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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.16560 OF 2020

V.Subramaniam (TR0708)

... Petitioner

Vs.

The Managing Director  
Tamil Nadu State Transport Corporation (Salem) Limited,  
12, Ramakrishna Salai, Salem-636 007.

... Respondent

PRAYER: This Writ Petition has been filed under Article 226 of the Constitution of India praying for the issuance of a Writ of Certiorarified Mandamus, calling for the records pertaining to the order in TNSTC/SE/LAW/CO1/33871/2019 dated 19.08.2020 issued by the Respondent and quash the same and consequently, directing the Respondent to pay the interest at the rate of 6% per annum for the delayed payment of Retirement benefits and to pay the retirement benefits such as Social Welfare Fund, the amount of E.L.Surrender, V.R.S.Benefit and IRTT Fund with interest.

For Petitioner : Mr.A.Nagarathinam

For Respondent : Mr.A.Sundaravadanan for TNSTC

O R D E R

The relief sought for in the writ petition is for Certiorarified Mandamus to call for the records pertaining to the order passed in TNSTC/SE/LAW/CO1/33871/2019 dated 19.08.2020 by the respondent and quash the same and consequently, direct the respondent to pay the interest at the rate of 6% per annum for the delayed payment of retirement benefits and to pay the other retirement benefits such as Social Welfare Fund, the amount of E.L.Surrender and IRTT Fund with interest.

2.Heard the learned counsel for the petitioner and the learned counsel for the respondent.



3.The petitioner was entered into the service on 06.05.1981 and was promoted to the subsequent posts and retired from service on attaining the age of superannuation on 31.05.2018 as Senior Tradesman. However, the respondent has settled the retirement benefits to the petitioner such as Provident Fund, Gratuity, Commutation and Leave Salary from the date of retirement, after the period of 16 months, without any interest and other benefits under Social Welfare Fund, E.L.Surrender and IRTT Fund were not paid. Hence, the petitioner made a representation on 16.11.2019 to pay interest for the delayed payment of Provident Fund, Gratuity, Leave Salary and Communication and to pay the amount under Social Welfare Fund, the amount of E.L.Surrender and IRTT Fund along with interest, however, the respondent has not considered it. Hence, this writ petition has been filed.

4.The learned counsel appearing for the petitioner submitted that, though the petitioner made a representation to the respondent to pay the interest for the belated payment of retirement benefits as well as other benefits along with interest, the respondent has not paid the same. Further, he would also rely on a Division Bench decision of this Court in W.A.(MD)No.383 to 457 of 2015, dated 12.06.2015, wherein the Division Bench of this Court has fixed interest at the rate of 6% per annum for the belated payment of retirement benefits and on the same line, orders may be passed in the present writ petition.

5.The learned Standing Counsel appearing for respondent would submit that the respondent has settled the retirement benefits to the petitioner in single lump sum and therefore, there is no provision to pay the interest for the settled amount.

6.In view of the above submissions, it is seen that the respondent had settled the retirement benefits after lapse of 16 months and not paid the interest for the same and other benefits were also not settled. Therefore, there shall be a direction to the respondent to pay the penal interest at the rate of 4% per annum on the belated payment of the retirement benefits and also to pay the other benefits such as Social Welfare Fund, E.L.Surrender and IRTT Fund along with interest at 4% per annum 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 12 weeks 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 and other benefits. It is also made clear that in default, the respondent-Corporation shall pay interest at the rate of 6% per annum to the petitioner.



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

Sd/-  
Assistant Registrar(CS-III)

//True Copy//

Sub Assistant Registrar

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To

The Managing Director  
Tamil Nadu State Transport Corporation (Salem) Limited,  
12, Ramakrishna Salai, Salem-636 007.

+1cc to M/s.G.Pugazhenthii, Advocate, S.R.No.21314

W.P.No.16560 of 2020

PMK(CO)  
RLP(18/04/2022)