not payable only when the fault in delayed payment is attributable to the employee. But this does not appear to be the case here. The delay in payment of the gratuity is because of a long drawn out legal battle between the Respondent Company and the Union representing the applicants. Under these circumstances, I am of the opinion that the applicants are justified in their claim for the delayed payment of gratuity."

11. In the said order, the Controlling Authority has referred to Section 7(3-A) of the Act, 1972 and has come



to the conclusion that the gratuity is paid on 13.10.2015, 14 years, 9 months and 12 days after the last working day of the applicants. If at all the interest was paid as contented by the first respondent, the Controlling Authority would not have passed a direction to pay the interest as required under Section 7(3) of the Act, 1972. The statement produced by the respondent No.1 at Annexure-R5 does not indicate any payment after 31.05.2017 the date of the order passed by the Controlling Authority.

12. Under these circumstances, the Court is unable to accept the contention that interest is paid. If such contention is accepted, it amounts to setting aside the order passed by the Controlling Authority as well as the Appellate Authority as well as the order passed by this Court in Writ Petition No.13399/2019 which have already attained finality.

13. Learned counsel for the respondent No.1 would contend that the interest which the applicants are claiming



is in excess of what is payable towards the gratuity. He would refer to Section 8 of the Act, 1972 to contend that interest cannot exceed the principal amount and would urge that the application has to be dismissed.

14. At this juncture, it is necessary to refer to Section 7(3-A) of Act, 1972 as well as Section 8 of Act, 1972. As can be noticed from Section 8 of the Act, 1972, the proviso would put a cap on the compound interest payable on the gratuity amount. From the proviso, it is seen that the compound interest payable cannot exceed the principal amount. However, no such restriction is found on the interest payable under Section 7(3-A) of the Act, 1972.

15. This being the position, the contention that the interest payable cannot exceed the principal amount is not accepted.

16. It is submitted that the respondent No.1 in the statement of objection has referred to the payment made to 69 employees in the year 2022.



17. Learned counsel for the applicants would submit that said payment is admitted. However, said payment is not towards complete discharge of the liability imposed by the Controlling Authority.

18. Under these circumstances excluding the amounts paid to 69 employees referred to above, the balance amount is to be paid at the rate of 10% per annum from 01.03.2001 to 12.10.2015.

19. It is also noticed that there is a considerable delay on the part of the first respondent in making payment. The amount due shall be paid within 60 days from today, failing which, the applicants are at liberty to move this Court for payment of appropriate cost.

20. Accordingly, the application is ***allowed in part.***

Sd/-
(ANANT RAMANATH HEGDE)
JUDGE

CHS
List No.: SI No.: