



BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED :16.07.2021

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THE HONOURABLE MS.JUSTICE V.M.VELUMANI

W.P(MD)No.11956 of 2021

WEB COPY

K.Sampath

... Petitioner

Vs.

1.The Tamil Nadu State Transport
Corporation (Kumbakonam) Ltd.,
Represented by its Managing Director,
Kumbakonam.

2.The General Manager,
The Tamil Nadu State Transport Corporation
(Kumbakonam) Ltd.,
Trichy Region,
Trichy.

... Respondents

RAYER: Petition filed under Article 226 of the Constitution of India, praying for the issuance of a Writ of Mandamus, directing the respondents to settle 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 his retirement to till the date on which the said benefits were settled to him.

For Petitioner : Mr.A.Rahul

For R1 & R2 : Mr.P.Balasubramanian
Standing Counsel

ORDER

Mr.P.Balasubramanian, learned Standing Counsel takes notice for the respondents.

2. By consent, the Writ Petition is taken up for final disposal at the admission stage itself.

3.The petitioner's retirement benefits were settled belatedly and in view of such belated settlement, this writ petition has been filed seeking for interest on the belated payment of the terminal benefits.

4. It is brought to the notice of this Court that in an identical case of batch of writ petitions entertained by this Court, directions have been issued to the respondents 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 the said procedure.

5.The learned Standing Counsel appearing for the respondents would submit that in view of the financial burden cast on the respondents corporation, they may be permitted to pay the



interest on the belated payment in a liberal monthly installments.

6. I am not in agreement with the said representation made. There was already a duty cast on the respondents 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.

7. In the light of the above observations, there shall be a direction to the respondents 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.

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

Sd/-

Assistant Registrar (P&A)

// True Copy //

/ /2021

Sub Assistant Registrar(CS)

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Note:(i) 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 Tamil Nadu State Transport Corporation (Kumbakonam) Ltd.,
Represented by its Managing Director, Kumbakonam.

2. The General Manager,
The Tamil Nadu State Transport Corporation
(Kumbakonam) Ltd.,
Trichy Region, Trichy.

+1 CC to M/s.A.RAHUL, Advocate (SR-23167[F] dated 19/07/2021)

+1 CC to M/s.P.BALASUBRAMANIAN, Advocate (SR-23132[F] dated 19/07/2021)

W.P(MD)No.11956 of 2021

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