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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 29.03.2022

CORAM:

THE HONOURABLE MR.JUSTICE D.KRISHNAKUMAR

W.P.NO.7222 OF 2022

D.Adaikalanathan

... Petitioner

Vs.

1. The Managing Director,
Tamil Nadu State Transport
Corporation (Villupuram) Ltd.,
3/137, Salamedu, Villupuram,
Villupuram District - 605 602.
2. The General Manager,
Tamil Nadu State Transport
Corporation (Villupuram) Ltd.,
Vellore Region,
Rangapuram, Vellore - 632 009.
3. The General Manager,
Tamil Nadu State Transport
Corporation (Villupuram-III) Ltd.,
Thiruvannamalai Region,
Bye Pass Road, Vengikkal,
Thiruvannamalai District - 606 604.
4. The Administrator,
Tamil Nadu State Transport Corporation Employees
Pension Fund Trust,
Pallavan Salai, Chennai - 600 002.

...Respondents

Prayer:

Writ petition filed under Section 226 of the Constitution of India, seeking to issue a Writ of Mandamus, directing the respondents to pay 10% interest for the belated payment of terminal benefits such as Gratuity, Leave Salary and Commutation amount to the petitioner.

For Petitioner : Mr.S.T.Vardarajulu



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For RR1 to 3 : Mr.G.Saravanakumar
Standing Counsel

For R4 : Mr.C.S.K.Sathish
Standing Counsel

ORDER

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

2. The relief sought for in the writ petition is for a Mandamus seeking direction to the respondents to pay 10% interest for the belated payment of terminal benefits such as Gratuity, Leave Salary and Commutation amount to the petitioner.

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

4. The petitioner was working as Sr. Superintendent under the 3rd respondent Transport Corporation and he retired from service on attaining the age of superannuation on 31.08.2018. But, the respondents have settled the retirement benefits to the petitioner belatedly, without any interest. Hence, he made a representation on 07.02.2020 to the respondents to pay interest for the belated payment, but the respondents neither given reply nor pay interest. Hence, this writ petition has been filed.

5. The learned counsel appearing for the petitioner submitted that, the respondents have settled the retirement benefits to the petitioner, without any interest and despite request made by him, the respondents 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.

6. The learned Standing Counsel appearing for the respondents fairly accepted the fact that the respondents 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 view of the above submissions and with the consent of both parties, there shall be a direction to the respondents 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.

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

Sd/-

Assistant Registrar(CS IV)

//True Copy//

Sub Assistant Registrar

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To

1. The Managing Director,
Tamil Nadu State Transport Corporation (Villupuram) Ltd.,
3/137, Salamedu, Villupuram,
Villupuram District - 605 602.
2. The General Manager,
Tamil Nadu State Transport Corporation (Villupuram) Ltd.,
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Tamil Nadu State Transport Corporation (Villupuram-III) Ltd.,
Thiruvannamalai Region,
Bye Pass Road, Vengikkal,
Thiruvannamalai District - 606 604.
4. The Administrator,
Tamil Nadu State Transport Corporation Employees Pension
Fund Trust,
Pallavan Salai, Chennai - 600 002.

+1cc to Mr.G.Saravanakumar, Advocate, S.R.No.21251

W.P.No.7222 of 2022

KK(CO)
PM/13/04/2022