



WP(MD). No.14346 of 2024

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

WEB COPY

Date : 02/07/2024

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The Hon`ble Ms.Justice R.N.MANJULA

WP(MD). No.14346 of 2024

Singaravelan. P

... Petitioner

Vs

**The Management of Tamilnadu,
State Transport Corporation
(Kumbakonam) Limited, Represented by
its Managing Director,
Kumbakonam..**

... Respondent

PRAYER :-Writ Petition filed under Article 226 of the Constitution of India, praying this Court to issue a Writ of Mandamus, directing the respondent to pay the petitioner interest at the rate of 6 percent per annum, for the period of delay 01.06.22 to 30.05.23, in paying the amounts paid towards his terminal benefits namely EPF Employees Contribution, Gratuity and Encashment of leave within a time frame as may be fixed by this Court.

**For Petitioner : Mr.S. Arunachalam,
For Respondent : Mr.K.Jagadeesbalan**

ORDER

The present writ petition has been filed seeking a writ of mandamus to direct the respondent to pay interest at the rate of 6% per

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annum, for the period of delay 01.06.22 to 30.05.23, in paying the amounts paid towards his terminal benefits namely EPF Employees Contribution, Gratuity and Encashment of leave within a time frame as may be fixed by this Court.

2. By consent of both the parties, this writ petition is taken up for final disposal at the admission stage itself.

3. Heard Mr.S.Arunachalam, learned counsel appearing for the petitioner and Mr.K.Jagadeesbalan, learned Standing Counsel appearing for the respondent.

4. The petitioner was appointed as a Conductor in the respondent Corporation on 26.03.1997 and after completion of 25 years, he was designated as Special Grade Conductor. While so, he retired on 31.05.2022 on attaining the age of superannuation. The petitioner has filed this petition seeking interest for the belated settlement of terminal and pensionary benefits.



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5. It is admitted that the petitioner's terminal and pensionary benefits were not settled immediately but only belatedly *i.e.*, on 30.05.2023. The only question that arises for consideration is with regard to the rate of interest payable on the belated settlement.

6. The similar issue raised in this writ petition has already been decided by this Court vide order, dated 07.03.2023 in ***W.P(MD)No.4866 of 2023 (C.Murugan Vs. The Tamil Nadu State Transport Corporation (Tirunelveli) Ltd., & Another)***, wherein, it is held as under:

3. Insofar as the petitioner's claim for interest on the belated payment of terminal benefits is concerned, this Court has passed various orders, justifying the payment of interest to the aggrieved pensioners and in the case of S.P.Ramasamy Vs. The Managing Director, Tamil Nadu State Transport Corporation (Kumbakonam) Ltd. and others passed in W.P.(MD).No.26481 of 2019, dated 13.12.2019, 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



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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 period from the date of the retirement, till the date of 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."

7. In view of the above, the writ petition is disposed of with a direction to the respondent Corporation to pay interest at the rate of 6% per annum for belated settlement of petitioner's terminal and pensionary benefits within a period of twelve (12) weeks from the date of receipt of a copy of this order. No costs.

02.07.2024

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R.N.MANJULA,J

RR

**ORDER
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