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BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 17.03.2021

CORAM

THE HONOURABLE MR.JUSTICE M.S.RAMESH

W.P.(MD) No.5968 of 2021

N.Ayyathurai ... Petitioner

Vs.

1.The State Express Transport Corporation (Tamil Nadu) Limited,
represented by its Managing Director,
Pallavan Salai,
Chennai - 02.

2.The Administrator,
Tamil Nadu State Transport Corporation,
Employees Pension Fund Trust,
Thiruvalluvar Illam,
Pallavan Salai,
Chennai - 2. ... Respondents

PRAYER : Writ petition filed under Article 226 of the Constitution of India to issue a writ of mandamus, directing the respondents to settle the interest at the rate of 18% per annum for the belated payment of petitioner's terminal benefits including gratuity, terminal leave salary and provident fund from the date of is retirement till the date of which the said benefits were settled to him.

For Petitioner : Mr.Rahul.A
For Respondent No.1 : Mr.R.Rajamohan
For Respondent No.2 : Mr.A.Swaminathan

O R D E R

By consent of both parties, this writ petition is taken up for final disposal at the stage of admission itself.

2.Aggrieved against the belated settlement of the terminal benefits to the petitioner, he has claimed interest on the belated payment in this Writ Petition.

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3.In identical issue, this Court has passed various orders, justifying the payment of interest to the aggrieved pensioners and in the order dated 13.12.2019 in W.P.(MD) No.26481 of 2019, the following order came to be passed.

> *"5. I am not in agreement with the said representation made. There was already a duty cast on the respondent Corporation to pay the terminal benefits on the date of retirement itself and the very fact that the belated disbursement of retirement benefit, had already put the retired employee to serious prejudice, entertaining the present request for disbursement of the interest on the belated payment in installments, could cause further prejudice to the retired employee.*
>
> *6 .In the light of the above observations, there shall be a direction to the respondent / Corporation to pay the penal interest at the rate of 6% per annum on the belated payment of the retirement benefits for the period from the date of the retirement, till the date of actual disbursement, as expeditiously as possible and in any event, not before the expiry of three months from the date of receipt of a copy of this order."*

4.This Court is of the view that the respondents could be directed to pay the interest on the belated payment, at the rate of 6% per annum, as ordered in the above Writ Petition.

5.At this juncture, Mr.R.Rajamohan, learned Standing Counsel appearing for the respondent Corporation would submit that owing to the Covid-19 pandemic situation and non-plying of buses for a considerable time, there has been a heavy revenue loss for the Corporation and therefore, the period of payment spread over three months as, ordered in the earlier Writ Petition, can be extended, so as to enable them to pay the interest amount, within a period of six months.

6.The learned counsel for the petitioner also does not have any objections to the same.

7.In this background, there shall be a direction to the respondents to pay the interest to the petitioner at the rate of 6% per annum on the belated payment of the retirement benefits, commencing from the date of retirement, till the date of actual disbursement, within a period of six months from the date of receipt of a copy of this order.

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8.This Writ Petition stands allowed in accordance with the above terms. No costs.

Sd/-

Assistant Registrar (AS)

// True Copy //

/ /2021

Sub Assistant Registrar(CS)

To

+1 CC to M/s.R.RAJAMOHAN, Advocate (SR-11789[F] dated 17/03/2021)

+1 CC to M/s.A.RAHUL, Advocate (SR-11890[F] dated 17/03/2021)

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