



WEB COPY

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 19.01.2022

CORAM:

THE HON'BLE MR. JUSTICE D.KRISHNAKUMAR

W.P.No.542 of 2022

V.Selvaraj

... Petitioner

vs.

The Management of Tamilnadu State
Transport Corporation (Kovai) Ltd.,
Rep. by its Managing Directore,
Coimbatore.

... Respondent

Prayer: Writ Petition filed under Article 226 of the Constitution of India praying for issuance of a Writ of Mandamus, directing the respondent to pay interest to the petitioner at the rate of 18% p.a. for the period of delay from 01.06.2018 to 19.09.2019 in paying the amounts towards terminal benefits, namely EPF Employee's Contribution, Gratuity and Encashment of Earned/Sick Leave, within a time frame as may be fixed by this and without affecting the petitioner's right to claim balance amounts towards those benefits.

For Petitioner : Mrs.Nandhini
for Mr.V.Ajoy Khose

For Respondent : Mr.Sundaravadhanan

ORDER

This writ petition has been filed seeking to issue a Writ of Mandamus, directing the respondent to pay interest at the rate of 18% p.a. for the belated payment of retirement benefits to the petitioner.

2. Heard the learned counsel appearing for the petitioner and the learned Counsel appearing for the respondent.

3. The petitioner was working as Driver under the respondent Transport Corporation and he retired from service on attaining the age of superannuation on 31.05.2018. However, the respondent settled the retirement benefits to the petitioner belatedly, without any interest. Hence, the petitioner made a representation on 04.12.2021, requesting to pay interest, but, the respondent did not consider it. Hence, this writ petition has been filed.



4. The learned counsel appearing for the petitioner submitted that, the respondent has settled the retirement benefits to the petitioner belatedly. Despite the petitioner made a representation dated 04.12.2021 to the concerned Authorities to pay the interest for the belated payment of retirement benefits, the respondent did not pay same. He has also relied on the decision of the Hon'ble Division Bench of this Court in W.A.(MD)No.383 to 457 of 2015, dated 12.06.2015 wherein the Hon'ble Division Bench of this Court has fixed the rate of interest at 6% per annum for the belated payment of retirement benefits. On the same line, orders may be issued in the present writ petition.

5. The learned Standing Counsel appearing for respondent fairly accepted the fact that the respondent-Corporation has settled the retirement benefits to the petitioner belatedly. He also submitted that the petitioner is entitled for interest only at the rate of 4% per annum for the belated payment.

6. In view of the above submissions and with the consent of both parties, there shall be a direction to the respondent to pay penal interest at the rate of 4% per annum for the belated payment of retirement benefits to the petitioner, within a period of four months from the date of receipt of a copy of this order, subject to the condition that if the petitioner has not already given up his right for claiming interest for the retirement benefits. It is also made clear that in default, the respondent-Corporation shall have to pay the interest amount at the rate of 6% per annum to the petitioner.

7. With the above directions, the writ petition is disposed of. No costs.

Sd/-

Assistant Registrar(CS-VI)

//True Copy//

Sub Assistant Registrar

mst

To

The Management of Tamilnadu State
Transport Corporation (Kovai) Ltd.,
Rep. by its Managing Directore,
Coimbatore.

+1cc to Mr.V.Ajoy Khose, Advocate, S.R.No.2888

+1cc to Mr.A.Sundaravadhanan, Advocate, S.R.No.3444

W.P.No.542 of 2022

PCH(CO)
SB(07/02/2022)