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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 01.03.2022

CORAM:

THE HON'BLE MR. JUSTICE D.KRISHNAKUMAR

W.P.No.4274 of 2022

R.Pappusamy

...Petitioner

vs.

Tamil Nadu State Transport
Corporation (Coimbatore) Ltd.,
Rep. by its Managing Director,
No.37, Mettupalayam Road,
Coimbatore - 641 043.

...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 the petitioner interest for the belated payment of terminal benefits, namely P.F, Gratuity and Earned leave salary; to pay a sum of Rs.30,186/- towards difference in Gratuity, together with interest at the rate of 12% for all above benefits, within a specified time frame as may be timed by this Court.

For Petitioner : Ms.H.Nandhini

For Respondent : Mr.A.Sundaravadanan
Standing Counsel

O R D E R

This writ petition has been filed for issuance of a Writ of Mandamus directing the respondent to pay the petitioner interest for the belated payment of terminal benefits, namely P.F, Gratuity and Earned leave salary; to pay a sum of Rs.30,186/- towards difference in Gratuity, together with interest at the rate of 12% for all above benefits, within a specified time frame as may be timed by this Court.

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

3. The petitioner was employed as Driver under the respondent Transport Corporation and retired from service on superannuation on 30.04.2018. However, the respondent have settled the retirement benefits to the petitioner belatedly,



without any interest. Further, the respondent has paid only a sum of Rs.9,96,149/- towards gratuity instead of Rs.10,26,385/-. The petitioner is entitled for a sum of Rs.30,186/- towards difference in gratuity with 10% simple interest from the date of his retirement. Hence, the petitioner made a representation on 11.10.2021, to all the benefits with interest, however, the respondent has not considered it. Hence, this writ petition has been filed.

4. The learned counsel appearing for the petitioner submitted that, the respondent have settled the retirement benefits to the petitioner belatedly. Despite the petitioner made a representation dated 11.10.2021 to the concerned Authorities to pay the interest for the belated payment of retirement benefits, the respondent have not paid the 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 have 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. Insofar as the difference in gratuity amount is concerned, the respondent Corporation is directed to consider the same and pass appropriate orders in accordance with law, as expeditiously as possible, more preferably, within a period of twelve weeks from the date of receipt of a copy of this order.



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

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s/d-
Assistant Registrar

True Copy

Sub-Assistant Registrar

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To

The Managing Director,
Tamil Nadu State Transport
Corporation (Coimbatore) Ltd.,
No.37, Mettupalayam Road,
Coimbatore - 641 043.

+1 CC to Mr.A.Sundaravadanan, Advocate sr 13490
+1 CC to Mr.V. Ajyo Khose, Advocate sr 13289.

W.P.No.4274 of 2022

GMR(CO)
SP(21/03/2022)