



BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 05.08.2020

CORAM:

THE HONOURABLE MR.JUSTICE R.SURESH KUMAR

W.P. (MD) No.8711 of 2020

V.Jayakumar

... Petitioner

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.
- 3) The Administrator,
The Tamil Nadu State Transport Corporation Pension Fund Trust,
Thiruvalluvar Illam,
Pallavan Salai, Chennai 600 002

... Respondents

PRAYER : Writ Petition is filed under Article 226 of the Constitution of India to issue a Writ of Mandamus, directing the respondents to settle interest at the rate of 18% per annum for the belated payment of the petitioner's terminal benefits including Gratuity, Terminal Leave Salary, 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.

For Petitioner : Mr.A.Rahul

For Respondents : Mr.P.Balasubramanian,
Standing counsel

O R D E R

The prayer sought for in this writ petition is for a Writ of Mandamus, directing the respondents to settle the interest at the rate of 18% per annum for the belated payment of the petitioner's terminal benefits including Gratuity, Terminal Leave Salary, 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.



2. The petitioner, after having served in the respondent Transport Corporation, retired from service on 30.06.2018. Thereafter, all his retiral benefits were not immediately disbursed but, belatedly, only on 20.09.2019 those retiral benefits were settled to the petitioner. Therefore, there has been a delay of 13 months in disbursing the retiral benefits. Hence, in order to get interest for the belated payment of retiral benefits, the petitioner has given a representation on 18.02.2020 to the respondents, which the respondents since have not considered yet, the petitioner is before this Court.

3. I have heard Mr.A.Rahul, learned counsel appearing for the petitioner and Mr.P.Balasubramanian, learned standing counsel for the respondent Corporation.

4. Several numbers of these kind of cases have been dealt by this Court and one such order which was passed in W.P.(MD) No.7857 of 2020, dated 30.07.2020 is extracted hereunder:

"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 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 Bench 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.

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."

5. In view of the above, there shall be an order to the following effect in this writ petition:-

(i) the respondents are hereby directed to calculate the interest payable to the petitioner for the belated payment of retiral benefits and such interest shall be calculated at the rate of 6% per annum and the petitioner is 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 respondent Transport Corporation to the petitioner 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 petitioner is not entitled to get interest in view of the aforesaid peculiar situation faced by the respondent Transport Corporation.

6. With these directions, the writ petition is 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 Corporation at the end of the three months period.

Sd/-

Assistant Registrar (AD-II)

// True Copy //

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Sub Assistant Registrar(CS)

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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 (Kumbakonam)Ltd., Kumbakonam.
- 2) The General Manager,
The Tamil Nadu State Transport Corporation (Kumbakonam)Ltd.,
Nagapattinam Region, Nagapattinam.
- 3) The Administrator, The Tamil Nadu State Transport
Corporation Pension Fund Trust, Thiruvalluvar Illam,
Pallavan Salai, Chennai 600 002 .

+1CC to M/s.P.BALASUBRAMANIAN, Advocate (SR-13751[F] dated 06/08/2020)

W.P. (MD) No.8711 of 2020

05.08.2020

AP (04/09/2020) 4P 5C

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