



BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: **30.07.2020**

CORAM

THE HON'BLE MR.JUSTICE R.SURESH KUMAR

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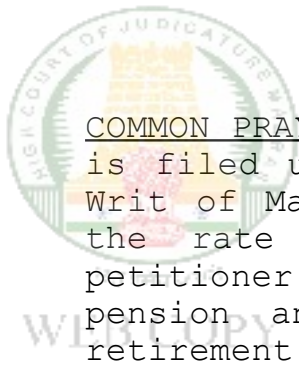
W.P.(MD)Nos.7857, 7869, 7853 and 7928 of 2020

P.Krishnamoorthy ... Petitioner in W.P.(MD)Nos.7857 of 2020
D.Mathiazhagan ... Petitioner in W.P.(MD)Nos.7869 of 2020
T.Thirunavukkarasu ... Petitioner in W.P.(MD)Nos.7853 of 2020
V.Kumaresan ... Petitioner in WP(MD)Nos. 7928 of 2020

-Vs-

- 1.The Tamil Nadu State Transport Corporation (Kumbakonam) Ltd.,
Rep., by its Managing Director,
Kumbakonam.
- 2.The General Manager,
The Tamil Nadu State Transport Corporation (Kumbakonam) Ltd.,
Nagapattinam Region,
Nagapattinam. ... Respondents 1 and 2 in WP(MD)Nos.7857, 7869,
7853 of 2020
- 3.The Administrator,
The Tamil Nadu State Transport Corporation Pension Fund Trust,
Thiruvalluvar Illam,
Pallavan Salai, Chennai-2. ...Respondent No.3 in 7857 of 2020

1. Tamil Nadu State Transport Corporation Ltd., Rep. by its
Managing Director, Madurai Division,
Bye Pass Road, Madurai -625 016
2. The General Manager,
Tamil Nadu State Transport Corporation Ltd, Dindigul Region,
Chettinayakkanpatti Post, Dindigul -624 004
3. The Administrator,
Tamil Nadu State Transport Corporation-Employees Pension Fund Trust,
Thiruvalluvar Illam, Pallavan Salai,
Chennai -600 002 ... Respondents in WP(MD) No. 7928 of 2020



COMMON PRAYER IN W.P. (MD)Nos.7857, 7869, 7853 of 2020: Writ Petition is filed under Article 226 of Constitution of India, to issue a Writ of Mandamus, to direct the respondents to settle interest at the rate of 18% per annum for the belated payment of the petitioner's terminal benefits including gratuity, commuted value of pension and provident fund from the date of the petitioner's retirement to till the date on which the said benefits were settled to him.

Prayer in WP(MD). 7928 of 2020 :

Writ Petition is filed under Article 226 of the Constitution of India, praying this Court To issue a writ of Mandamus directing the respondents to pay 18 percentage 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. 30.04.2018 to till the date of actual payment made to him i.e. 21.09.2019 and all other attendant benefits to him within the stipulated period.

In all Petitions

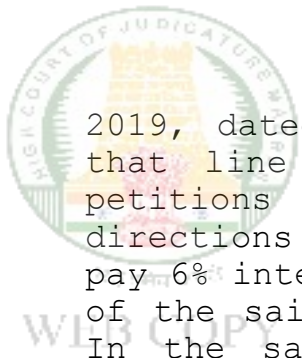
For Petitioners :Mr.A.Rahul
For Respondents :Mr.P.Balasubramanian
Standing Counsel
(WP(MD)Nos.7857,7869 and 7853 of 2020)
:Mr.J.Senthil Kumaraiah
(WP(MD)No.7928 of 2020)

COMMON ORDER

In all these writ petitions, the respective petitioners are the erstwhile employees of the respondent Transport Corporations.

2.In W.P(MD).No.7928 of 2020, the petitioner was working as Superintendent and in all other cases, the petitioners were working as Conductors. After having served for several years in the respondent Corporations, they retired from service on superannuation. However, their service benefits had not been immediately disbursed by the respondents and according to the learned counsel appearing for the petitioners, since these petitioners retired from service on superannuation in the month of April, June and July respectively, the benefits should have been disbursed then and there. However, belatedly only in the month of September 2019 i.e., on 20.09.2019 these retiral benefits for the petitioners were disbursed by the respondent Transport Corporations. Therefore, the learned counsel would submit that, the petitioners are entitled to get interest at the rate of 6% for the belated payment of retiral benefits paid to the petitioners and in order to get such interest, the present writ petitions have been filed.

3.The learned counsel appearing for the petitioners also relied upon an earlier decision of this Court made in W.P(MD).No.25672 of



2019, dated 03.12.2019 and would submit that, number of orders in that line have been passed, where this Court allowed the writ petitions filed by the respective employees/petitioners, where directions were issued to the respondent Transport Corporation to pay 6% interest for the belated payment for the period from the date of the said retiral benefits become due till the date of payment. In the same line, similar orders can be passed in these writ petitions also, the learned counsel contended.

