



W.P.No.26840 of 2013

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 23.08.2023

CORAM:

THE HONOURABLE MR. JUSTICE **G.K.ILANTHIRAIYAN**

W.P.No.26840 of 2013

1.K.V.Mani

2.S.Vijayalakshmi

3.R.Sahadevan

... Petitioners

Vs.

1.The State of Tamilnadu,

Rep. by its Secretary to Government,

Municipal Administration and Water Supply Department(MAWS),

Secretariat, Fort St.George,

Chennai-9

2.The Commissioner,

Municipal Administration and Water Supply Department(MAWS),

Chepauk,

Chennai-5

3.The Commissioner,

Salem Corporation,

Salem

... Respondents

PRAYER: Writ Petition is filed under Article 226 of Constitution of India praying to issue Writ of Mandamus directing the respondents to grant and disburse interest for the belated payment of retirement benefits payable to the petitioners from the date of retirement till the date of actual payment, alongwith Time Barred Arrears of Tax, at the rate of 12% per annum by considering the representation submitted by the petitioners dated 17.09.2009 in the light of orders passed by this Court in



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Government of Tamilnadu represented by its Secretary to Government
Vs.M.Deivasigamani reported in 2009 3 MLJ 242 within a time frame to
be fixed by this Court.

For Petitioner : Mr.R.N.Amarnath

For Respondents

For R1 & 2 : Mr.K.H.Ravikumar,
Government Advocate

For R3 : Mrs.N.Devi,
Standing Counsel

ORDER

This writ petition has been filed for direction to the respondents to grant interest for the belated payment of retirement benefits.

2. The first petitioner was working as Revenue Inspector and retired from service on 31.01.2006, the second petitioner was working as Assistant Revenue Officer and retired from service on 31.01.2004 and the third petitioner was working as Assistant Commissioner and retired from service on 31.05.2004. Though they were entitled for retirement benefits on the eve of their attainment of superannuation, they were paid retirement benefits belatedly by referring to charges that were kept



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pending. After the charges were dropped, the petitioners were settled of retirement benefits and as such they are claiming interest for the belated payment on retirement benefits. The petitioners were served with charge memo under Rule 8(2) of Tamilnadu Municipal (Disciplinary and Appeal) Rules on 21.02.2003 alleging that one G.Elangovan, who was granted with licence to collect toll fee from the bus stand for the year 2002- 2003, failed to remit the licence fee to the Corporation. Whereas the officials had failed to obtain solvency certificate and agreement. Therefore, they are responsible for the loss sustained by the Corporation. Enquiry was conducted and report was submitted. In the meanwhile, a proceedings was initiated as against the said Elangovan for recovery of the licence fee. Accordingly, on 19.06.2007, licence fee was recovered from him. Thereafter, the charges framed against the petitioners were dropped on 15.05.2008. Subsequently, the petitioners were paid retirement benefits on 10.06.2008 and 11.08.2008 respectively.

3. On perusal of the counter filed by the third respondent,



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revealed that against the petitioners, charges were framed for non collection of lease amount / bus stand licence fee causing loss to the tune of Rs.51,58,569/-. However, the loss amount was recovered by the third respondent from the lessee only on 21.06.2007. Thereafter, the charges were dropped on 15.05.2008. Immediately, all the petitioners were disbursed with retirement benefits.

4. The learned counsel for the petitioner relied upon the judgment of the Hon'ble Supreme Court of India in the case of ***Government of Tamilnadu, rep. by its Secretary to Government, Revenue Department Vs. M.Deivasigamani*** reported in (2009) 3 MLJ 1, wherein it is held that for the terminal benefits such as commuted value of pension, leave encashment, gratuity, etc. which were withheld till the finalisation of disciplinary proceedings and after completion of the disciplinary proceedings, all the benefits were paid belatedly, the person is entitled to interest on delayed payment of retiral benefits, in the absence of any statutory rules/administrative instructions or guidelines.

5. In the case on hand, the charge itself was the petitioners



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failed to collect licence fee from one, G.Elangovan and subsequently licence fee was recovered from the said Elangovan by installments. Therefore, the petitioners are entitled to interest at the rate of 12% for the belated payment on terminal benefits.

6. Accordingly, the third respondent is directed to disburse the interest amount at the rate of 12% for the period of belated payment of terminal benefits, to the respective petitioners within a period of twelve weeks from the date of receipt of copy of this order.

7. With the above direction, this writ petition is allowed. There shall be no order as to costs.

23.08.2023

Internet: Yes
Index: Yes/No
Speaking/Non-speaking order
lok

G.K.ILANTHIRAIYAN, J.

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To

1. Secretary to Government,
The State of Tamilnadu,
Municipal Administration and Water Supply Department(MAWS),
Secretariat, Fort St.George,
Chennai-9
2. The Commissioner,
Municipal Administration and Water Supply Department(MAWS),
Chepauk,
Chennai-5
3. The Commissioner,
Salem Corporation,
Salem
4. The Government Advocate,
High Court, Madras.

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