



W.A(MD)No.1626 of 2023

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 21.09.2023

CORAM:

THE HONOURABLE **MR.JUSTICE S.S.SUNDAR**
and
THE HONOURABLE **MR.JUSTICE D.BHARATHA CHAKRAVARTHY**

W.A(MD)No.1626 of 2023
and
C.M.P(MD)No.12586 of 2023

1.The Principal Secretary to Government,
Rural Development and Panchayat Raj Department,
Secretariat, Fort St. George,
Chennai – 600 009.

2.The Commissioner of Rural Development and
Panchayat Raj, Panagal Building,
Saidapet, Chennai – 600 015.

3.The District Collector,
Virudhunagar District,
Collectorate Complex,
Virudhunagar.

... Appellants/Respondents

Vs.

P.Boopathy Raj(Died)

1.B.Muthulakshmi

2.B.Pasumpon

... Respondents/Writ Petitioners

Prayer: Writ Appeal filed under Clause 15 of the Letters Patent, against the order dated 25.07.2022 passed in W.P(MD)No.12547 of 2014.



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For Appellants

:Mr.Veera Kathiravan,
Additional Advocate General, assisted by
Mr.J.Ashok,
Additional Government Pleader

For R-1

:No Appearance

For R-2

:Mr.S.Alagusundar

JUDGMENT

(Judgment of the Court was delivered by **S.S.SUNDAR, J.**)

This writ appeal is directed as against the order, dated 25.07.2022, made in W.P(MD)No.12547 of 2014.

2. The issue raised in this case is with regard to quantum of interest at which the writ petitioner/employee is entitled to get for the delayed payment of retirement/terminal benefits.

3. From the admitted facts, it is seen that the writ petitioner/employee was not permitted to retire from service in connection with a vigilance case that was pending against him. Subsequently, the charge memo issued against the employee was dropped and thereafter, the retirement/terminal benefits were paid in the year 2013. For the delayed payment ie., from the year 2004 – 2013, the employee has filed the writ petition claiming interest. During pendency of the writ petition, the



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writ petitioner/employee died and the respondents herein, who are the legal heirs of the writ petitioner were brought on record.

4. The learned Single Judge has allowed the writ petition holding that the writ petitioners are entitled to get interest at the rate of 18% per annum for the delayed payment of retirement/terminal benefits of the employee. As against the quantum of interest awarded by the learned Single Judge at the rate of 18% per annum, the present writ appeal is filed by the State.

5. Even though there is inordinate delay in disbursement of the amount, this Court finds that the respondents are entitled to get only the flexible interest as per the Tamil Nadu Pension Rules, 1978, which is between 8 – 8.5% per annum.

6. Considering the fact that the payment is made only after ten years and considering the peculiar facts and circumstances of the case, this Court is inclined to modify the order of the learned Single Judge. Accordingly, the interest ordered by the learned Single Judge is reduced from 18% per annum to 9% per annum for the delayed payment of the terminal and retirement benefits. The appellants are directed to pay the amount due to the respondents, within a period of eight weeks from the date



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of receipt of a copy of this judgment.

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With the above modification, this writ appeal is disposed of.

No Costs. Consequently, connected Miscellaneous Petition is closed.

[S.S.S.R., J.] [D.B.C., J.]
21.09.2023

Index : Yes / No
NCC : Yes/No
pm

To

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S.S.SUNDAR, J.

and

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