



BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 05.12.2019

CORAM:

THE HONOURABLE MR.JUSTICE M.S.RAMESH

W.P. (MD) No.25920 of 2019

P.Nagappan

... Petitioner

vs.

1.The Management of
Tamil Nadu State Transport Corporation (Kumbakonam) Ltd.,
Trichy Region,rep., by its Managing Director,
Trichy.

2.The Administrator,
Tamil Nadu State Transport Employees' Pension Fund Trust,
Thiruvalluvar Illam,
Anna Salai, Chennai-2.

... Respondents

PRAYER: Writ Petition filed under Article 226 of the Constitution of India for issuance of writ of mandamus, to direct the respondents to pay interest at the rate of 18% per annum for the period of delay from 01.01.2019 to 20.09.2019 in paying the amounts towards the terminal and pension benefits of the petitioner, namely EPF Employee's Contribution, Gratuity, Encashment of Earned Leaves and Commutated Value of Pension, within a time frame as may be fixed by this Court and without affecting his right to claim balance amounts towards those benefits.

For Petitioner : Mr.S.Arunachalam

For Respondents : Mr.P.Balasubramanian

Standing Counsel (for R1)

Mr.A.Swaminathan

Standing Counsel (for R2)

O R D E R

By consent of both parties, this writ petition is taken up for final disposal at the stage of admission itself.

2.The petitioner's retirement benefits were settled belatedly on 21.09.2019 and in view of such belated settlement, the present writ petition has been filed seeking for interest on the belated payment of the terminal benefits.

3.It is brought to the notice of this Court that in an identical cases, a batch of writ petitions entertained by this Court and directions have been issued to the respondents to pay the interest at the rate of 6% on the belated payment of the terminal benefits. This Court does not intend to deviate from the said procedure.

4.The learned Standing Counsel appearing for the respondents would submit that in view of the financial burden cast on the



respondent Corporation, they may be permitted to pay the interest on the belated payment in a liberal monthly installments.

5.I am not in agreement with the said representation made. There was already a duty cast on the respondent Corporation to pay the terminal benefits on the date of retirement itself and the very fact that the belated disbursement of retirement benefit, had already put the retired employee to serious prejudice, entertaining the present request for disbursement of the interest on the belated payment in installments, could cause further prejudice to the retired employee.

6.In the light of the above observations, there shall be a direction to the respondent Corporation to pay the penal interest at the rate of 6% per annum on the belated payment of the retirement benefits for the period from the date of the retirement, till the date of actual disbursement, as expeditiously as possible and in any event, within a period of three months from the date of receipt of a copy of this order.

7.With the above directions, this Writ Petition is allowed. No costs.

Sd/-

Assistant Registrar (CS-III)

// True Copy //

Sub Assistant Registrar(CS)

Rmk

+1 CC to M/s.A.SWAMINATHAN, Advocate (SR-103532[F]
+1 CC to M/s.J.SENTHILKUMARAIAH, Advocate (SR-103925[F]
+1 CC to M/s.P.BALASUBRAMANIAN, Advocate (SR-104076[F]
SMA/30/12/19/2P/4C

W.P. (MD) No.25920 of 2019

05.12.2019