BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 20.11.2024

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THE HONOURABLE MR.JUSTICE G.R.SWAMINATHAN
and
THE HONOURABLE MS.JUSTICE R.POORNIMA

W.A.(MD)No.2151 of 2021
and
C.M.P.(MD)No.10320 of 2021

The Tamil Nadu State Transport
Corporation (Madurai) Ltd,
Madurai Region,
Rep. by its Managing Director,
Madurai - 625 016. ... Appellant / 1st Respondent

Vs.

1.S.Sampath ... 1st Respondent / Petitioner

2.The Financial Advisor and Chief Accounts Officer,
The Tamil Nadu State Transport
Corporation (Madurai) Ltd,
Bye Pass Road, Madurai – 625 016.

3.The Administrator,
Tamil Nadu State Transport Corporation
Employees Pension Fund Trust,
Thiruvalluvar Illam, Anna Salai,
Chennai - 02. ... Respondents 2 & 3 /
Respondents 2 & 3

Prayer : Writ Appeal filed under Clause XV of Letters Patent, to set aside the the order dated 03-03-2021 made in W.P.(MD).4345 of 2021 on the file of this Court.

For Appellant : Mr.J.Senthil Kumaraiah,
Standing Counsel.

For Respondents : Mr.A.Rahul for R1
Mr.S.C.Herold Singh,
Standing Counsel for R2 & R3.

JUDGMENT

(Judgment of the court was delivered by G.R.Swaminathan, J.)

Heard both sides.

2.By the impugned order, the learned Single Judge had directed the management of TNSTC to settle the retirement benefits of the retired employee with interest at the rate of 6% per annum.

3.The issue raised in this writ appeal stands concluded by the judgment dated 18.03.2014 made in W.A.(MD)No.403 of 2010. Paragraph No.12 of the said judgment reads as follows:-

"12.There are few employees who have come up with review applications on the ground that though by the previous orders passed in the writ appeals of the Corporation, the Corporation was directed to pay interest, no time limit was fixed for eventual payment. There are few other employees who have come up with writ petitions seeking for a direction to pay the balance gratuity and other retirement benefits, within a time frame, by considering their representations. Some other employees have come up with writ appeals in W.A.(MD)Nos.15 to 27 of 2010 in this respect. But we do not think that a time limit could be fixed. We are in agreement with the orders of the learned single Judges directing payment of interest. A few Judges have granted interest at 6% p.a., and a few Judges have granted interest at 9% p.a. Taking into account the overall facts and circumstances, and the precarious position in which the Corporation is now placed, we are of the view that application of uniform rate of interest at 6% would suffice. There is one more reason for us to arrive at this conclusion. The persons in whose favour only interest at 6% was allowed, have not come up with a prayer for awarding interest at 9%. Therefore, if we do not apply an uniform rate, a few persons will get 6% and a few persons will get 9%. Such a disparity created by Court has to be levelled. Therefore, while dismissing the writ appeals filed by the Corporation, we direct the Corporation to apply uniform rate of interest at 6% p.a., and make disbursements in accordance with seniority. Though we do not wish to fix a time limit for the Corporation to make payment, in

view of the condition in which the Corporation is placed, we are of the view that in their own interest, the Corporation should settle the benefits as soon as possible, so that further liability of interest can be avoided."

4.The order impugned in this writ appeal does not warrant interference. The writ appeal stands dismissed. It is stated that the management has sofar settled the interest component only at the rate of 3% per annum. The balance amount payable to the retired employee shall be settled within a period of three months from the date of receipt of a copy of this judgment. No costs. Consequently, connected miscellaneous petition is closed.

(G.R.S. J.,) & (R.P. J.,)
20.11.2024

NCC : Yes/No
Index : Yes / No
Internet : Yes/ No
ias

G.R.SWAMINATHAN, J.
and
R.POORNIMA, J.

ias

W.A.(MD)No.2151 of 2021

20.11.2024
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