



BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 12.04.2016

CORAM:

THE HONOURABLE MR.JUSTICE S.MANIKUMAR
and
THE HONOURABLE MR. JUSTICE S.S.SUNDAR

W.A. (MD) No.586 of 2016
and
CMP (MD) No.4073 of 2016

1.Tamil Nadu State Transport Corporation
(Kumbakonam) Limited,
Rep. by its Managing Director,
New Railway Feeder Road,
Kumbakonam.

2.The General manager,
Tamil Nadu State Transport Corporation
(Kumbakonam) Limited,
Maruthupathi, Karaikudi.

.. Appellants/Respondents No.1 & 2
Vs.

V.Ashok Sundaramoorthy

.. Respondent/Petitioner

PRAYER: Writ Appeal is filed under Clause XV of Letters of Patent,
against the order, dated 04.01.2013 made in W.P.(MD)No.7490 of 2010.

Prayer in WP(MD). 7490/ 2010 :

Writ Petition is filed under Article 226 of the Constitution of India, praying this Court to issue a WRIT OF MANDAMUS directing the respondents to settle the encashment of leave along with interest and for the delayed payment of gratuity and commutation at the rate of 18% per annum from the date of the petitioners retirement on 31/1/2009 till the date of payment.

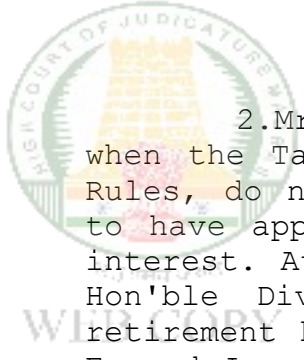
For Appellants : Mr.D.Sivaraman

For Respondent : Mr.P.Natarajan

JUDGMENT

(Judgment of this Court was delivered by S.MANIKUMAR, J.)

The only ground of challenge in this appeal is to the impugned order, wherein interest has been awarded by the writ Court in the belated payment of gratuity and commutation at 18% p.a. from the date of superannuation of the respondent i.e. on 31.01.2009 till the date of payment.



2.Mr.D.Sivaraman, learned counsel for the appellant submitted that when the Tamil Nadu State Transport Corporation Employees Pension Trust Rules, do not provide for payment of interest, the writ Court ought not to have applied Rule 45(A) of the Tamil Nadu Pension Rules and awarded interest. Attention of this Court was brought to the order passed by the Hon'ble Division Bench of this Court directing 6% interest on the retirement benefits. Added further, he has further submitted that except Earned Leave benefits, other retirement benefits had already been paid. The Hon'ble Division Bench in W.A.(MD)No.403 of 2010 etc. batch, dated 04.07.2014 directed payment of retirement benefits with interest, at the rate of 6% p.a. and make the disbursement in accordance with seniority. Another Hon'ble Division Bench in W.A.(MD)No.383 of 2015 etc. batch, dated 12.06.2015, has directed payment of retirement benefits in equal monthly instalment carrying interest at 6% p.a.

3.Mr.P.Natarajan, learned counsel for the respondent has no objection for the rate of interest to be reduced to 6% on the belated payment of Earned Leave benefits.

4.Submission of the learned counsel for the respondent is placed on record.

5.In the light of the order passed by the Hon'ble Division Benches of this Court in W.A.(MD)No.403 of 2010 etc. batch, dated 04.07.2014 and in W.A.(MD)No.383 of 2015 etc. batch, dated 12.06.2015, and the consent given by the learned counsel for the respondent, the rate of interest ordered on the belated payment on the Earned Leave is reduced to 6% p.a.

6.Mr.D.Sivaraman, learned counsel for the appellants is not in a position to state as to whether the entire Earned Leave benefits had already been paid.

7.With the above modification, the writ appeal is partly allowed. No costs. Consequently, connected Miscellaneous Petitions is closed.

Sd/-

Assistant Registrar(AS)

/True copy/

Sub Assistant Registrar

To

1.The Managing Director,
Tamil Nadu State Transport Corporation
(Kumbakonam) Limited,
New Railway Feeder Road,
Kumbakonam.



2.The General manager,
Tamil Nadu State Transport Corporation
(Kumbakonam) Limited,
Maruthupathi, Karaikudi.

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+1cc to Mr.D.Sivaraman, Advocate SR.No.20523

GJM:AA1-MPA:25.4.2016:3p/4c

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