



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 20.01.2022

CORAM:

THE HON'BLE MR. JUSTICE D.KRISHNAKUMAR

W.P.No.632 of 2022

P.Shanmugan

... Petitioner

vs.

The Management of Tamilnadu State
Transport Corporation (Kovai) Ltd.,
Erode Region, rep. by its Managing Director,
Erode.

... 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 at the rate of 18% per annum for the period of delay from 01.08.2018 to 20.09.2019, in paying the amounts to the petitioner towards terminal benefits namely EPF Employee's Contribution, Gratuity and Encashment of Earned/Sick Leaves, within a time frame as may be fixed by this court and without affecting the right of petitioner to claim balance amount towards those benefits.

For Petitioner : Ms.V.Porkodi
for Mr.V.Ajoy Khose

For Respondent : Mr.Sundaravadhanan

O R D E R

The relief sought for in the writ petition is for a Mandamus seeking direction to the respondent to pay interest at the rate of 18% per annum for the delayed payment of terminal benefits to the petitioner, within a time frame as fixed by this court and without affecting the right of petitioner to claim balance amount towards those benefits.

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

3. The petitioner was working as 'Non ITI Helper' under the respondent Transport Corporation and he retired from service on



attaining the age of superannuation on 31.07.2018. However, the respondent has settled the retirement benefits to the petitioner only on 21.09.2019, without any interest. Hence, the petitioner made a representation on 07.10.2021 to pay interest, however, 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 07.10.2021 to the concerned Authorities to pay the interest for the belated payment of retirement benefits, the respondent did not pay same. Hence, the respondent may be directed to pay interest for the belated payment of retirement benefits.

5. The learned Standing Counsel appearing for respondent fairly accepted the fact that the respondent-Corporation have settled the retirement benefits to the petitioner belatedly. He also relied upon the order passed by this court in W.P.No.468 of 2022 dated 19.01.2021, wherein, this court has directed the respondent Corporation to pay interest at the rate of 4% p.a. Hence, he submitted that, on the same line, 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 the 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

// TRUE COPY //

SUB ASSISTANT REGISTRAR



mst

To

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The Managing Director,
Management of Tamilnadu State
Transport Corporation (Kovai) Ltd.,
Erode Region, Erode.

W.P.No.632 of 2022

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