



BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 02.02.2022

CORAM:

THE HONOURABLE MR.JUSTICE B.PUGALENDHI

W.P (MD)No.2013 of 2022

WEB COPY

S.Amalraj

... Petitioner

versus

1. The Management of Tamil Nadu State
Transport Corporation (Madurai) Ltd.,
Dindigul Region,
Rep. by its General Manager,
Dindigul.

2. The Administrator,
Tamil Nadu State Transport Employees'
Pension Fund Trust,
Thiruvalluvar Illam,
Anna Salai,
Chennai - 2.

... Respondents

Writ Petition filed under Article 226 of the Constitution of India, seeking for the issuance of Writ of Mandamus, to direct the respondents to pay the petitioner interest at the rate of 18% per annum for the period of delay from 01.05.2018 to 20.09.2019, in paying the amounts paid towards the terminal and pension benefits of the petitioner, namely, EPF Employee's Contribution, Gratuity and Commutated Value of Pension, within the time stipulated by this Court.

For Petitioner : Mr.S.Arunachalam
For Respondents : Mr.J.Senthil Kumaraiah
Standing Counsel

ORDER

This writ petition is filed for a Mandamus, directing the respondents to pay interest at the rate of 18% p.a. for the period of delay from 01.05.2018 to 20.09.2019, in paying the amounts paid towards the terminal and pension benefits of the petitioner, namely, EPF Employee's Contribution, Gratuity and Commutated Value of Pension, within the time stipulated by this Court.

2. The case of the petitioner is that he was appointed as Driver in the first respondent Corporation on 24.04.1993 and after rendering 25 years of service, he retired from service as Selection Grade Driver on 30.04.2018. However, the terminal and pension benefits, namely, EPF Employee's Contribution, Gratuity and Commutated Value of Pension were settled only on 21.09.2019. Since the benefits have been settled belatedly, the respondents are liable

notice on

6. The employer is liable to settle the retirement/terminal benefits without any delay and the belated payment is liable to be compensated by way of interest for the belated payment. In this regard, the Hon'ble Apex Court in ***S.K.Dua vs. State of Haryana*** reported in ***2008 (3) SCC 44***, has held as follows:

7. Following the same, in a similar issue, a Division Bench of this Court, in W.A.(MD)No.403 of 2010, etc. batch, vide common order dated 04.07.2014, has held as follows:



"5. even though there is no provision in the Tamil Nadu State Transport Corporation Employees Pension Fund for payment of interest, cannot stand in the light of the law laid down by the Supreme Court in S.K.Dua v. State of Haryana and another, reported in (2008) 3 SCC 44. As a matter of fact, the Rules do not contemplate belated payment of retirement benefits. The Rules contemplate prompt payment. When the Rules contemplate prompt payment and not belated payment, the Rules will not contain a provision for payment of interest. The Pension Fund which was created as a Trust by the Corporation was supposed to act in trust for the employees' benefit. If the Trust could not make payments within the time stipulated, then, irrespective of whether there is any provision for payment of interest or not, the Corporation is obliged to make payment."

The Division Bench has also fixed the rate of interest at 6% p.a.

8. Following the dictum laid down on this issue, the writ petition is disposed of with a direction to the respondents/Transport Corporation to pay interest for the belated payment of retirement/terminal benefits at the rate of 6% p.a., from the date of retirement till the date of actual disbursement, within a period of six months from the date of receipt of a copy of this order. No costs.

Sd/-

Assistant Registrar (P&A)

// True Copy //

/ /2022

Sub Assistant Registrar(CS)

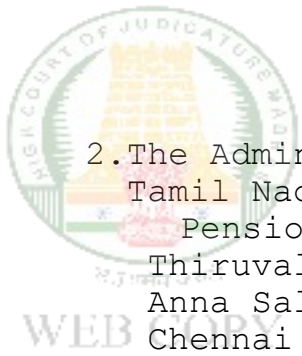
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Note : In view of the present lock down owing to COVID-19 pandemic, a web copy of the order may be utilized for official purposes, but, ensuring that the copy of the order that is presented is the correct copy, shall be the responsibility of the advocate/litigant concerned.

To

- 1.The General Manager,
The Management of Tamil Nadu
State Transport Corporation (Madurai) Ltd.,
Dindigul Region, Dindigul.

<https://hcservices.ecourts.gov.in/hcservices/>



2.The Administrator,
Tamil Nadu State Transport Employees'
Pension Fund Trust,
Thiruvalluvar Illam,
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