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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 28.3.2022

CORAM:

THE HON'BLE MR. JUSTICE D.KRISHNAKUMAR

W.P.No.7042 of 2022

1 P.Ponmani ...Petitioner
Vs.

1 The Managing Director,
Tamil Nadu State Transport Corporation (vpm) Ltd.,
No. 3/137, Salamedu,
Vazhuthareddy P.O.
Villupuram 605 602.

2 The Administrator,
Tamil Nadu State Transport Corporation
Employees Pension Fund Trust,
Thiruvalluvar House,
Pallavan Salai, Chennai-2.

...Respondents

Prayer: Writ Petition filed under Article 226 of the Constitution of India praying for issuance of a Writ of Mandamus, directing the respondents to pay interest at the rate of 4 percent for the belated payment of terminal benefits such as gratuity leave salary commutation of pension and provident fund amount to the petitioner for the period from 30.04.2019 the date of retirement to till the date of settlement by following the order passed in W.A. (MD) Nos. 383 to 457 of 2015, dated 12.06.2015 within a time frame.

For Petitioner : Mr.V.S.Jagadeesan

For Respondent No.1 : Mr.G.Saravanakumar

For Respondent No.2 : Mr.C.S.K.Sathish

O R D E R

The relief sought for in the writ petition is for a mandamus seeking direction to the respondents to pay the interest at the



rate of 4% per annum for the belated payment of terminal benefits such as gratuity, leave salary commutation of pension and Provident fund amount to the petitioner, within a specified time.

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

3. The petitioner was worked under the respondent Transport Corporation and retired from service on attaining the age of superannuation on 30.04.2019. The respondents have settled the retirement benefits to the petitioner only on 23.01.2021 after a lapse of 3 years.

4. According to the petitioner, the respondents have settled the retirement benefits belatedly i.e, after three years and they have also not paid interest for the belated payment to the petitioner. Hence, the petitioner has made a representation to the concerned Authorities to pay the interest for the belated payment. The petitioner 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 to be passed in the present writ petition.

5. The learned Standing Counsel appearing for respondents fairly accepted the fact that the respondents-Corporation have settled the retirement benefits to the petitioner belatedly and further 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 respondents to pay the penal interest at the rate of 4% per annum on the belated payment of retirement benefits for the period from the date of the retirement till the date of actual disbursement, as expeditiously as possible and in any event, 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.

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Sd/-
Assistant Registrar

True Copy//

Sub Assistant Registrar

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To

- 1 The Managing Director,
Tamil Nadu State Transport Corporation (vpm) Ltd.,
No. 3/137, Salamedu, Vazhuthareddy P.O.
Villupuram 605 602.
- 2 The Administrator,
Tamil Nadu State Transport Corporation
Employees Pension Fund Trust, Thiruvalluvar
House, Pallavan Salai, Chennai-2.

+1cc to Mr.G.Saravanakumar, Advocate, S.R.No.20717
+1cc to Mr.V.S.Jagadeesan, Advocate, S.R.No.20550

W.P.No.7042 of 2022

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NSK 12/04/2022