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IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated: 06.04.2022

CORAM:

THE HONOURABLE MR.JUSTICE D.KRISHNAKUMAR

W.P.No.8340 of 2022

P.Prabahar

... Petitioner

Vs.

1. The Additional Chief Secretary,
Transport Department,
Fort St.George,
Chennai - 600 009.

2. The Managing Director,
Tamil Nadu State Transport
Corporation (Villupuram) Ltd.,
Vazhuthareddy,
Villupuram.

3. The Administrator,
Tamil Nadu State Transport
Corporation Employees' Pension
Fund Trust/Post Retirement
Benefit Fund,
Thiruvalluvar House,
Pallavan Salai,
Chennai - 600 002.

... Respondents

Prayer: Writ petition filed under Article 226 of the Constitution of India seeking to issue a Writ of Mandamus, to direct the respondents 1 and 2 to pay the interest at the rate of 18% per annum for the belated payment of the gratuity and other terminal benefits payable to the petitioner for his service rendered in the respondent corporation within the stipulated time fixed by this Court.

For Petitioner : Mr.P.Paramasiva Doss

For R1 : Mr.M.Bindran
Additional Government Pleader

For R2 : Mr.T.Chandrasekaran
Standing Counsel



For R3

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

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ORDER

The relief sought for in the writ petition is for a Mandamus seeking direction to the respondents 1 and 2 to pay the interest at the rate of 18% per annum for the belated payment of the gratuity and other terminal benefits payable to the petitioner for his service rendered in the respondent corporation within the stipulated time fixed by this Court.

2. Heard the learned Counsel appearing for the petitioner and the learned Counsels appearing for the respondents.

3. The petitioner was working as Senior Tradesman under the respondent Transport Corporation and he was retired from service on attaining the age of superannuation on 30.04.2020. But, the respondents have settled the retirement benefits to the petitioner belatedly, without any interest. Hence, he made representation on 22.10.2021 to pay interest for the belated payment, but the respondents neither given reply nor pay interest. Hence, this writ petition has been filed.

4. 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.

5. The learned Standing Counsels appearing for the respondents 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 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.

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

Sd/-
Assistant Registrar(CO)

//True Copy//

Sub Assistant Registrar

ata/uma

To

1. The Additional Chief Secretary,
Transport Department,
Fort St.George,
Chennai - 600 009.
2. The Managing Director,
Tamil Nadu State Transport Corporation (Villupuram) Ltd.,
Vazhuthareddy,
Villupuram.
3. The Administrator,
Tamil Nadu State Transport Corporation Employees' Pension
Fund Trust/Post Retirement Benefit Fund,
Thiruvalluvar House,
Pallavan Salai,
Chennai - 600 002.

+1cc to M/s.P.Paramasiva doss, Advocate, S.R.No.23359

+1cc to M/s.Chandrasekaran, Advocate, S.R.No.24465

W.P.No.8340 of 2022

PMK (CO)
SU(26/04/2022)