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W.P.No.11867 of 2015

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 13.06.2024

CORAM

THE HONOURABLE MS. JUSTICE P.T.ASHA

W.P.No.11867 of 2015

K.R.Rengaram

...Petitioner

-Vs-

1.The Secretary to Government
Heath and Family Welfare Department,
Secretariat, Chennai-600009

2.The Additional Secretary to Government,
Health and family Welfare Department,
Secretariat, Chennai-600009.

...Respondents

Prayer:- Writ petition filed under Article 226 of the Constitution of India praying for issuance of a writ of Certiorarified Mandamus, calling for the records relating to the order in Letter no.44225/OPI(1)/2014-1, dated 27.02.2015, of the 2nd Respondent herein and quash the same and further direct the Respondents to sanction 18% interest on the belated payment of leave encashment salary from 01.12.1997 to 15.03.2013 and for the Special G.P.F. for



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the period from 01.12.1997 to 25.09.2012 and commuted value of pension and arrears of pension for the period from 01.12.1997 to 16.08.2013.

For Petitioner : M/s.M.Arunkumar for
M/s/R.Muthukkannu

For Respondents : Mr.V.Jeevagiridharan, AGP
[for R1 and R2]

ORDER

The above Writ Petition has been filed seeking to quash the order passed by the 2nd respondent and consequently directing the respondents to sanction 18% interest on the belated payment of leave encasement salary and also on the Special GPF including commuted value of pension and arrears of pension.

2. The petitioner had entered the services of the Secretariat on 02.07.1962 and was promoted to the post of Under Secretary to the Government. Just two days prior to his date of retirement, the petitioner was suspended on the ground of pendency of a criminal



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case which was a private dispute unrelated to his official functions.

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Therefore, he was not permitted to retire on 30.11.1997. Ultimately, he was acquitted in the criminal case on 12.01.2012 and further action was dropped by the Government. He was sanctioned the retiral and pensionary benefits for his 36 years of service. However, interest was not paid towards the following payments:-

S.No.	Nature of Terminal Benefits	Date from which due	Date of Payment	Interest	
1.	Spl. G.P.F.	01.12.1997	25.09.2012	Interest paid	Not
2.	E.L/U.E.L/Surrender /Encashment	01.12.1997	15.03.2013	Interest paid	Not
3.	C.V.P.	01.12.1997	16.08.2013	Interest paid	Not
4.	Pension Arrears	01.12.1997	16.08.2013	Interest paid	Not

3. Therefore, the petitioner had submitted a detailed representation dated 27.11.2013 to the Government. The 1st respondent had issued order granting interest at 12% only in respect



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of belated payment of Death cum Retirement Gratuity quoting Rule 45(1A)(i)(a), vide G.O.(D).No: 1013, Health & Family Welfare Department dated 01.10.2014.. With reference to the other retiral benefits, no interest was granted and the request of the petitioner was rejected. It is challenging this rejection that the petitioner is before this Court.

4. A counter affidavit has been filed on behalf of the respondents stating that under the Tamil Nadu Pension Rules, the provision to pay interest on belated payment is available only in the case of Death cum Retirement Gratuity and with reference to the other retiral benefits, there is no provision for sanctioning interest on their belated payment.

5. The learned counsel appearing for the petitioner would rely upon a Division Bench judgement of this Court reported in **(2009) 3 MLJ page 1 - Government of Tamil Nadu rep. by the Secretary to Government, Revenue Department, Chennai and Another Vs.**



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M.Deivasigamani where the Division Bench quoting the judgement

of the Hon'ble Supreme Court reported in ***(1999) 3 SCC 438*** -

Dr.Uma Agarwal Vs. State of U.P. had held as follow:-

"7. In view of the judgement of the Hon'ble Supreme Court, it is not well settled that an employee is entitled to interest on belated payment of pension and other retiral benefits, even in the absence of statutory rules/administrative instructions or guidelines and he can make his claim for interest, under Part III of the Constitution, relying on Articles 14, 19 and 21 of the Constitution."

6. Once again, in a judgement reported in ***2011 Writ L.R.176*** -

P.Nagarathna Pandian Vs. The Managing Director, Tamil Nadu

Housing Board, a learned Single Judge of this Court has also

followed the aforesaid judgement of the Hon'ble Supreme Court as

well as the judgement of the Division Bench and held that the

petitioner therein was entitled to interest on the belated payment of

terminal benefits.



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7. In view of the above judgements, the Writ Petition is allowed and the impugned order of the 2nd respondent dated 27.02.2015 is set aside. The respondents are directed to sanction 12% per annum interest on the belated payment of leave encashment salary from 01.12.1997 to 15.03.2013 and for the Special G.P.F. for the period from 01.12.1997 to 25.09.2012 and commuted value of pension and arrears of pension for the period from 01.12.1997 to 16.08.2013, within a period of 12 weeks from the date of receipt of a copy of this order. No costs.

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(shr)

Index : Yes/No

Speaking / Non Speaking Order

Neutral Citation : Yes/No

To

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Heath and Family Welfare Department,
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