



BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 21.12.2021

CORAM :

**THE HON'BLE MR.MUNISHWAR NATH BHANDARI,
ACTING CHIEF JUSTICE**

AND

THE HON'BLE MRS.JUSTICE PUSHPA SATHYANARAYANA

W.A. (MD) No.2222 of 2021

M.Anthonraj ... Appellant/Petitioner
Vs.

1.The Managing Director,
Tamil Nadu State Transport Corporation (MDU) Ltd.,
Bye-Pass Road, Madurai - 625 016.

2.The General Manager,
Tamil Nadu State Transport Corporation (MDU) Ltd.,
Collectorate Post, Bye-Pass Road,
Dindigul - 624 004.

... Respondents/Respondents

PRAYER: Writ Appeal filed under Clause 15 of Letters Patent to set aside the order, dated 26.03.2021, passed in W.P.(MD) No.6927 of 2021, on the file of this Court.

Prayer in WP(MD). 6927/ 2021 :

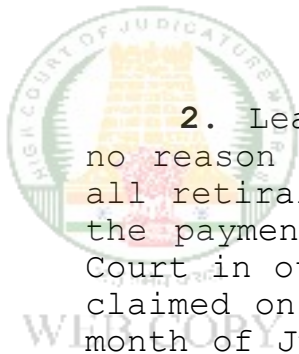
Writ Petition is filed under Article 226 of the Constitution of India, for issuance of Writ of Mandamus, directing the respondents to disburse the interest at rate of 6 percentage for retirement benefits, Gratuity, Provident Fund and Leave Salary.

For Appellant : Mr.K.Gokul,
For Respondents : Mr.P.Thilak Kumar,
Government Pleader

J U D G M E N T

**[Judgment of the Court was delivered by
The Hon'ble ACTING CHIEF JUSTICE]**

By this Writ Appeal, a challenge is made to the judgment dated 26.03.2021, passed in W.P.(MD) No.6927 of 2021, where the Writ Court allowed the benefit of interest on delayed payment of Gratuity while denying all other retiral dues.



2. Learned Counsel for the appellant submitted that there was no reason for the Court to deny interest on the delayed payment on all retiral dues, it is more so, when a similar prayer in regard to the payment of interest was allowed by the Division Bench of this Court in other set of litigations. The benefit of interest has been claimed on the delayed payment because even after retirement in the month of June 2019, the settlement of dues was made in the month of January, 2021. Therefore, the appellant is entitled to interest on all the retiral dues. The prayer is accordingly to allow the interest on other retiral dues as well.

3. The learned Government Pleader has contested the appeal, but could not justify the denial of interest on retiral dues. It is not in dispute that the appellant retired in the month of June 2019, but the settlement of retiral dues was made only in January 2021.

4. In view of the facts given above, we find no reason for the learned Single Judge to deny the benefit of interest on all the retiral dues and keeping it limited to only Gratuity. The retiral dues in terms of Leave Encashment or other benefits should have been made on the date of retirement or within a reasonable period given, but cannot be with a delay of more than a year and in case of delay, the employees are entitled to interest.

5. Accordingly, this Writ Appeal is allowed and the judgment of the learned Single Judge is modified to the extent of grant of benefit of interest on all retiral dues at the rate of 6% p.a. The payment arising out of the decision herein would be made within a period of four [4] months from the date of receipt of a copy of this judgment. There shall be no order as to costs.

Sd/-

Assistant Registrar (CS-I)

// True Copy //

/ /2022

Sub Assistant Registrar (CS)

MR/RM

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 (MDU) Ltd.,
Bye-Pass Road, Madurai - 625 016.

<https://hcservices.ecourts.gov.in/hcservices/>



2.The General Manager,
Tamil Nadu State Transport Corporation (MDU) Ltd.,
Collectorate Post, Bye-Pass Road,
Dindigul - 624 004.

WEB COPY

+1 CC to M/s.K.GOKUL, Advocate (SR-39931[F] dated 22/12/2021)

W.A. (MD) No.2222 of 2021

21.12.2021

SAR (CO)

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