



BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 15.07.2021

CORAM:

THE HONOURABLE MS.JUSTICE V.M.VELUMANI

W.P(MD)No.11810 of 2021

M.Arumugam

... Petitioner

vs.

The Management of
State Express Transport Corporation (Tamil Nadu) Ltd.,
Rep. by its Managing Director,
Pallavan Salai, Chennai - 2.

... Respondent

Prayer: Writ Petition filed under Article 226 of the Constitution of India for issuance of a Writ of Mandamus, to directing the respondent to pay the petitioner interest at the rate of 18% per annum, for the period of delay from 01.07.2018 to 20.09.2019, in paying the amounts paid towards the terminal and pension benefits of the petitioner namely Gratuity and Encashment of Earned Leaves, within a time frame fixed by this Court, and without affecting the petitioner's right to claim balance amount towards those benefits.

For Petitioner : Mr.S.Arunachalam
For Respondent : Mr.R.Rajamohan

ORDER

Mr.R.Rajamohan, learned Standing Counsel takes notice for the respondent.

2.The petitioner's retirement benefits were settled belatedly and in view of such belated settlement, the present Writ Petition has been filed seeking for interest on the belated payment of the terminal benefits.

3.It is brought to the notice of this Court that in identical cases, a batch of Writ Petitions were entertained by this Court and directions have been issued to the respondent to pay the interest, at the rate of 6% on the belated payment of the terminal benefits. This Court does not intend to deviate from such orders passed in similar cases.

4.The learned Standing Counsel appearing for the respondent would submit that in view of the financial burden cast on the respondent corporation, they may be permitted to pay the interest on the belated payment in a liberal monthly installments.

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, would already put the retired employee to serious prejudice. Entertaining the said request for disbursement of the interest on the belated payment in installments, could cause further prejudice to the retired employees.

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6.In the light of the above observations, there shall be a direction to the respondent 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, within a period of four months from the date of receipt of a copy of this order.

7.With the above directions, this Writ Petition is disposed of. No costs.

Sd/-

Assistant Registrar (CS-I)

// True Copy //

/ /2021

Sub Assistant Registrar(CS)

ps

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

The Managing Director,
The Management of
State Express Transport
Corporation (Tamil Nadu) Ltd.,
Pallavan Salai, Chennai - 2.

+1 CC to M/s.R.RAJA MOHAN, Advocate (SR-22734[F] dated 15/07/2021)

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CM(CO)

KB(27.07.2021) 2P 3C