



BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 12.03.2020

CORAM:

THE HONOURABLE MRS.JUSTICE J.NISHA BANU

W.P. (MD) No.5230 of 2020

WEB COPY

P.Athiyappan

... Petitioner

vs.

1. The Managing Director
Tamil Nadu State Transport Corporation (KUM) Ltd.,
New Railway Station Road
Kumbakonam 612 001

2. The General Manager
Tamil Nadu State Transport Corporation (KUM) Ltd.,
Karaikudi Region
Mardhupathi, Managiri Post
Karaikudi 630 307

... Respondents

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

For Petitioner : Mr.K.Gokul
For Respondents : Mr.P.Balasubramanian

O R D E R

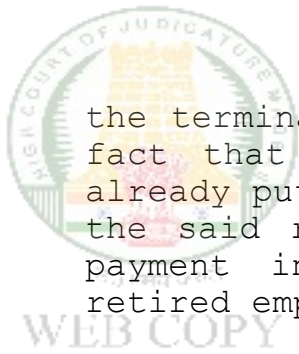
By consent of both parties, this writ petition is taken up for final disposal at the stage of admission itself.

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 an identical case of batch of writ petitions entertained by this Court, 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 Corporation 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, would already put the retired employee to serious prejudice. Entertaining the said request for disbursement of the interest on the belated payment in installments, could cause further prejudice to the retired employees.

6.In the light of the above observations, there shall be a direction to the respondents 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 (AD-II)

// True Copy //

/ /2020

Sub Assistant Registrar(CS)

msa

To:-

1. The Managing Director
Tamil Nadu State Transport Corporation (KUM) Ltd.,
New Railway Station Road
Kumbakonam 612 001
2. The General Manager
Tamil Nadu State Transport Corporation (KUM) Ltd.,
Karaikudi Region
Mardhupathi, Managiri Post
Karaikudi 630 307
- 3.+1 CC to Mr.K.GOKUL, Advocate (SR-11357[F] dated 12/03/2020)
- 4.+1 CC to Mr.P.BALASUBRAMANIAN, Advocate
(SR-11390[F] dated 12/03/2020)

W.P. (MD) No.5230 of 2020
12.03.2020

TP (08.05.2020) 2P 5C