



WEB COPY

IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated: 23.03.2022

CORAM:

THE HONOURABLE MR.JUSTICE D.KRISHNAKUMAR

W.P.No.6475 of 2022

T.Shanmugasundaram

...Petitioner

Vs.

The Management of Tamil Nadu  
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 seeking to issue a Writ of Mandamus, directing the respondent to pay the petitioner interest at the rate of 18% per annum, for the period of delay from 01.12.2019 to 24.01.2021, in paying the amounts paid towards the petitioner terminal benefits namely EPF Employee's contribution, Gratuity and Encashment of Earned/Sick Leaves within a time frame fixed by this Court.

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

For Respondent : Mr.A.Sundaravadanan  
Standing Counsel

ORDER

The relief sought for in the writ petition is for a Mandamus seeking direction to the respondent to pay the petitioner interest at the rate of 18%% per annum, for the period of delay from 01.12.2019 to 24.01.2021, in paying the amounts paid towards the petitioner terminal benefits namely EPF Employee's contribution, Gratuity and Encashment of Earned/Sick Leaves within a time frame fixed 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 working as Special Grade Conductor under the respondent Transport Corporation and he had retired



from service on attaining the age of superannuation on 30.11.2019. But, the respondent has settled the retirement benefits to the petitioner belatedly, without any interest. Hence, he made a representation on 22.02.2022 to the respondent to pay interest for the belated payment, but the respondent neither given reply nor pay interest. 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, without any interest and despite request made by him, the respondent did not pay interest for the belated payment of retirement benefits. He has also relied on a 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 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.

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 stands disposed of. No costs.

Sd/-  
Assistant Registrar

//True Copy//

Sub Assistant Registrar

ata/uma



To

The Managing Director,  
The Management of Tamil Nadu Transport Corporation (Kovai) Ltd.,  
Erode Region,  
Erode.

+1cc to Mr.V.Ajoy Khose, Advocate, S.R.No.19421

+1cc to Mr.A.Sundaravadhanan, Advocate, S.R.No.19777

W.P.No.6475 of 2022

SPD(CO)  
SB(04/04/2022)