

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 07.04.2021

CORAM

THE HONOURABLE MR. JUSTICE M.GOVINDARAJ

WP NO.8742 OF 2021

R.Jayachandran

.. Petitioner

Versus

1.Tamil Nadu State Transport Corporation
(Villupuram) Ltd.,
Rep. by the Managing Director
3/137, Salamedu, Valudha Reddy Post,
Villupuram - 605 602.

2.Tamil Nadu State Transport Corporation
(Villupuram) Ltd.,
Rep. by the General Manager
Kancheepuram Regional Office
Karapettai, Chennai Bangaluru Highway,
Kancheepuram - 631 552.

3.The Administrator
Tamil Nadu State Transport Corporation
Employees Pension Trust
Pallavan Salai,
Chennai - 600 002.

.. Respondents

PRAYER: Writ Petition filed under Article 226 of the Constitution of India praying to issue a Writ of Mandamus, directing the respondents to pay interest amounts to the service gratuity, leave salary and commutation of pension amount at the rate of 6% per annum for 18 months of delayed payment in accordance with the orders dated 12.06.2015 of the Hon'ble Division Bench of this Court made in W.A. (MD) Nos.383 to 457 of 2015 and as adopted in the order made on 19.01.2021 in W.P.No.15886 of 2020 by considering and passing orders on the representation dated 26.02.2021 of the petitioner.

For Petitioner : Mr.N.Ishak

For Respondents : Mr.C.S.K.Sathish
Standing Counsel

Mr.C.S.K.Sathish, learned Standing Counsel, takes notice on behalf of the respondents. By consent, the Writ Petition is taken up for final disposal at the admission stage itself.

2.This Writ Petition has been filed by the petitioner seeking for a direction to the respondents to pay interest to the service gratuity, leave salary and commutation of pension

amount at the rate of 6% per annum for 14 months of delayed payment in accordance with the orders dated 12.06.2015 of the Division Bench of this Court made in W.A. (MD) Nos.383 to 457 of 2015 and as adopted in the order made on 19.01.2021 in W.P.No.15886 of 2020 by considering his representation dated 26.02.2021.

3.The petitioner has joined the services of the respondent / Transport Corporation on 29.03.1997 as Conductor. Subsequently, he was promoted as Checking Inspector and retired from service on 30.06.2019 on attaining the age of superannuation. On the date of his retirement, Provident Fund amount alone was settled to him and the other retiral benefits viz., commutation of pension, service gratuity and leave salary were paid only on 24.01.2021, viz., after a lapse of 18 months from the date of his retirement. Seeking interest for the belated payment of retiral benefits, the petitioner is before this Court.

4.Heard the submissions made on either side.

5.It is well settled in very many cases that the employee is entitled to interest for the belated payment of his retiral benefits. A Division Bench of this Court in GOVERNMENT OF TAMIL NADU, REP. BY ITS SECRETARY TO GOVERNMENT, REVENUE DEPARTMENT VS. M.DEIVASIGAMANI [2009 (3) MLJ 01] has held that the employee is entitled to interest on belated payment of pension and other retiral benefits, even in the absence of statutory rules / administrative instructions or guidelines and that he can claim interest under Part III of the Constitution, relying on Articles 14, 19 and 21 of the Constitution.

6.In a similar circumstance, the First Bench of this Court in W.A.(MD) Nos.383 to 457 of 2015 on 12.06.2015, directed the respondent / Transport Corporation to settle the terminal benefits of its employees in equal monthly installments and to pay 6% interest on the terminal benefits payable to the workman. It has also held that the workman is entitled to 18% interest for the defaulted period of installments.

7.Following the above judgments, a learned Single Judge of this Court in W.P.No.15886 of 2020 on 19.01.2021, directed the respondent/ Transport Corporation to pay interest @ 6% per annum, for the belated payment of gratuity and other retiral benefits.

8.Considering the facts and circumstances of the case and also considering the period of delay, this Court is inclined to grant interest @ 4% per annum, for the belated payment of

gratuity, leave salary and commutation of pension amount that are yet to be settled, in six equal monthly installments, commencing from 01.06.2021. In case of delay in making installments within the time stipulated supra, the interest payable could be 10% for the delayed period to be recovered from the Officer responsible for disbursement of the amount.

9.It is made clear that the aforesaid direction to pay interest would not preclude the petitioner / workman to question the computation of any of the terminal benefits, if the same is paid lesser than the amount to which, he is entitled to receive. Likewise, if the petitioner has any grievance that he is entitled to interest for the amount already settled, he can agitate the same as per law, if he is entitled.

10.The Writ Petition is disposed of with the above observation and direction. No costs.

Sd/-

Assistant Registrar

/TRUE COPY/

Sub-Assistant Registrar

TK
To

1.The Managing Director
Tamil Nadu State Transport Corporation
(Villupuram) Ltd.,
3/137, Salamedu, Valudha Reddy Post,
Villupuram - 605 602.

2.The General Manager
Tamil Nadu State Transport Corporation
(Villupuram) Ltd.,
Kancheepuram Regional Office
Karapettai, Chennai Bangaluru Highway,
Kancheepuram - 631 552.

3.The Administrator
Tamil Nadu State Transport Corporation
Employees Pension Trust
Pallavan Salai,
Chennai - 600 002.

+1CC TO MR.CSK.SATHISH, ADVOCATE, SR.NO. 22241

+1CC TO MR.N.ISHAK, ADVOCATE, SR.NO. 21843

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JPL(CO)
KKN 21.04.2021