



W.P.No.24804 of 2022

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 15.09.2022

CORAM :

THE HONOURABLE MR.JUSTICE R.SURESH KUMAR

Writ Petition No.24804 of 2022
and W.M.P.No.23735 of 2022

1.C.Kannan
2.B.Sidharthan
3.J.Dhandapani
4.M.Selvam
5.E.Shanthi

.... Petitioner

-Vs-

1.M/s.Tamil Nadu State Transport Corporation
Villupuram Limited, Rep.by its Managing
Director, Salamedu, Vazhuthareddy Post
Villupuram – 605 002.

2.M/s.Tamil Nadu State Transport Corporation
Employees Pension Fund Trust
Rep.by its Administrator, No.2, Pallavan
Salai, Chennai 600 002.

.... Respondents

Prayer : Writ Petition under Article 226 of the Constitution of India praying for the issuance of a Writ of Mandamus directing the respondents herein to settle 6percentage interest for the belated settlement of terminal benefits E.L. Surrender salary and 10 days salary to the petitioners above named herein as per the table enclosed herein by considering the representations of 1st petitioner dated 06.01.2022 and 08.08.2022 by 2nd petitioner dated 21.08.2021 27.12.2021 and 16.08.2022.by 3rd petitioner dated 15.03.2021 02.02.2022 and 08.08.2022 by 4th petitioner dated 16.08.2022 and 19.08.2022 and by 5th



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petitioner dated 08.08.2022 orders as this Honble Court may deem fit and proper in the circumstances of the case.

For Petitioner : Mr.G.Balu

For Respondents : Ms.S.Pavithra, Standing Counsel – for R1
Mr.C.S.K.Sathish, Standing Counsel – for R2

ORDER

The prayer sought for herein is for a Writ of Mandamus directing the respondents herein to settle 6percentage interest for the belated settlement of terminal benefits E.L. Surrender salary and 10 days salary to the petitioners above named herein as per the table enclosed herein by considering the representations of 1st petitioner dated 06.01.2022 and 08.08.2022 by 2nd petitioner dated 21.08.2021 27.12.2021 and 16.08.2022.by 3rd petitioner dated 15.03.2021 02.02.2022 and 08.08.2022 by 4th petitioner dated 16.08.2022 and 19.08.2022 and by 5th petitioner dated 08.08.2022 orders as this Court may deem fit and proper in the circumstances of the case.

2. Petitioners were the employees of the respondent Transport Corporation and on superannuation they retired from services between 2017 and 2020, as the case may be. Though they retired in those years, their retirement benefits and pensionary benefits were paid only in the year 2021 except in one case, where it was paid in August 2019. Therefore, in view of the belated payment of



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retirement benefits, to get interest for such belated payment at the rate of 6%, having calculated the same, each of the petitioner has given a representation on various dates in 2021 and 2022 and those representations also since have not been considered by the respondents especially the first respondent to calculate the interest and pay them, the petitioners joined together and filed the present writ petition with the aforesaid prayer.

3. Heard Mr.G.Balu, learned counsel for the petitioners, Mrs.S.Pavithra learned Standing Counsel for the first respondent, Mr.C.S.K.Sathish learned Standing Counsel for the second respondent.

4. Learned Standing Counsel appearing for the first respondent would contend that the retirement benefits have been settled to these petitioners either in the year 2019 or in the year 2021. After two years since these petitioners have once again asked for interest and filed this writ petition belatedly where they have raised a claim in the name of interest whether can be accepted or not is a question. Insofar as this plea raised by the petitioners are concerned, whether it is deserved to be considered or not would be decided by the respondents by disposing of the representations submitted by the petitioners.



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5. I have considered the submissions made by the learned counsel for both sides and have perused the materials placed on record.

6. In innumerable cases this Court has repeatedly held that the belated payment of retirement benefits to the retired employees would carry interest. Initially interest was calculated at 12%, and subsequently 9% and recently in number of cases 6% interest was directed to be paid. Therefore, on that basis the petitioners have claimed 6% interest through their representations.

7. However, since the rate of interest has already been revised as per the RBI guidelines, in some of the cases recently this Court has passed orders directing the Transport Corporation to calculate 4% interest for the belated payment of retirement benefits to the employees and pay the same within a time frame.

8. Therefore, this Court has no hesitation to hold that the petitioners are entitled to interest on the belated payment of retirement benefits, not at 6% but at 4%. In view of the above, this Court is inclined to dispose of this writ petition with the following order.



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- That there shall be a direction to the respondent especially the first respondent to consider the representation submitted by each of the petitioner individually on various dates in the year 2021 and 2022 and pass orders thereon by calculating the interest at the rate of 4% per annum for the belated payment of retirement benefits under various heads to each of the petitioner and pay the same to them within a period of eight weeks from the date of receipt of a copy of this order.
- It is made clear that if the said amount is not paid within the period of eight weeks period, and it goes beyond eight weeks, that would carry further interest of another 4% per annum.

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

Consequently, connected miscellaneous petition is closed.

15.09.2022

Index : Yes/No
Internet : Yes/No
KST

To

1.M/s.Tamil Nadu State Transport Corporation
Villupuram Limited, Rep.by its Managing
Director, Salamedu, Vazhuthareddy Post
Villupuram – 605 002.

2.The Administrator, M/s.Tamil Nadu State Transport Corporation
Employees Pension Fund Trust, No.2, Pallavan
Salai, Chennai 600 002.



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R. SURESH KUMAR, J.

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