IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 04.02.2022

Coram

THE HON'BLE MR. JUSTICE V.PARTHIBAN

W.P.Nos.1469, 1473 & 1474 of 2022

P.Rajeswari ...Petitioner in W.P.No.1469 of 2022

S.Shanthi ...Petitioner in W.P.No.1473 of 2022

R.Malarvizhi ...Petitioner in W.P.No.1474 of 2022

Vs.

1. Tamil Nadu State Transport Corporation (Salem) Ltd.,
   Represented by its Managing Director,
   No.12, Ramakrishna Road,
   Salem - 7.

2. Tamil Nadu State Transport Corporations Employees' Pension Fund Trust,
   Represented by its Administrator,
   Thiruvalluvar Illam,
   Pallavan Saalai,
   Chennai -2. ...Respondents in all W.Ps

COMMON PRAYER: Petitions filed under Article 226 of the Constitution of India praying to issue a writ of Mandamus, directing the respondents to pay the petitioners interest for the belated payment of P.F, Gratuity, Commuted value of pension and encashment of earned leave/sick leave at the rate of 4% per annum.

For Petitioners .. Mr.V.Ajoy Khose (in all W.Ps)

For Respondents .. Mr.A.Sundaravadanam, (for R.1)
Mr.C.S.K.Sathish (for R.2)
(in all W.Ps)

COMMON ORDER

In all these writ petitions, the prayer is for the grant of interest for the belated settlement of retirement benefits like P.F, Gratuity, and encashment of Earned Leave/sick leave etc. As a matter of fact, this Court, both Single Judges and Division Benches dealt with such prayer earlier for payment of interest for the belated settlement of retirement benefits to the retired transport employees.

2.The Courts have been granting payment of interest @ 4% or 6% as the case may be. In some cases, the Division Bench of this Court has granted 6% interest and in few other cases this Court has granted 4% interest. On the whole, this Court finds that, there is no consensus as to whether 4% or 6% to be granted in such matters where the employees have been settled their retirement benefits belatedly due to resource crunch faced by the State Corporation.

3. According to the learned Standing Counsel for the Corporation, in a recent decision of the learned Judge of this Court in W.P.No.23229 of 2021 dated 28.10.2021, after taking into account the various earlier orders, has granted 4 percent interest. He also agreed that 4% interest payable would be settled in one lump-sum, if 8 weeks time is granted to the Corporation.

4.In view of the above submission of the learned Standing Counsel, these writ petitions are disposed of with the following directions;

(a) The Corporation is directed to pay 4% interest to the employees who have been settled belatedly their retirement benefits within a period of 8 weeks from the date of receipt of a copy of the order of this Court. In case, some of the employees who have not been settled their portion of the retirement benefits as such are also entitled to be paid 4% interest till they receive the actual retirement benefits in full.

(b) Those payments would also carry 4% till the date it is fully released by the corporation. The interest of 4% would cover the period of 8 weeks from the date of receipt of a copy of this order.

(c) Any further default of the payments by the corporation, the interest would be enhanced to 6 percent after the expiry of 8 weeks of period of time and such percentage would become payable till the entire amounts are settled to the employees concerned.

5. These Writ Petitions stand disposed of accordingly. No costs.

Sd/-
Assistant Registrar

//True copy//

Sub Assistant Registrar

gsk/tri

To

1. The Managing Director,
   Tamil Nadu State Transport
   Corporation (Salem) Ltd.,
   No.12, Ramakrishna Road,
   Salem - 7.

2. The Administrator,
   Tamil Nadu State Transport Corporations
   Employees' Pension Fund Trust,
   Thiruvalluvar Illam,
   Pallavan Saalai, Chennai -2

+1 CC to Mr.V. Ajoy Khose, Advocate sr 7108.

W.P.Nos.1469,
1473 & 1474 of 2022

AKII(CO)
SP(18/02/2022)