



WEB COPY

W.A./[MD]/No.1413 of 2021

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 22.07.2021

CORAM:

THE HONOURABLE MR.JUSTICE T.S.SIVAGNANAM

and

THE HONOURABLE MRS.JUSTICE S.ANANTHI

W.A. [MD]No.1413 of 2021

K.Raghu

... Appellant/Writ Petitioner

Vs.

1.The Tamil Nadu State Transport Corporation Limited,
Represented by its Managing Director,
Thirunelveli Division,
Thirunelveli - 627 011.

2.The Administrator,
The Tamil Nadu State Transport Corporation
Employees Pension Fund Trust,
Thiruvalluvar Illam,
Pallavan Salai,
Chennai - 600 002.

: Respondents

PRAYER: Writ Appeal filed under Clause 15 of Letters Patent Act,
praying to set aside the order dated 25.03.2021 passed in
W.P.[MD].No.6736 of 2021.

Prayer in WP(MD). 6736/ 2021 :

Writ Petition is filed under Article 226 of the
Constitution of India, praying this Court. To issue a Writ of
Mandamus, directing the respondents to pay 18 percent interest for
the belated payment of terminal benefits of P.F., Gratuity and
Unavailed Leave Salary, payable to the petitioner from the date of
his retirement, i.e., 30.06.2019 to till the date of actual payment
made to him i.e. 22.01.2021 and all other attendant benefits to him
within the stipulated period and pass such further or other orders
as this Honble Court may deem fit and proper in the circumstances of
this case and thus render justice.

For Appellant : Mr.A.K.Thangavelu

For Respondents : Mr.R.Raja Mohan

Standing Counsel for Transport

JUDGMENT

[Judgment of the Court was delivered by **T.S.SIVAGNANAM, J.**]

Heard Mr.A.K.Thangavelu, learned Counsel appearing for the
appellant, Mr.R.Raja Mohan, learned Standing Counsel appearing for

<https://hsc.judges.eccourts.gov.in/Heservices/>



the respondents.

2.This Writ Appeal is directed against the order in W.P.[MD] No.6736 of 2021 dated 25.03.2021.

3.Identical impugned orders were considered for their correctness by us in W.A.[MD]Nos.1349 & 1350 of 2021 and the Writ Appeals were allowed by judgment dated 12.07.2021. The operative portion of the judgment reads as follows:

"4.The appellants who are the retired workmen of the respondent Corporation are not aggrieved by the entirety of the impugned order, but only insofar as it has declined the payment of interest on the belated payment of Provident Fund and Earned Leave Salary. Undisputed facts are that the appellant V.Rajendran retired during June 2019 and the appellant S.Gnanasekaran retired in April 2019 and their retirement benefits were settled only on 30.01.2021. So far as the gratuity is concerned, since it is a reward for the past services and not a bounty, statutorily the respondent Corporation is bound to pay interest. Therefore, the learned Single Bench rightly directed for payment of interest at 6% p.a. on the belated payment of gratuity.

5.So far as the Provident Fund and Earned Leave Salary are concerned, the learned Single Bench has denied the same on the ground of pandemic. This, in our considered view, is untenable because, the Provident Fund and Earned Leave Salary have also been held to be retirement benefits and any delay in settling the same would attract interest payable for the delay. The decision of the Hon'ble Supreme Court in **S.K.Dua Vs. State of Haryana and another in Civil Appeal No.184 of 2008 dated 09.01.2008**, will come to the aid and assistance of the appellants. Therefore, we are of the clear view that the delay in payment of Provident Fund and Earned Leave Salary also to be compensated by payment of interest, which we fix at 6% p.a. It is submitted before us that insofar as appellant Rajendran, the retirement benefits were settled 21 months after he retired and insofar as Gnanasekaran, it was settled after 19 months he retired from service.

6.In the light of the above, these Writ Appeals are allowed and that portion of the



impugned orders declining grant of interest on belated payment of Provident Fund and Earned Leave Salary is set aside and the respondent Corporation is directed to pay interest at the rate of 6% p.a. for the period of delay. This direction be complied with within a period of six [6] weeks from the date of receipt of a copy this judgment. However, there shall be no order as to costs."

4.Following the above decision, this Writ Appeal is also disposed of with a direction to the Respondent Corporation to pay interest at the rate of 6% p.a. for the period of delay. This direction be complied with within a period of six [6] weeks from the date of receipt of a copy of this judgment. However, there shall be no order as to costs.

Sd/-

Assistant Registrar (CS-I)

// True Copy //

/ /2021

Sub Assistant Registrar(CS)

MR

Note: In view of the present lock down owing to COVID-19 pandemic, a web copy of the order may be utilized for official purposes, but, ensuring that the copy of the order that is presented is the correct copy, shall be the responsibility of the advocate/litigant concerned.

To

1.The Managing Director,
Tamil Nadu State Transport Corporation Limited,
Thirunelveli Division, Thirunelveli - 627 011.

2.The Administrator,
The Tamil Nadu State Transport Corporation
Employees Pension Fund Trust,
Thiruvalluvar Illam,
Pallavan Salai, Chennai - 600 002.

+1 CC to M/s.A.K.THANGAVEL, Advocate (SR-23393[F] dated 22/07/2021)

+1 CC to M/s.R.RAJMOHAN, Advocate (SR-23737[F] dated 23/07/2021)

W.A. [MD]No.1413 of 2021

22.07.2021

RK(4.08.2021) 3P 5C