



BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 12.07.2021

CORAM:

THE HONOURABLE MR.JUSTICE T.S.SIVAGNANAM

and

THE HONOURABLE MRS.JUSTICE S.ANANTHI

W.A.[MD]Nos.1349 & 1350 of 2021

WEB COPY

V.Rajendran : Appellant in W.A.[MD]No.1349/21
S.Gnanasekaran : Appellant in W.A.[MD]No.1350/21

Vs.

1.The Management of Tamil Nadu State
Transport Corporation (Kumbakonam) Limited,
Represented by its Managing Director,
New Railway Feeder Road,
Kumbakonam.

2.The General Manager,
The Tamil Nadu State Transport Corporation
(Kumbakonam) Limited,
Nagapattinam Region,
Nagapattinam.

: Respondents in both Writ Appeals

COMMON PRAYER: Writ Appeals filed under Clause 15 of Letters Patent Act, praying to set aside the orders dated 26.03.2021 & 25.03.2021 passed in W.P.[MD].No.6934 and 6767 of 2021, respectively.

Prayer in WP(MD) . 6934/ 2021 :

Writ Petition is filed under Article 226 of the Constitution of India, for the issuance of Writ of Mandamus, directing the respondents to settle interest at rate of 18 percent per annum for the belated payment of petitioners terminal benefits including Gratuity, Terminal Leave Salary and Provident Fund from the date of the petitioners retirement to till the date on which the said benefits were settled to him

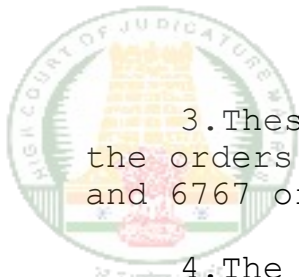
For Appellant : Mr.Ajay Khose
for Mr.A.Rahul
For Respondents : Mr.D.Sivaraman
Standing Counsel
[In both Writ Appeals]

COMMON JUDGMENT

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

With the consent on either side, these Writ Appeals are taken up for disposal.

2.Heard Mr.Ajay Khose, for Mr.A.Rahul, learned Counsel appearing for the appellants and Mr.D.Sivaraman, learned Standing Counsel appearing for the respondents.



3. These appeals by the writ petitioners are directed against the orders dated 26.03.2021 & 25.03.2021 passed in W.P.[MD].No.6934 and 6767 of 2021, respectively.

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.

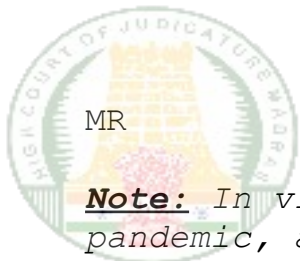
Sd/-

Assistant Registrar (CS-I)

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/ /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
(Kumbakonam) Limited,
New Railway Feeder Road,
Kumbakonam.

2.The General Manager,
The Tamil Nadu State Transport Corporation
(Kumbakonam) Limited,
Nagapattinam Region,
Nagapattinam.

+2 CC to M/s.A.RAHUL, Advocate (SR-22155[F],22154 dated
12/07/2021)

+ CC to M/s.D.SIVARAMAN, Advocate (SR-22167[F] dated 12/07/2021)

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12.07.2021

SGS (CO)
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