



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 17.08.2021

CORAM:

THE HONOURABLE MR.JUSTICE A.A.NAKKIRAN

W.P.Nos.17102 & 17104 of 2021

D.Anbazhagan .. Petitioner in W.P.No.17102/21

E.Radhakrishnan .. Petitioner in W.P.No.17104/21

Vs.

The Managing Director,
Metropolitan Transport Corporation
(Chennai) Ltd., No.2, Anna Salai,
Pallavan Illam, Chennai - 600 002. .. Respondent in both the WPs

Prayer in both the WPs: These Petitions have been filed under Article 226 of the Constitution of India seeking a Writ of Mandamus directing the respondent to pay interest to the petitioners @ 10% for the belated payment of terminal benefits such as gratuity, leave salary and provident fund amount.

For Petitioners : Mr.S.T.Varadarajulu
in both the WPs

For Respondent : Mr.K.Moorthy for MTC
in both the WPs

C O M M O N O R D E R

(The case has been heard through video conference)

With the consent of both parties, the Writ Petitions were taken up for final disposal at the admission stage itself. Mr.K.Moorthy, learned Counsel for Transport Corporation takes notice for the respondent.

2. The petitioners herein, who have retired from the services of the Respondent Corporation on reaching the age of superannuation, have come up with the above Writ Petition, seeking a direction to the respondent to pay interest to the petitioners at the rate of 10% per annum for the period of delay, in paying the amounts paid towards the petitioners terminal benefits namely Gratuity, Leave Salary and Provident Fund within a time frame.



3. This Court heard the submission of the learned counsel on either side and perused the materials/ documents available on record.

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4. 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.

5. 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 instalments 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 instalments.

6. Following the above judgements, 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.

7. 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 Provident Fund, that are yet to be settled, in four equal monthly instalments, commencing from 01.10.2021. In case of delay in making instalments 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.

8. 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.

9. The Writ Petitions are disposed of with the above
observations and directions. No costs.

Sd/-
Assistant Registrar(CS VI)

//True Copy//

Sub Assistant Registrar

kk

To

The Managing Director,
Metropolitan Transport Corporation
(Chennai) Ltd., No.2, Anna Salai,
Pallavan Illam, Chennai - 600 002.

+1CC to S.T.Varadarajulu, Advocate, Sr.No.41217

+1CC to Mr.K.Moorthy, Advocate, Sr.No.40932

W.P.Nos.17102 & 17104 of 2021

KV (CO)

K.RK. (22.09.2021)