

W.P.(MD)No.7952 of 2026.

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

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DATED: 09.07.2026

CORAM

THE HONOURABLE **MR.JUSTICE MUMMINENI SUDHEER KUMAR**

W.P.(MD)No.7952 of 2026

K.Joshua

... Petitioner

vs.

1.The Managing Director,
Tamil Nadu Cooperative Housing Federation Ltd,
48 Ritherdon Road,
Vepery,
Chennai 600 007.

2.The Deputy Registrar (Housing),
Virudhunagar Region,
No 2, D D Road, Maninagaram,
Virudhunagar District.

3.The President/Executive Officer,
Q.796, Sivakasi Co-operative Building Society Limited,
C/o. Deputy Registrar,
Virudhunagar Region,
No.2-.DD Road, Maninagaram,
Virudhunagar District.

... Respondents

PRAYER: Writ Petition filed under Article 226 of the Constitution of India, for issuance of Writ of Mandamus, directing the respondents to pay 12% interest for the belated payment of Terminal Benefits amounts, payable to the petitioner such as P.F., Gratuity and security Deposit amounts, from the date of his retirement i.e. on 14.01.2015 to till the date of actual payment made to him i.e. 07.11.2019, 11.03.2024 and 26.09.2024 with delay of 1757, 3344 and 3540 days.



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For Petitioner : Mr.A.K.Thangavelu
For R-1 : Mr.Kanmani Annamalai
For R-2 : Mr.M.Dinesh Hari Sudarsan
Counsel for Government of Tamil Nadu
For R-3 : Mr.P.Mahendran

ORDER

Heard Mr.A.K.Thangavelu, learned Counsel for the Petitioner, Mr.Kanmani Annamalai, learned Counsel for the 1st Respondent, Mr.M.Dinesh Hari Sudarsan, learned Counsel for Government of Tamil Nadu, who takes notice for the 2nd Respondent and Mr.P.Mahendran, learned Counsel, who takes notice for the 3rd Respondent.

2. This Writ Petition has been filed for issuance of Writ of Mandamus, directing the respondents to pay 12% interest for the belated payment of Terminal Benefits amounts, payable to the petitioner such as P.F., Gratuity and security Deposit amounts, from the date of his retirement i.e. on 14.01.2015 to till the date of actual payment made to him i.e. 07.11.2019, 11.03.2024 and 26.09.2024 with delay of 1757, 3344 and 3540 days.



W.P.(MD)No.7952 of 2026.

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3. The petitioner joined as a Clerk in the 3rd respondent Society on 02.01.1985 and was kept as Secretary In-charge in the same Society on 01.06.2014. After completing 30 years of service, he voluntarily retired from service on 14.01.2015. However, the terminal benefits due and payable to the petitioner upon his retirement in January 2015 were paid only during the years 2019 and 2024, namely, a sum of Rs. 1,78,324/- on 07.11.2019, a sum of Rs.2,00,000/- on 11.03.2024, and a sum of Rs.66,000/- on 26.09.2024, almost after a lapse of a decade. Aggrieved by the belated payment of the terminal benefits, the petitioner has approached this Court by filing the present Writ Petition claiming interest at the rate of 12% on the amounts so belatedly paid.

4. The respondents have filed a counter affidavit admitting the delay in the disbursement of the terminal benefits and explaining that the delay was on account of the financial crisis faced by the 3rd respondent. It is further stated that the respondents have cleared the entire terminal benefits due and payable to the petitioner with great difficulty and that they are not in a position to pay interest on the belated payment. It is also stated that, even to meet the expenditure towards payment of the terminal benefits of others, the 3rd respondent is taking steps to sell its properties



W.P.(MD)No.7952 of 2026.

after obtaining a No Objection Certificate from the 1st respondent, and therefore, the 3rd respondent is not in a position to pay interest.

5. This Court has carefully considered the submissions made on either side and also perused the entire materials available on record.

6. There is no dispute with regard to the factual aspects, and it is an admitted fact that there was a delay of about a decade in the payment of the terminal benefits to the petitioner. The petitioner, who retired from service on 14.01.2015, was denied the benefit of his terminal benefits for a period of nearly a decade. Therefore, the respondents are under an obligation to compensate the petitioner appropriately, and such compensation can be awarded in the form of interest.

7. This Court, in all similar cases, has been consistently directing the respondents to pay interest at the rate of 6% per annum on the delayed payment of terminal benefits and other retiral benefits. The 3rd respondent, having failed to pay the terminal benefits immediately upon the petitioner's retirement from service and having retained the amounts to which the petitioner was otherwise entitled for a period of nearly a decade, cannot escape its liability to pay interest on the belated payment



W.P.(MD)No.7952 of 2026.

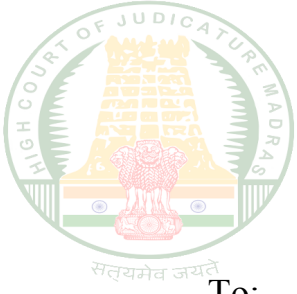
of the terminal benefits either on the ground of financial crisis or otherwise.

8. In the circumstances, this Court is of the view that the petitioner is entitled to payment of interest at the rate of 6% per annum from the date of his retirement till the respective dates on which the amounts were paid to the petitioner.

9. Accordingly, the Writ Petition is **allowed**, directing the respondents to pay interest at the rate of 6% per annum on the belated payment of the respective terminal benefits and to release the consequential amount to the petitioner as expeditiously as possible, at any rate, within a period of six months from the date of receipt of a copy of this order. There shall be no order as to costs.

09.07.2026

Index :Yes / No
Internet :Yes / No
NCC :Yes / No
Nsr



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W.P.(MD)No.7952 of 2026.

MUMMINENI SUDHEER KUMAR, J.

Nsr

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09.07.2026