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IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated: 11.03.2022

CORAM:

THE HONOURABLE MR.JUSTICE D.KRISHNAKUMAR

W.P.No.5475 of 2022

N.Bangaru

... Petitioner

Vs.

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

... Respondent

Prayer: Writ petition filed under Article 226 of the Constitution of India seeking to issue a Writ of Mandamus, directing the respondent to pay the petitioner interest to the petitioner at the rate of 18% per annum, for the period of delay from 01.05.19 to 24.01.21, in paying the amounts paid towards the petitioner terminal benefits namely EPF Employees' Contribution, Gratuity and Encashment of Earned/Sick Leaves with a time frame fixed by this Court.

For petitioner : Mr.V.Ajoy Khose

For Respondent : Mr.A.Sundaravadhanan
Standing Counsel

ORDER

By consent of both parties, this Writ Petition is taken up for final disposal at the admission stage itself.

2. This writ petition has been filed seeking to issue a Writ of Mandamus to direct the respondent pay the petitioner interest to the petitioner at the rate of 18% per annum, for the period of delay from 01.05.19 to 24.01.21, in paying the amounts paid towards the petitioner terminal benefits namely EPF Employees' Contribution, Gratuity and Encashment of Earned/Sick Leaves with a time frame fixed by this Court.

3. Heard the learned Counsel appearing for the petitioner and the learned Standing Counsel appearing for the respondent.

4. The petitioner was working as Diver under the respondent Transport Corporation and he retired from service on attaining the age of superannuation on 30.04.2019. The respondent have settled the retirement benefits of the petitioner belatedly, without any interest. Hence, he made



representation on 25.01.2022 to the respondent to pay the interest for the belated payment, but the respondent neither given reply nor pay interest. Hence, this writ petition has been filed.

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5. The learned counsel appearing for the petitioner submitted that, the respondent has settled the retirement benefits to the petitioner belatedly and despite requests made by him, the respondent did not pay interest for the belated payment of retirement benefits.

6. The learned Standing Counsel appearing for the 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.

7. In the light of the above submissions and based on the earlier orders passed by this Court in W.P.No.468 of 2022 dated 19.01.2022, this Court directs the respondent to pay penal interest at the rate of 4% per annum for the belated payment of retirement benefits to the petitioner in accordance with law and as expeditiously as possible, within a period of 12 weeks 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.

8. With the above directions, the writ petition is disposed of at the admission stage itself. No costs.

Sd/-

Assistant Registrar (CS-II)

//True Copy//

Sub Assistant Registrar

ata/uma

To

The Managing Director,
Tamilnadu State Transport Corporation (Kovai) Ltd.,
Coimbatore.

+1cc to Mr.A.Sundaravadhanan, Advocate SR. No.16786

W.P.No.5475 of 2022