

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 03.09.2020

CORAM:

THE HONOURABLE MR.JUSTICE S.VAIDYANATHAN

W.P.No.25006 of 2011

R.Malliga

... Petitioner

vs.

1. State of Tamil Nadu,
Rep. by its Secretary,
Municipal Administration and Water Supply Department,
Fort St.George, Chennai-600 009.

2. The Director of Local Fund Audit,
Kuralagom, IV Floor,
Chennai-600 108.

... Respondents

Prayer: Writ Petition filed under Article 226 of the Constitution of India praying for the issuance of a writ of Mandamus, directing the respondents to pay interest at 12% Compoundable annually on the belated payment of Pensionary benefits on the retirement of petitioner from 31.03.2010 to 14.07.2011 on Rs.8,84,599/- as per G.O.Ms.No.122 Finance (Pension) Department dated 20.02.2005.

For Petitioner : Mr.A.R.Nixon

For Respondents : Mr.A.Zakir Hussain
Govt. Advocate

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The Writ Petition has been filed, seeking for a direction to the respondents to pay interest at 12% Compoundable annually on the belated payment of Pensionary benefits on the retirement of petitioner from 31.03.2010 to 14.07.2011 on Rs.8,84,599/- as per G.O.Ms.No.122 Finance (Pension) Department dated 20.02.2005.

2. It is the case of the petitioner that she retired from service as Manager of Kancheepuram Municipality on 31.03.2010

and as per G.O.Ms.No.467 Finance (Pension) dated 04.07.1988, the entire pensionary benefits have got to be settled within six months. Despite the said Government Order, her retirement benefits were settled only after 13 months of her retirement. It is further case of the petitioner that since she is entitled to interest at 12% on the belated payment in terms of another G.O.Ms.No.122 Finance (Pension) dated 20.02.2005. she is before this Court.

3. Learned Government Advocate, by referring to the counter affidavit of the 2nd respondent, contended that there is no wilful delay on the part of the respondents in clearing the benefit to the petitioner, as there was a routine formality of scrutinizing various accounts of the petitioner with regard to her pay fixation, loss caused to the Government, etc. He also contended that immediately after receipt of the pension proposal of the petitioner, the entire amount was settled without any delay.

4. A glance at the Government Order issued in G.O.Ms.No.122 Finance (Pension) dated 20.02.2005 unfolds the fact that interest @ 12% has to be calculated on the belated settlement of pension. However, taking note of the present economic situation on account of Covid-19 pandemic, this Court is not inclined to grant interest, as prescribed under the said Government Order and the interest is restricted to 6% p.a alone.

5. Accordingly, the Writ Petition is disposed of with a direction to the respondents, more particularly 2nd respondent to pay interest at 6% p.a. on the belated payment of Pensionary benefits of the petitioner, within a period of four months from the date of receipt of a copy of this order. It is made clear that in case the amount is not paid within the time stipulated, the petitioner will be entitled to simple interest @ 12% p.a. and the interest amount beyond 6% can be recovered from the Officer concerned, who is responsible for disbursement of the amount. No costs.

Sd/-

Assistant Registrar (CS-VII)

//True Copy//

Sub Assistant Registrar

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To:

1. The Secretary,
State of Tamil Nadu,
Municipal Administration and Water Supply Department,
Fort St.George, Chennai-600 009.

2. The Director of Local Fund Audit,
Kuralagom, IV Floor,
Chennai-600 108.

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NMI (CO)
CB(08/12/2020)



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