



W.P.No.26814 of 2014

IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated : 12.06.2024

CORAM

THE HONOURABLE Ms. JUSTICE P.T. ASHA

W.P.No.26814 of 2014

&

M.P. No. 1 of 2015

A.Viswanathan

...petitioner

Vs.

1.The Chief Executive Officer,
Tamil Nadu Khadi and Village Industries Board,
Kuralagam, Chennai – 600 108.

2.The Assistant Director,
Khadi and Village Industries,
N.G.O Colony, Dharapuram,
Erode District.

...Respondents

Prayer: Writ Petition is filed under Article 226 of the Constitution of India to issue a Writ in the nature of Writ of Certiorarified Mandamus to call for the records of the respondents particularly that of the 1st respondent in proceedings Na.Ka.No.505/ ஜிபி/1/2014 dated



W.P.No.26814 of 2014

28.03.2014 and quash the same as illegal and unlawful without jurisdiction and ultra vires and consequently direct the respondents to pay interest at the rate of 18% per annum on the terminal benefits that is payable to the petitioner in the light of the final orders reported in 2009 MLJ 201 followed by similar decisions within the frame to be stipulated by this Court.

For petitioner : Mr. T.S.Rajamohan

For Respondents : Mr. V.Jeeva Giridharan.
Additional Government Pleader.

ORDER

The above Writ Petition has been filed challenging the order passed by the 1st respondent denying the payment of interest on the delayed payment of GPF dues.

2. The petitioner would submit that he was working as a Superintendent in the office of the 2nd respondent and while so he had



W.P.No.26814 of 2017

been kept under suspension on 28.05.1996. The petitioner had filed W.P.No.17310 of 2001 before this Court seeking to quash this suspension order. Ultimately, by an order dated 01.12.2006, this Court was pleased to allow the Writ Petition and had quashed the suspension order stating that the petitioner had been kept under suspension without framing of charges till the date of the order and the respondents were directed to disburse all the terminal benefits to the petitioner within a period of 30 days from the date of receipt of a copy of the order. This Court had taken note of the fact that the petitioner was to retire on 31.05.1996, three days after the suspension order had been issued. Thereafter, the 1st respondent vide proceedings dated 15.06.2007 revoked the suspension order passed by the 2nd respondent and permitted the petitioner to have deemed to be retired on the afternoon of 31.05.1996. The period of suspension undergone was also treated as duty.

3. The petitioner would submit that despite the orders of this



Court the petitioner was disbursed with the terminal benefits 11 years after the date of retirement. Therefore, the petitioner sought to be paid interest on the delayed payment of the retiral benefits.

4. The petitioner has forwarded representation dated 23.01.2008 immediately on receipt of the terminal benefits seeking interest. However, despite several reminders, the respondents have not granted interest. This constrained the petitioner to file W.P.No.31684 of 2013 seeking mandamus directing the respondents to pay interest at 18% on the terminal benefits. By order dated 22.11.2013, this Court had directed the respondents to consider the petitioner's representation dated 10.06.2013 seeking interest for delayed payment of retirement benefits within 12 weeks from the date of receipt of a copy of the order. Thereafter, the impugned order has come to be passed.

5. The respondents have countered the said request by contending that the interest was not payable on GPF and interest was



payable only for the death-cum-retirement gratuity as per Rule 45-A of the Tamil Nadu Pension Rules and G.O.Ms.No.122, Finance (Pension) Department, dated 20.02.1995. Therefore, they stated that the petitioner was not entitled to interest on the delayed payment of GPF.

6. Heard the learned counsels and perused the records.

7. The contention of the respondent is that the pension rules do not provide for payment of interest on the GPF. However, Rule 13 (4) of the GPF Rules would clearly stipulate that where there is a delayed payment, the subscriber is entitled to a special interest at 12%.

8. Further, the respondents recognising the fact that the terminal benefits had been paid belatedly has granted interest to the petitioner on the death-cum-retirement gratuity at 12 %. The Tamil Nadu Pension Rules is silent about the GPF. However, the GPF Rules



W.P.No.26814 of 2017

provided for special interest at 12%. Therefore, taking into account the above, the respondents are directed to pay interest on the GPF at the rate of 12% from 01.09.1996 till the date of payment.

9. The Writ Petition is allowed. Consequently, the connected miscellaneous petition is closed. No costs.

12.06.2024

Index : Yes/No
Internet : Yes/No
kan

To

1.The Chief Executive Officer,
Tamil Nadu Khadi and Village Industries Board,
Kuralagam, Chennai – 600 108.

2.The Assistant Director,
Khadi and Village Industries,



N.G.O Colony, Dharapuram,
Erode District.

WEB COPY



W.P.No.26814 of 2014

P.T. ASHA, J,

kan

W.P.No. 26814 of 2014



WEB COPY



W.P.No.26814 of 2017

12.06.2024