4.However, Mr.P.Balasubramanian, learned Standing Counsel and Mr.J.Senthilkumaraiah, learned Standing Counsel appearing for the respondent Corporations would submit that, though number of orders have been passed in the line, as has been indicated by the learned counsel for the petitioners, in some cases, the Court passed orders to pay the retiral benefits on installments basis of 12 equal installments. In those cases, it is the stand of the respondent Corporation that, the Transport Corporation need not pay interest. Further, contended by the learned Standing Counsel for the respondents that, yet another special reason is available for the respondents to state that, because of the COVID-19 situation from March 3rd week onwards, the Transport Corporation are not able to ply their buses as the Public Transport System has been suspended due to lock down procedure.

5.In view of the said factor that for the past three or four months, since no revenue generation is possible or available to the respondent Transport Corporations, these Corporations are under severe financial crisis so that it is one of the reason the respondent Corporations could not pay the retiral benefits to number of retired employees. Therefore, in that circumstances, according to the learned Standing Counsel for the respondents, if the respondent Corporations are directed to pay the interest also to these people, that will further add financial crisis to the respondent Transport Corporations. Therefore, that can also be taken into account while disposing these writ petitions.

6.I have considered the said submissions made by the learned counsel appearing for the parties and also perused the materials placed before this Court.

7.As has been rightly pointed out by the learned counsel appearing for the petitioners that, in number of cases, similar orders have been passed, where if there is any belated payment of retiral benefits for the employee of the Transport Corporation, in those cases, Court have shown its indulgence by giving direction to the respondent Corporation to pay interest for the belated payment to the retired employees at the rate of 6% per annum from the date the amount become due till the date of payment.

8.In the case cited by the learned counsel for the petitioners in W.P(MD).No.25672 of 2019, dated 03.12.2019 also, this Court has

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passed the same order, where the following directions have been made through Court:

'.....

6. In the light of the above observations, there shall be a direction to the second respondent's 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, 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. '

9. After having considered these submissions and the factual matrix of these cases, this Court feels that, no deviation can be made by this Court in these batch of cases alone as in number of such writ petitions, orders that of the one as has been extracted above have been passed by this Court and those orders in many cases have been confirmed by the respective Hon'ble Division Benches of this Court. When that being the position, this Court is not impressed with the submission made by the learned counsel appearing for the respondents for avoiding the payment of interest payable to the petitioners/employees for the belated payment on retiral benefits.

10. More over, since 6% interest per annum is a very minimal interest which alone since has been directed to be paid in all these cases, this Court also feels that, it is not on a higher side to claim such interest.

11. For all these reasons, I am inclined to dispose of these writ petitions with the following directions:

'(i) that in all these cases, the respective respondents are hereby directed to calculate the interest payable to the petitioners for the belated payment of retiral benefits and such interest shall be calculated at the rate of 6% per annum and the petitioners are entitled to get such interest from the date of the retiral benefits are actually become due till the date of payment.

(ii) Accordingly, the calculated interest shall be paid by the respective respondent Transport Corporations to the respective petitioners within a period of three (3) months from the date of restoration of normalcy after COVID-19 situation.



(iii) It is made clear that, for the three months period as well as the COVID-19 period, the petitioners are not entitled to get interest in view of the aforesaid peculiar situation faced by the respondent Transport Corporations.

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12. With these directions, these writ petitions are disposed of. No costs. It is further made clear that, after restoration of normalcy from the COVID 19 period, within three months period now fixed by this Court, if interest to be calculated in this regard is not paid, as indicated above, further penal interest of 18% per annum shall be charged from the respondent Corporations at the end of the three months period.

Sd/-

Assistant Registrar

// True Copy //

/ /2020

Sub Assistant Registrar(CS)

rmk

Note: In view of the present lock down owing to COVID-19 pandemic, a web copy of the order may be utilized for official purposes, but, ensuring that the copy of the order that is presented is the correct copy, shall be the responsibility of the Advocate/litigant concerned.

TO

1. The Managing Director,
Tamil Nadu State Transport Corporation Ltd., Madurai Division,
Bye Pass Road, Madurai -625 016

2. The General Manager,
Tamil Nadu State Transport Corporation Ltd, Dindigul Region,
Chettinayakkanpatti Post, Dindigul -624 004

3. The Administrator,
Tamil Nadu State Transport Corporation-Employees Pension Fund Trust,
Thiruvalluvar Illam, Pallavan Salai,

Chennai -600 002

<https://hcservices.ecourts.gov.in/hcservices/>



4.The Managing Director,,
Tamil Nadu State Transport
Corporation (Kumbakonam) Ltd.,
Kumbakonam.

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5.The General Manager,
The Tamil Nadu State Transport
Corporation (Kumbakonam) Ltd.,
Nagapattinam Region,
Nagapattinam.

+1 cc to Mr. A.K.THANGAVELU ,Advocate, SR No.13489

W.P. (MD)Nos.7857, 7869, 7853 and 7928 of 2020
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KK(26.08.2020) 6P 7C