BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 29.03.2022

CORAM:

THE HONOURABLE MR.JUSTICE KRISHNAN RAMASAMY

W.P.[MD]No.5553 of 2022

S.Hamanullah ... Petitioner

Vs.

1.The Tamil Nadu State Transport Corporation (Madurai) Ltd.,
Represented by its Managing Director,
Madurai.

2.The Administrator,
The Tamil Nadu State Transport Corporation Employees Pension Fund Trust,
Thiruvalluvar Illam,
Chennai-02. ... Respondents

PRAYER : This Writ Petition is filed under Article 226 of Constitution of India for issuance of Writ of Mandamus, to direct the respondents to settle interest at the rate of 6% per annum for the belated payment of petitioner's terminal benefits including Provident Fund, Gratuity, Commuted Value of Pension and Terminal Leave salary from the date of his retirement to till the date on which the said benefits were settled to him.

For Petitioner : Mr.A.Rahul
For R-1 : Mr.J.Senthilkumariah
For R2 : Mr.A.Swaminathan

O R D E R

Seeking a direction to the respondents to settle interest at the rate of 6% per annum for the belated payment of petitioner's terminal benefits including Provident Fund, Gratuity, commuted value of pension and terminal leave salary from the date of his retirement to till the date on which the said benefits were settled to him, the petitioner is before this Court with the present writ petition.

2.By consent of both sides, the writ petition itself is taken up for final disposal at the stage of admission itself.

3.According to the petitioner, he was working as Special Grade Conductor in the respondent corporation. Though he retired on 31.05.2019, on attaining the age of superannuation, his retirement benefits were settled belatedly. Hence, the petitioner has made a representation to the respondents on 27.11.2021, for interest on the belated payment of the terminal benefits. Since the said representation has not been considered so far, the petitioner is before this Court.

4.In this regard, the learned counsel for the petitioner referred to the Division Bench judgment of this Court made in W.A. (MD) Nos.1883 to 1892 of 2021 dated 04.10.2021. Referring to the said judgment, he would submit that the petitioner is entitled to 6% interest.

5.The learned counsel for the respondents submitted that due to financial crisis they may be permitted to pay the interest on the belated payment in monthly instalments.

6.Admittedly, the petitioner was retired from service on 31.05.2019, on attaining the age of superannuation. However, his retirement benefits were settled belatedly.

7.The Division Bench of this Court in the case cited supra has held as follows:

> "8.When the appellant is liable to pay the surrender leave salary on the retirement of their employees, the delay in making payment of the leave salary is solely because of the appellants' inaction. The first respondent writ petitioner cannot be penalized for the wrong done by the appellant. Hence, the award of 6% interest on the surrender leave salary by the learned single Judge is perfectly correct. We do not find any ground to interfere with the orders passed by the learned single Judge. The writ appeals are devoid of merits and the same are dismissed. However, we make it clear that the reliefs granted by the learned single Judge in the writ petitions are confined only to the first respondent/writ petitioners, who have filed the writ petitions. No costs. Consequently, connected miscellaneous Petitions are closed."

8. As held by the Hon'ble Division Bench of this Court, when there is a delay in payment of retirement benefits, the employee is entitled for payment along with interest.

9.In view of the above, this Court is of the view that the petitioner is entitled for the interest at the rate of 6% per annum. Therefore, this Court directs the respondents to pay interest at the rate of 6% per annum for the belated retirement benefits including Provident Fund, Gratuity, commuted value of pension and terminal leave salary, from the date of his retirement till the date on which the said terminal benefits were settled to him, on or before 31.07.2022, failing which, the Managing Director or the General Manager (Chief Finance Officer) shall appear before this Court.

10.The Writ Petition is disposed of with the above direction. No costs.

11.Post this matter on **04.08.2022** 'for reporting compliance'.

Sd/-
Assistant Registrar (CO)

// 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 Managing Director,
Tamil Nadu State Transport
Corporation (Madurai) Ltd.,
Madurai.

2.The Administrator,
The Tamil Nadu State Transport Corporation
Employees Pension Fund Trust,
Thiruvalluvar Illam,
Chennai-02.

3.The General Manager (Chief Finance Officer),
Tamil Nadu State Transport Corporation (Madurai) Ltd.,
Madurai.

+1 CC to M/s.A.RAHUL, Advocate (SR-15188[F] dated 29/03/2022)

Copy to

The Section Officer,
Writ Section,
Madurai Bench of Madras High Court,
Madurai.

W.P.[MD]No.5553 of 2022
29.03.2022

PA(11.04.2022) 4P 6C