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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 17.04.2021

CORAM

THE HONOURABLE MR.JUSTICE M.GOVINDARAJ

WP NO.9365 OF 2021

- 1.R.Narayanan
- 2.V.Jayabalan
- 3.K.Arumugam
- 4.K.Raja
- 5.S.Loganathan
- 6.S.Pachaiyappan
- 7.P.Janagiraman
- 8.S.Lakshmanan
- 9.D.Thirunavukarasu
- 10.K.Suresh
- 11.R.Kumarasamy
- 12.S.Dayalan
- 13.R.Sankar
- 14.A.Murugan
- 15.E.Karthikeyagan
- 16.R.Latchapathy
- 17.S.Jayapal
- 18.K.Pannerselvam

..Petitioners

Versus



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1.The Managing Director
Tamil Nadu State Transport Corporation
(Villupuram) Ltd.,
Salamedu, Villupuram
Villupuram District-605 602

2.The General Manager
Tamil Nadu State Transport Corporation
(Villupuram-III) Ltd.,
Thiruvannamalai Region
Bye pass road, Vengikkal
Thiruvannamalai District-606 604

3.The Administrator
Tamil Nadu State Transport Corporation
Employees Pension Fund 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 @ 10% for the belated payment of gratuity, leave salary and commutation of pension amount to the petitioners.

For Petitioner : Mr.S.T.Varadarajalu

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

O R D E R

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 petitioners seeking for a direction to the respondents to pay interest @ 10% for the belated payment of gratuity, leave salary and commutation of pension amount to the petitioners.

3.The petitioners have joined the services of the respondent / Transport Corporation as Conductors and Drivers. Subsequently, they were promoted in various categories and retired on various dates. On the date of their retirement the Provident Fund amount alone was settled to them and the other retiral benefits viz., commutation of pension, service gratuity and leave salary were



paid on the following dates. The details of post held, date of retirement and the date of benefits paid to them are given below:

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Sl. No.	Name	Post held and date of retirement	Date of terminal benefit paid
1	R.Narayanan	Spl.Grade Conductor-30.06.2017	25.05.2018
2	V.Jayabalan	Traffic Inspector-30.06.2017	07.12.2017
3	K.Arumugam	Checking Inspector-30.06.2017	07.12.2017
4.	K.Raja	Foreman-30.06.2017	07.12.2017
5.	S.Loganathan	Traffic Inspector-30.04.2017	07.08.2017
6.	S.Pachaiyappa n	Traffic Inspector-20.02.2017	16.06.2017
7.	P.Janagiraman	Gardener-30.04.2018	19.09.2019
8.	S.Lakshmanan	Checking Inspector-30.09.2019	24.01.2021
9.	D.Thirunavukarasu	Checking Inspector-30.04.2019	24.01.2021
10	K.Suresh	Driver-31.05.2019	24.01.2021
11	R.Kumarasamy	Driver-30.06.2019	24.01.2021
12	S.Dayalan	Driver-31.12.2019	24.01.2021
13	R.Sankar	Conductor-30.04.2019	24.01.2021
14	B.Murugan	Driver-30.04.2019	24.01.2021
15	E.Karthikeyagan	Driver-31.07.2019	24.01.2021
16	R.Latchapathy	Conductor-31.07.2019	24.01.2021
17	S.Jayagopal	Driver-31.10.2019	24.01.2021



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Sl. No.	Name	Post held and date of retirement	Date of terminal benefit paid
18	K.Pannerselvam	Conductor-30.06.2017	07.12.2017

Seeking interest for the belated payment of retiral benefits, the petitioners are 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 petitioners / workmen to question the computation of any of the terminal benefits, if the



same is paid lesser than the amount to which, they are entitled to receive. Likewise, if the petitioners have any grievance that they are entitled to interest for the amount already settled, they can agitate the same as per law, if they are entitled.

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

Sd/-

Assistant Registrar

//True Copy//

Sub Assistant Registrar

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To

1. The Managing Director
Tamil Nadu State Transport Corporation
(Villupuram) Ltd.,
Salamedu, Villupuram
Villupuram District-605 602
2. The General Manager
Tamil Nadu State Transport Corporation
(Villupuram-III) Ltd.,
Thiruvannamalai Region
Bye pass road, Vengikkal
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3. The Administrator
Tamil Nadu State Transport Corporation
Employees Pension Fund Trust
Pallavan Salai, Chennai - 600 002.

+1cc to Mr.S.T.Varadarajulu, Advocate, S.R.No.23465/21

+1cc to Mr.C.S.K.Sathish, Advocate, S.R.No.23446/21

W.P.No.9365 OF 2021

JPL(CO)

RGA(29/07/2021)