



W.P.(MD)No.12112 of 2020

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BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 24.08.2022

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THE HONOURABLE MR.JUSTICE M.S.RAMESH

W.P.(MD)No.12112 of 2020

Radhakrishnan

... Petitioner

Vs.

1.The Managing Director,
Tamil Nadu State Transport Corporation,
No.27, Railway Station,
Kumbakonam-612 001,
Thanjavur District.

2.The General Manager,
Tamil Nadu State Transport Corporation,
Pudukkottai Region,
Pillaithanneerpandal,
Pudukkottai.

3.The Administrator,
The Tamil Nadu State Transport Corporation,
Corporation Employees Pension,
Pallavan Salai,
Chennai-600 002.

... Respondents



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PRAYER: Petition filed under Article 226 of the Constitution of India praying for issuance of Writ of Certiorarified Mandamus, call for the records pertaining to the impugned rejection orders passed by the second respondent in Parvai-ThaPoKa/Puthu/Sathu/S.M/76 dated 18.03.2020 and quash the same as illegal and consequently directing the respondents to provide interest to the petitioner for the retirements of terminal benefits sanction be lately for the period of 31.12.2018 to 20.09.2019 and grant him withheld of grade pay salary from the period of 2010 to 2015 and consider his representation made on 21.10.2019 within a time stipulated by this Court.

For Petitioner	:	Mr.G.Kannan
For Respondents	:	Mr.K.Jagadees Balan Standing Counsel for R1 and R2 Mr.S.C.Herold Singh, Standing Counsel for R3

ORDER

The petitioner's entitlement for surrender leave salary for the period between 2011 and 2018 was settled only on 20.09.2019 through a lumpsum settlement. The petitioner claims that since he retired from service on 31.12.2018 and there was a delay of almost nine months, he would be entitled for interest on such belated payment. The second respondent,



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through the impugned order, had rejected the petitioner's claim for interest by placing reliance on the order of this Court, dated 22.10.2019 passed in W.P(MD).No.30003 of 2019, in the case of ***K.Ramasamy vs. The Managing Director and another***, by stating that since the payment was made as lumpsum amount, he is not entitled for interest.

2. The said decision relied upon by the respondents may not be applicable to the facts involved in the present case. In ***K.Ramasamy's*** case (supra), reliance was placed on the order of the Hon'ble Division Bench of this Court, whereby it was held that when there is a default in making the payment of any of the installments as ordered by the Court, the employee would be entitled for the interest at the rate of 18% per annum. Hence, the learned Single Judge was of the view that since the lumpsum amount was paid and there was no default in installments, the petitioner therein would not be entitled for the interest. Such are not the facts in the present case.

3. Admittedly, there was a delay in making the payment between 2011 and 2018 and the actual payment was made on 20.09.2019. This is not



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a case where the respondents have not defaulted in making the payment in installments ordered by a Court, as observed in **K.Ramasamy's** case. Thus, the petitioner would be entitled for the interest on the belated payment for the period between 31.12.2018 and 20.09.2019.

4. Accordingly, the impugned order passed by the second respondent in Parvai-ThaPoKa/Puthu/Sathu/S.M/76 dated 18.03.2020 is set aside and there shall be a direction to the respondents to pay the interest at the rate of 6% per annum for the belated disbursement of the surrender leave salary for the period between 31.12.2018 and 20.09.2019 within a period of eight weeks from the date of receipt of a copy of this order. Hence, this Writ Petition is allowed. No costs.

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Index : Yes / No
Speaking Order : Yes / No
ssb



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M.S.RAMESH, J.

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