



WEB COPY

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 10.12.2021

CORAM

THE HON'BLE Mr. JUSTICE V.PARTHIBAN

W.P.No.23974 of 2021

1.C.Kanniyappan
2.S.Prakasam
3.A.Srinivasan
4.G.Dhanasekaran
5.A.Kumar
6.A.Mallinathan

... Petitioners

Vs.

The General Manager,
Tamil Nadu State Transport
Corporation (Villupuram-III) Ltd,
Thiruvannamalai Region,
Byepass Road, Vengikkal,
Thiruvannamalai District - 606 604.

...Respondent

Prayer: Writ Petition filed under article 226 of the Constitution of India prayed to issue a writ of Mandamus directing the respondent to pay interest to the petitioner at the rate of 10% for the belated payment of P.F. Amount.

For Petitioners .. Mr.S.T.Varadarajulu
For Respondents .. Mr.G.Saravanakumar
Mr.S.Mishra Sathya Seeman

ORDER

In this writ petition, the prayer is for the grant of interest for the belated settlement of retirement benefits like P.F, Gratuity, and encashment of Earned Leave/sick leave etc. As a matter of fact, this Court, both Single Judges and Division Benches dealt with such prayer earlier for payment of interest for the belated settlement of retirement benefits to the retired transport employees.

2.The Courts have been granting payment of interest @ 4% or 6% as the case may be. In some cases, the Division Bench of this Court has granted 6% interest and in few other cases this Court has granted 4% interest. On the whole, this Court finds that, there is no consensus as to whether 4% or 6% to be granted in



3. Today, when this batch of writ petitions have been taken up for hearing, there was a clamour for claiming higher interest of 6 percent and it was also opposed by the counsels who are representing the corporations. According to them in a recent decision of the learned Judge of this Court in W.P.No.23229 of 2021 dated 28.10.2021, after taking into account the various earlier orders, has granted only 4 percent interest. Per contra, the learned counsel Mr.L.Chandra Kumar and Mr.Ajay khoshe would rely on a decision of the Division Bench of this Court in W.A. (MD).No.1349 & 1350 of 2021 dated 12.07.2021, wherein there was a direction to pay 6% interest. A learned Judge of this Court following the above Division Bench Judgment in Writ Appeal No.1349 & 1350 of 2021, in a batch of Writ Petitions in W.P.Nos.15636, 15640, 15647, 15651, 15654 & 15656 of 2021 dated 29.07.2021 has once again granted 6% interest for the delayed payments. One other learned Judge of this Court vide order dated 02.07.2021 in W.P.No.10553 of 2021 has ordered 6% interest. Therefore, learned counsels appearing on behalf of the petitioners would pray for 6% interest as majority of the judges have granted the same.

5. In consideration of the request emanating from the learned Standing counsels for the Corporations, which appear to this Court to be fair and reasonable considering the weak financial position of the Corporations, this Court persuaded the learned counsels appearing for the petitioners to accept 4% interest. All the counsels who are representing the parties today have uniformly accepted 4% interest to be payable on the belated payments made to the petitioners. During the course of argument it is also agreed by all the counsels of the



corporation that the 4% interest payable would be settled in one lump-sum, if 8 weeks time is granted to the Corporation.

6. In view of the consensus being reached by the parties, these writ petitions are disposed of with the following directions;

The Corporation is directed to pay 4% interest to all the employees who have been settled belatedly their retirement benefits within a period of 8 weeks from the receipt of copy of order of this Court. In case, some of the employees who have not been settled their portion of the retirement benefits as such are also entitled to be paid 4% interest till they receive the actual retirement benefits in full.

Those payments would also carry 4% till the date it is fully released by the corporation. The interest of 4% would cover the period of 8 weeks from the date of receipt of copy of this order.

Any further default of the payments by the corporation, the interest would be enhanced to 6 percent after the expiry of 8 weeks of period of time and such percentage would become payable till the entire amounts are settled to the employees concerned.

7. This Writ Petition stands disposed of accordingly.
No costs.

Sd/-
Assistant Registrar(CS VII)

//True Copy//

Sub Assistant Registrar

mrm/tri
To

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

+1cc to Mr.S.T.Varadarajulu, Advocate, S.R.No.65935

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PM[co]
NSK 27/12/2021