



BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 20.06.2022

CORAM

THE HONOURABLE MR.JUSTICE M.S.RAMESH

W.P. (MD)No.12395 of 2022

S.N.Rajendran

... Petitioner

Vs.

1. The Managing Director,
The Tamil Nadu State Transport Corporation
(Kumbakonam) Limited,
Corporate Office,
Kumbakonam - 612 001.

2. The General Manager,
Tamil Nadu State Transport Corporation
(Kumbakonam) Limited,
Kumbakonam Region,
Kumbakonam.

3. The Chief Financial Officer,
Tamil Nadu State Transport Corporation
(Kumbakonam) Limited,
Corporate Office,
Kumbakonam - 612 001.

... Respondents

PRAYER: Petition filed under Article 226 of the Constitution of India praying for issuance of Writ of Mandamus, directing the respondents to pay the interest at the rate of 18% per annum for the belated payment of petitioner's retirement benefits including, Provident Fund, Gratuity and Encashment of Earned Leave Salary amount within a time frame as may be fixed by this Court.

For Petitioner : Mr.S.Anandha Kumar

For Respondents : Mr.K.Jagadees Balan
Standing counsel

O R D E R

By consent of both parties, this Writ Petition is taken up for final disposal at the stage of admission itself.



2. Aggrieved against the belated settlement of the terminal benefits to the petitioner, he has claimed interest on the belated payment in this Writ Petition.

3. In identical issues, this Court has passed various orders, justifying the payment of interest to the aggrieved pensioners and in the order dated 13.12.2019 in W.P.(MD)No.26481 of 2019, the following order came to be passed:-

"5.I am not in agreement with the said representation made. There was already a duty cast on the respondent Corporation to pay the terminal benefits on the date of retirement itself and the very fact that the belated disbursement of retirement benefit, had already put the retired employee to serious prejudice, entertaining the present request for disbursement of the interest on the belated payment in installments, could cause further prejudice to the retired employee.

6.In the light of the above observations, there shall be a direction to the respondent / Corporation to pay the penal interest at the rate of 6% per annum on the belated payment of the retirement benefits for the period from the date of the retirement, till the date of actual disbursement, as expeditiously as possible and in any event, not before the expiry of three months from the date of receipt of a copy of this order."

4. This Court is of the view that the respondents could be directed to pay the interest on the belated payment, at the rate of 6% per annum, as ordered in the above Writ Petition.

5. At this juncture, Mr.K.Jagadees Balan, learned Standing Counsel appearing for the respondent Corporation would submit that owing to the Covid-19 pandemic situation and non-plying of buses for a considerable time, there has been a heavy revenue loss for the Corporation and therefore, the period of payment spread over three months as, ordered in the earlier Writ Petition, can be extended, so as to enable them to pay the interest amount, within a period of six months.

6. The learned counsel for the petitioner also does not have any objections to the same.

7. In this background, there shall be a direction to the respondents to pay the interest to the petitioner at the rate of 6% per annum on the belated payment of the retirement benefits, commencing from the date of retirement, till the date of actual disbursement, within a period of three (3) months from the date of



receipt of a copy of this order.

8. This Writ Petition stands partly allowed in accordance with the above terms. No costs.

Sd/-

Assistant Registrar(CS-I)

// True Copy //

/06/2022

Sub Assistant Registrar(CS)

vji

To

1. The Managing Director,
The Tamil Nadu State Transport Corporation
(Kumbakonam) Limited,
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Kumbakonam - 612 001.

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3. The Chief Financial Officer,
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Corporate Office,
Kumbakonam - 612 001.

+1 CC to M/s.S. ANANDHAKUMAR, Advocate (SR-26931[F] dated
20/06/2022)

+1 CC to M/s.K. JAGADEES BALAN, Advocate (SR-27332[F] dated
22/06/2022)

W.P. (MD) No.12395 of 2022
20.06.2022

ma (CO)

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