



BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 09.12.2019

CORAM:

THE HONOURABLE MR.JUSTICE M.S.RAMESH

W.P. (MD) No.26074 of 2019

WEB COPY

K.Subramanian

... Petitioner

vs.

The Management of
Tamil Nadu State Transport Corporation
(Kumbakonam) Ltd.,
Trichy Region,
rep., by its General Manager,
Trichy.

... Respondent

PRAYER: Writ Petition filed under Article 226 of the Constitution of India for issuance of Writ of Mandamus, to direct the respondent to pay interest at the rate of 18% per annum for the period of delay from 01.06.2018 to 20.09.2019 in paying the amounts paid towards the terminal benefits of the petitioner namely EPF Employee's Contribution, Gratuity and Encashment of Earned Leaves, 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 Respondent : Mr.D.Sivaraman
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 respondent 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, 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

+1 CC to Mr.D.SIVARAMAN, Advocate (SR-104064[F] dated 09/12/2019)

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