



W.P.(MD) No.18545 of 2016

WEB COPY

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

ORDERS RESERVED ON : 23.08.2023

ORDERS PRONOUNCED ON : 21.09.2023

CORAM

THE HON'BLE MR.JUSTICE BATTU DEVANAND

W.P.(MD) No.18545 of 2016

V.Ottakkaran

... Petitioner

Vs.

1.The Managing Director,
The Tamil Nadu State Transport
Corporation (Madurai) Limited,
Bye Pass Road,
Madurai-625 016.

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

... Respondents

Prayer: Petition filed under Article 226 of the Constitution of India praying
for issue of Writ of Mandamus, directing the respondents to pay interest at



W.P.(MD) No.18545 of 2016

the rate of 6% per annum to the petitioner from the date of retirement for the belated payment of Gratuity and Pension Commutation.

For Petitioner : No appearance
For Respondents : Mr.J.Senthil Kumaraiah
Standing Counsel

ORDER

The petitioner has filed this writ petition seeking Writ of Mandamus, directing the respondents to pay interest at the rate of 6% per annum to the petitioner from the date of retirement for the belated payment of Gratuity and Pension Commutation.

2. The case of the petitioner is that he entered into the service of the respondent-Corporation as a Conductor. Finally, he was promoted as Senior Grade Checking Inspector. He was retired from service after attaining the age of superannuation on 30.06.2011. The petitioner would submit that all the retirees are entitled to their retirement benefits on the date of retirement itself. But, the 1st respondent has paid his gratuity with a delay



W.P.(MD) No.18545 of 2016

of 30 months on 30.12.2013 and the 2nd respondent has paid his commutation with a delay of 14 months on 12.09.2012.

3. The petitioner would submit that the Hon'ble Apex Court and this Court have held that if there is delay in payment of retirement benefits, interest should be given for the delayed payment. Hence, the petitioner made representations in person to the respondents for payment of interest. The last representation was submitted on 30.07.2016. But, the respondents did not take any action on his representations. Therefore, the petitioner filed a writ petition in W.P.(MD) No.3988 of 2016. This Court passed orders on 26.02.2016 disposing of the writ petition with a liberty to the petitioner to claim interest for belated payment of retirement benefits.

4. The petitioner would further submit that in identical circumstances, in W.P.(MD) No.834 of 2016 filed by one S.Selvaraj, this Court, by order dated 18.01.2016, granted interest at 6% for belated payment, while the Hon'ble Supreme has granted 18% interest in the case of ***Vijay L. Mehrotra vs. State of Uttar Pradesh and others*** reported in (2000)



W.P.(MD) No.18545 of 2016

3 LLN 1. Since the respondents did not take any action, the petitioner filed the present writ petition before this Court.

5. Counter affidavit has been filed on behalf of the 2nd respondent.

6. It is averred in the counter affidavit that the petitioner retired from service on 30.06.2011 as a Senior Grade Checking Inspector. Subsequently, the 1st respondent settled gratuity amount of Rs.3,89,776/- to the petitioner on 30.12.2013. Therefore, the petitioner cannot seek payment of interest on gratuity after a period of 2 years and 9 months from the date of settlement of gratuity amount. It is further averred that the petitioner should approach the Controlling Authority for payment of gratuity, if he has any grievance over the payment made by the respondent-Corporation including interest on gratuity amount.

7. There is no representation for the petitioner. Heard learned Standing Counsel for the respondents and perused the record.



W.P.(MD) No.18545 of 2016

WEB COPY

8. The only relief sought in this writ petition is with regard to the payment of interest at the rate of 6% per annum from the date of retirement for the delayed payment of gratuity and pension commutation amount to the petitioner.

9. It is settled law that the retirement benefits such as gratuity amount and other benefits are the property of the retired employees and if it is withheld unreasonably, the retired employees are entitled for the interest for the belated payment of retirement benefits.

10. In the present case, it appears there is no reason or justification for not making the payments for months together. Admittedly, there is delay of 30 months for payment of gratuity and there is delay of 14 months for payment of commutation of pension amount. As such, in my considered view, the respondents are liable to pay interest for the belated payment.



W.P.(MD) No.18545 of 2016

WEB COPY

11. Accordingly, this Writ Petition is allowed directing the respondents to pay interest at the rate of 6% per annum for the delayed settlement of commuted value of pension and gratuity within a period of six weeks from the date of receipt of a copy of this order.

12. There shall be no order as to costs.

21.09.2023

Note: Issue order copy by 25.09.2023.

NCC : Yes/No

Index : Yes/No

Internet : Yes

abr



W.P.(MD) No.18545 of 2016

WEB COPY

To

- 1.The Managing Director,
The Tamil Nadu State Transport
Corporation (Madurai) Limited,
Bye Pass Road, Madurai-625 016.
- 2.The Administrator,
The Tamil Nadu State Transport Corporation
Employees Pension Fund Trust,
Thiruvalluvar House, Pallavan Salai,
Chennai-600 002.



WEB COPY



W.P.(MD) No.18545 of 2016

BATTU DEVANAND, J.

abr

Pre-delivery Order made in
W.P.(MD) No.18545 of 2016

21.09.2023