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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 12.08.2021

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THE HONOURABLE MR.JUSTICE A.A.NAKKIRAN

W.P.No.16728 of 2021

D. Venkatesan

... Petitioner

-vs-

1. Tamil Nadu State Transport Corporation (Villupuram) Ltd.,
Rep.by the Managing Director
3/137, Salamedu,
Valudhareddy Post,
Villupuram - 605 602
2. Tamil Nadu State Transport Corporation (Villupuram) Ltd.,
Rep.by the General Manager,
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 Constitution of India praying for the issuance of a Writ of Mandamus, directing the respondents to pay interest amounts to the Service Gratuity, Commutation of Pension amount and Leave Salary at the rate of 4% per annum for 16 months of delayed payment in accordance with the Order 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 dated 24.03.2021 in W.P.No.506 of 2021 by considering and passing orders on petitioner's representation dated 12.07.2021.

For Petitioner : Mr.N.Ishak

For Respondents : Mr.C.S.K.Sathish
Standing Counsel for
Transport Corporation



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ORDER

With the consent of both parties, this Writ Petition is taken up for final disposal at the admission stage itself.

2. Mr.C.S.K.Sathish, learned Standing Counsel for Transport Corporation takes notice for the respondents.

3. The petitioner herein, who retired from the services of the Respondents Corporation on reaching the age of superannuation, have come up with the above Writ Petition, seeking a direction to the Respondents to pay interest amounts to the Service Gratuity, Commutation of Pension amount and Leave Salary at the rate of 4% per annum for 16 months of delayed payment in accordance with the Order 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 dated 24.03.2021 in W.P.No.506 of 2021 by considering and passing orders on petitioner's representation dated 12.07.2021.

4. Heard the learned counsel on either side and perused the material documents available on record.

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.

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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 Service gratuity, commutation of pension amount and leave salary amount that are yet to be settled, in four equal monthly installments, commencing from 01.10.2021. 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(CS-II)

// True Copy//

Sub Assistant Registrar

(gv)

To:

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



2. The General Manager,
Tamil Nadu State Transport Corporation (Villupuram) Ltd.,
Kancheepuram Regional Office, Korapatti
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.N.Ishak, Advocate, S.R.No.39901

+1cc to Mr.C.S.K.Sathish, Advocate, S.R.No.40816

W.P.No.16728 of 2021

PL (CO)
SU (08/09/2021)