



BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: **30.01.2020**

CORAM:

THE HONOURABLE MR.JUSTICE **M.S.RAMESH**

W.P. (MD) No.26808 of 2019

S.Paulraj

... Petitioner

vs.

1.The Managing Director,
Tamil Nadu State Transport Corporation (MDU) Ltd.,
Corporate Office, Bypass Road,
Madurai - 625 016.

2.The Finance Advisor & Chief Accounts Officer,
Tamilnadu State Transport Corporation (MDU) Ltd.,
Corporate Office, Bypass Road,
Madurai - 625 016.

3.The Administrator,
TNSTC Employees' Pension Fund Trust,
SETC (TN) Ltd., No.2, Thiruvalluvar House,
Pallavan Salai,
Chennai - 600 002.

... Respondents

PRAYER: Writ Petition filed under Article 226 of the Constitution of India for issuance of Writ of Mandamus, to disburse interest at the rate of 6% for gratuity, leave salary and 8% for provident Fund and also the recovered the contribution amount of ERPS (Employees Retirement Pension Scheme) amount for the 19 years from 01/09/1998 to till the date on 31/12/2017 as per the 13th wage settlement with effect from 01/09/2016.

For Petitioner : Mr.K.Gokul

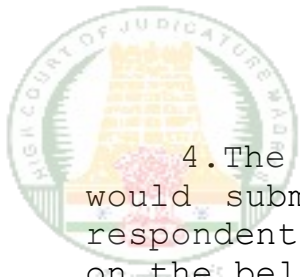
For Respondents : Mr.J.Senthilkumaraiah
Standing Counsel

ORDER

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 21.09.2019 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 cases, a batch of writ petitions entertained by this Court and 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



4.The learned Standing Counsel appearing for the respondents 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.

WEB COPY

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, 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.In view of the relief granted above, the petitioner's consequential prayer seeking for recovery of the contribution amount of ERPS (Employees Retirement Pension Scheme), does not require consideration.

8.With the above directions, the Writ Petition stands disposed of. No costs.

Sd/-

Assistant Registrar (P&A)

// True Copy //

/ /2020

Sub Assistant Registrar(CS)

mm

+1 CC to MR.K.GOKUL, Advocate (SR-4128[F] dated 31/01/2020)

W.P. (MD) No.26808 of 2019

30.01.2020

_KM/(17.02.2020) 2P 2C