



W.P.No.16988 of 2022

IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated: 05.07.2022

CORAM:

THE HONOURABLE MR.JUSTICE D.KRISHNAKUMAR

W.P.No.16988 of 2022

C. Thanickachalam

... Petitioner

Vs.

The Management of
Tamilnadu State Transport Corporation (Kovai) Ltd.,
Erode Region,
Represented 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 to the petitioner at the rate of 18 % per annum, for the period of delay from 01.05.2020 to 01.06.2021, in paying the amounts paid towards the petitioner's terminal benefits namely EPF Employee's Contribution, Gratuity and Encashment of Earned/Sick leaves within a time frame as fixed by this Court.

For petitioner

: Ms. Porkodi

For Respondent

: Mr. A. Sundaravadanam
for Transport



W.P.No.16988 of 2022

WEB COPY

ORDER

The relief sought for in the writ petition is for a 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 01.05.2020 to 01.06.2021, in paying the amounts paid towards the petitioner's terminal benefits namely EPF Employee's Contribution, Gratuity and Encashment of Earned/Sick leaves within a time frame as fixed by this Court.

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

3. The petitioner was working as Conductor under the respondent Transport Corporation and he retired from service on 30.04.2020, on attaining the age of superannuation. At the time of retirement, he was working as Special Grade Conductor. But, the respondent has settled the retirement benefits to the petitioner belatedly, without any interest and also not paid earned leave



W.P.No.16988 of 2022

WEB COPY

surrendered by him. Hence, he made a representation on 18.04.2022 to pay interest for the belated payment and payment towards surrender of earned leave, but the respondent neither given reply nor paid the same. Hence, he has filed the instant writ petition before this Court.

4. The learned counsel appearing for the petitioner submitted that, the respondent has settled the retirement benefits to the petitioner without any interest, and the respondent has also not paid earned leave surrendered by the petitioner and despite requests made by him, the respondent did not pay interest for the belated payment of retirement benefits and the earned leave surrendered by him. 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



W.P.No.16988 of 2022

WEB COPY

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. The learned Standing Counsel appearing for the respondent further submitted that the respondent will consider the petitioner's representation with regard to payment towards earned leave surrendered by him.

7. In view of the above submissions and with the consent of both parties, insofar as for payment of interest is concerned, 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 their 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 and insofar as payment towards earned leave



W.P.No.16988 of 2022

WEB COPY

surrendered by the petitioner is concerned, the respondent is directed to consider the representation of the petitioner dated 18.04.2022 and pass appropriate orders within a period of twelve (12) weeks from the date of receipt of a copy of this order.

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

05.07.2022

Index:Yes/No
Internet:Yes/No
mrn

To
The Managing Director,
The Management of
Tamilnadu State Transport Corporation (Kovai) Ltd.,
Erode Region,
Erode.



WEB COPY



W.P.No.16988 of 2022

D. KRISHNAKUMAR, J.

(mrn)

W.P.No.16988 of 2022

05.07.2022