

THE BRIHANMUMBI ELECTRIC SUPPLY & TRANSPORT UNDERTAKING
(of the Brihammumbai Mahanagarpalika)

DEPARTMENTAL CIRCULAR

Ref.No. CM(HR&IR)/L/456(69)/ **290** /2026

Date : **17.09.2026**

Sub: The Rate of interest to be paid by the BEST Undertaking on
Gratuity and other retrial dues to the retirees upto 01/05/2024

Ref : The orders dated 30.06.26 & 03.08.26 passed by the Hon'ble
Division Bench presided over by His Lordships Justice Girish
Kulkarni & Justice Arti Sathe in Batch of Writ Petitions
represented by Writ Petition no 913 of 2024 (Ajay Naik & Ors.
V/s State of Maharashtra & Ors.)

1. In the above referred Writ Petition, the issue of delayed payment of retrial dues including gratuity payment to the retirees upto 01.05.2024 of the BEST Undertaking was involved.
2. By virtue of the order dated 30.06.2026, the Hon'ble Division Bench in paragraph No.13 of the Order has directed the BEST Undertaking to pay interest @9% per annum on their retrial dues to be calculated from the date of the amount becoming due and payable till the date of receipt of actual amount by the retirees. Further, it is also directed that if there is any higher rate of interest is prescribed in any of the Statutory Rules, Regulation, etc. issued under the Payment of Gratuity Act, 1972 or other enactments, then such rate of interest shall be paid. As per the provisions Section 7(3A) of the Payment of Gratuity Act 1972, the rate of interest for delayed payment of gratuity is prescribed as 10% per annum by the Central Government Notification dated 01.10.1987.
3. In view of the above, this circular provides Official Notification regarding the following interest rates to be paid to the retirees upto 01.05.2024 :
 - (a) Gratuity interest - @ 10% p.a. from the date of retirement till the date of actual payment.
 - (b) Interest on other retrial dues. 9% p a. from the date of retirement till the date of actual payment.
4. In case of any queries pertaining to the calculation of retrial dues, the concerned employee may contact Dy.CAO(Sr.)/AM(Cash)/AAM(TK).
5. This issues with the approval of the General Manager.


(P.S. Kekane)
Chief Manager(HR & IR)
(Delegated)