



W.P.(MD)No.27887 of 2022

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BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED:12.12.2022

CORAM:

THE HONOURABLE MR.JUSTICE M.DHANDAPANI

W.P.(MD)No.27887 of 2022

D.Vasugi

... Petitioner

Vs.

1.The General Manager,
Tamil Nadu State Transport Corporation (MDU) Limited,
Dindigul Region,
Dindigul.

2.The Administrator,
Tamil Nadu State Transport Corporation Pension Trust,
Thiruvalluvar Illam, Pallavan Salai,
Chennai-600 002.

... Respondents

Prayer:Writ Petition is filed under Article 226 of the Constitution of India, to issue a Writ of Mandamus directing the respondents to pay interest at the rate of 6% per annum for the period of delay from 31.03.2020 to 02.06.2021 in paying the amounts paid towards the terminal benefits within a time frame as may be fixed by this Court.

For Petitioner

: Mr.G.M.Xavier



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For Respondents

: Mr.Ramachandar Pradeep

Standing Counsel for R1

Mr.S.C.Herold Singh for R2

ORDER

This writ petition has been filed for a direction to the respondents to pay interest at the rate of 6% per annum, for the period of delay from 31.03.2020 to 02.06.2021 in paying the amounts paid towards the terminal benefits within a time frame as may be fixed by this Court.

2. The learned counsel appearing for the petitioner would submit that the petitioner joined as a Conductor in the Tamil Nadu State Transport Corporation(Madurai) Limited. After completing 27 years of service, he retired from service in the year 2020. However, his terminal benefits were not settled in time and after a lapse of one year and three months, the terminal benefits were settled to the petitioner. Therefore, for the belated settlement, the petitioner made representation to pay interest. The same was not considered till date. Hence, the petitioner has filed this writ petition with the aforesaid prayer.



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3. The learned counsel appearing for the petitioner would submit that in similar circumstances, the Division Bench of this Court, passed several orders fixing 6% interest and accordingly, prayed for awarding 6% interest for the delayed payment.

4. The learned standing counsel appearing for the first respondent would submit that due to Covid-19 pandemic, the Transport Corporation is not functioning smoothly and there was a huge loss and therefore, prayed for reducing the interest to 6% to 4% and prayed for appropriate orders.

5. Heard the learned counsel appearing for the petitioner, the learned Standing Counsels appearing for the first respondent and the learned counsel appearing for the second respondent and perused the materials placed before this Court.

6. Admittedly, the petitioner retired from service on 31.03.2020. However, the terminal benefits were settled on 02.06.2021. On the



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earlier occasion, when the Transport Corporation has not settled the retirement benefits to the employees, the Corporation borrowed amount from the State Government and settled the benefits. It is true that the Division Bench passed an order to award interest at 6% for the belated payment. However, considering the huge loss suffered by the Transport Corporation, this Court is inclined to issue a direction to award 4% interest for the belated payments.

7. Therefore, the respondents are directed to pay interest at 4% per annum for the belated payment, within a period of six weeks from the date of receipt of a copy of this order.

8. With the above direction, this writ petition is disposed of.
No costs.

12.12.2022

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To

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Tamil Nadu State Transport Corporation (MDU) Limited,
Dindigul Region,
Dindigul.

2.The Administrator,
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M.DHANDAPANI,J.

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