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W.P.No.18206 of 2024

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 04.07.2024

CORAM:

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

W.P.No.18206 of 2024

P.Karuppasamy

...

Petitioner

Vs.

The Management of
Tamilnadu State Transport Corporation (Kovai) Ltd,
Erode Region
Rep. by its Managing Director,
Erode.

...

Respondent

PRAYER: Writ Petition is filed under Article 226 of Constitution of India praying to issue Writ of Mandamus, directing the respondent to pay the petitioner interest at the rate of 18% per annum, for the period of delay from 01.05.2018 to 19.09.2019, in paying the amounts paid towards his terminal benefits namely EPF Employee's Contribution, Gratuity and Encashment of leave within a time frame as may be fixed by this Court and without affecting his right to claim balance amounts towards those benefits.

For Petitioner : Mr.V.Ajoy Khose

For Respondent : Mr.Murali Vinoth
Standing Counsel for TNSTC, Erode



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ORDER

This Writ Petition has been filed for a direction directing the respondent to pay appropriate interest to the petitioner for the delayed sanction and disbursement of retirement benefits.

2. Heard the learned counsel appearing on either side and perused the materials available on record.

3. In identical issues, this Court has passed various orders, justifying the payment of interest to the aggrieved pensioners and in the order dated 13.12.2019 in W.P.(MD)No.26481 of 2019, the following order came to be passed:-

“5. I am not in agreement with the said representation made. There was already a duty cast on the respondent Corporation to pay the terminal benefits on the date of retirement itself and the very fact that the belated disbursement of retirement benefit, had already put the retired employee to serious prejudice, entertaining the present request for disbursement of the interest on the belated payment in installments, could cause further prejudice to the retired employee.

6. In the light of the above observations, there shall be a direction to the respondent / Corporation to pay the penal interest at the rate of 6% per annum on the belated payment of the retirement benefits for the



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period from the date of the retirement, till the date of the actual disbursement, as expeditiously as possible and in any event, not before the expiry of three months from the date of receipt of a copy of this order.”

4. This Court is of the view that the respondent could be directed to pay the interest on the belated payment, at the rate of 6% per annum, as ordered in the above writ petition.

5. In the light of the above findings, there shall be a direction to the respondent herein to pay the interest on the belated payment of the terminal benefits to the petitioner at the rate of 6% per annum, commencing from the date of the retirement, till the date of actual disbursement, within a period of eight weeks from the date of receipt of a copy of this order.

6. With the above direction, this Writ Petition is disposed of. There shall be no order as to costs.

04.07.2024

Speaking order / Non-speaking order

Index : Yes / No

Neutral Citation : Yes / No

sri



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G.K.ILANTHIRAIYAN, J.

sri

To

The Managing Director,
Tamilnadu State Transport Corporation (Kovai) Ltd,
Erode Region
Erode.

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