



W.P. No.34337 of 2022

IN THE HIGH COURT OF JUDICATURE OF MADRAS

DATED: 21.12.2022

CORAM:

THE HONOURABLE MR. JUSTICE ABDUL QUDDHOSE

W.P. No.34337 of 2022

C.Palanisamy

.. Petitioner

VS

1. The State of Tamil Nadu
Rep. by its Chairman of State Transport Undertakings
and
Addl. Chief Secretary to Government
Transport Department,
Chennai - 600 009.

2. Tamil Nadu State Transport Corporation
(Coimbatore) Ltd.,
Rep. by its Managing Director,
No.37, Mettupalayam Road,
Coimbatore - 641 043.

3. Tamil Nadu State Transport Corporation
Employees' Pension Fund trust,
Rep. by its Administrator,
No.2, Pallavan Salai,
Chennai - 600 002.

.. Respondents

Prayer: Writ Petition filed under Article 226 of the Constitution of India to issue a Writ of Mandamus directing the respondents 2 and 3, to disburse the petitioner's terminal / retirement benefits such as Gratuity



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amount, PF amount, Leave Salary amount, Previous Surrender Leave Amount, Commutation amount, VRS Compensation amount, Social Security Scheme Fund, Engineering and Medical College Refund amount and other attendant benefits on account of he being relieved on Retirement on 28.02.2022 together with 18% interest per annum on delayed payment to the petitioner from 28.02.2022 the date of retirement to till the date of actual payment of the terminal benefits to the petitioner.

For Petitioner : Mr.K.Srinivasamurthy

For Respondents : Mr.Stalin Abimanyu,
Addl. Govt. Pleader for R1
Mr.A.Sundaravadhanan
Standing counsel for R2
Mr. C.S.K. Sathish,
Standing counsel for R3

ORDER

By consent of both parties, this writ petition is taken up for final disposal in the admission stage itself.

2. Mr.Stalin Abimanyu, learned Additional Government Pleader accepts notice for the 1st respondent, Mr.A.Sundaravadhanan, learned Standing counsel accepts notice for the 2nd respondent and Mr.C.S.K. Sathish, learned Standing counsel accepts notice for the 3rd respondent.

3. The grievance of the petitioner in this writ petition is that his terminal / retirement benefits have not been paid till date. He has retired



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from service from the 2nd respondent / Transport Corporation. However, according to him, despite his retirement, till date, his terminal / retirement benefits have not been paid. He has also given a representation requesting the respondents to pay his terminal / retirement benefits. However, till date, his terminal / retirement benefits have not been paid by the respondents. In such circumstances, he has filed this writ petition.

4. Heard Mr.K.Srinivasamurthy, learned counsel for the petitioner, Mr.Stalin Abimanyu, learned Additional Government Pleader for the 1st respondent, Mr.A.Sundaravadhanan, learned Standing counsel for the 2nd respondent and Mr.C.S.K. Sathish, learned Standing counsel for the 3rd respondent.

5. It is settled law that in case of delay in payment of terminal / retirement benefits, the employer is liable to pay interest at 4% p.a. It is also held by various decisions of this Court that in case of non payment of terminal /retirement benefits despite the directions given by this Court, the employee is entitled for a default interest at 18% p.a.

6. The learned Standing counsel for the 2nd respondent / Corporation would admit, on instructions that till date, the petitioner has



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not been paid his terminal / retirement benefits. Therefore, necessarily, the respondents will have to pay the same with interest at 4% p.a. and in case of any delay despite directions given by this Court, they are also liable to pay default interest at 18% p.a.

7. For the foregoing reasons, this Court directs the 2nd and 3rd respondents to pay the eligible terminal / retirement benefits to the petitioner, within a period of twelve weeks from the date of receipt of a copy of this order along with interest at 4% p.a. on the delayed payment. It is also made clear that in case the eligible terminal / retirement benefits have not been paid by the 2nd and 3rd respondents before the stipulated date, they are also liable to pay the default interest to the petitioner at 18% p.a.

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

21.12.2022

Note : Issue order copy on 22.12.2022

Index: Yes/No
Speaking order/Non-speaking order
vsi2



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WEB COPY

To

1. The Chairman of State Transport Undertakings
and

Addl. Chief Secretary to Government
The State of Tamil Nadu
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Chennai - 600 009.

2. The Managing Director,
Tamil Nadu State Transport Corporation
(Coimbatore) Ltd.,
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ABDUL QUDDHOSE, J.

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