



BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 05.12.2019

CORAM:

THE HONOURABLE MR.JUSTICE M.S.RAMESH

W.P. (MD) No.25967 of 2019

G.V.N.Muthaiah

... Petitioner

vs.

1.Tamil Nadu State Transport Corporation Ltd.,
rep., by it's Managing Director,
Madurai Division,
Bye Pass Road,
Madurai-625 016.

2.The General Manager,
Tamil Nadu State Transport Corporation Ltd.,
Madurai Division, Madurai Region,
Madurai-625 016.

3.The Administrator,
Tamil Nadu State Transport Corporation
Employees Pension Fund Trust,
Thiruvalluvar Illam,
Pallavansalai, Chennai-600 002.

... 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 18% interest for the belated payment of terminal benefits of P.F, Gratuity, Unavailed Leave Salary and commutation payable to the petitioner from the date of his retirement i.e., 31.05.2018 to till the date of actual payment made to him and all other attendant benefits within the stipulated period.

For Petitioner : Mr.A.Rahul

For Respondents : Mr.J.Senthilkumaraiah
Standing Counsel

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 respondents 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 respondents 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 respondents 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, not before the expiry 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 ()

// True Copy //

Sub Assistant Registrar(CS)

Rmk
To

1.The Managing Director,
Tamil Nadu State Transport Corporation Ltd.,
Madurai Division,
Bye Pass Road,
Madurai-16.



2.The Administrator,
Tamil Nadu State Transport Corporation
Employees Pension Fund Trust,
Thiruvalluvar Illam,
Pallavansalai, Chennai-600 002.

+1 CC to Mr.A.K.THANGAVELU, Advocate (SR-103777[F]dated
06/12/2019)

+1 CC to Mr.J.SENTHIL KUMARAI AH, Advocate (SR-103938[F] dated
06/12/2019)

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VB(02.01.2020) 3P 5C