BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 19.02.2020

CORAM:

THE HONOURABLE MR.JUSTICE M.S.RAMESH

W.P.(MD) No.3340 of 2020

K.Kannayiram ... Petitioner

vs.

The Managing Director,
Tamil Nadu State Transport Corporation (KMB) Ltd.,
27, New Railway Station Road,
Kumbakonam-612 001. ... Respondent

PRAYER: Writ Petition filed under Article 226 of the Constitution of India for issuance of writ of mandamus, to direct the respondents to disburse interest at the rate of 6% for retirement benefits Gratuity, Provident Fund, Leave Salary and Commutation for the belated payment.

For Petitioner : Mr.K.Gokul
For Respondents : Mr.P.Balasubramanian
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 20.09.2019 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 identical cases, a batch of writ petitions were entertained by this Court and directions have been issued to the respondents to pay interest, at the rate of 6% per annum on the belated payment of the terminal benefits. This Court does not intend to deviate from such orders passed in similar cases.

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 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 disposed of. No costs.

Sd/-

Assistant Registrar

// True Copy //

/ /2020

Sub Assistant Registrar(CS)

Cp

+1 CC to M/s.K.GOKUL, Advocate (SR-7584[F] dated 21/02/2020)
+1 CC to M/s.P.BALASUBRAMANIAN, Advocate (SR-7124[F]

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SMA/03/03/2020/2P/3C