



W.P(MD)No.29710 of 2024

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

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DATED: 10.12.2024

CORAM:

THE HONOURABLE MR.JUSTICE B.PUGALENDHI

W.P(MD)No.29710 of 2024

M.Amuthalakshmi

... Petitioner

Vs

The Managing Director,
Tamil Nadu State Transport Corporation (Tirunelveli) Limited,
23/2, Kattabomman Nagar,
Tirunelveli – 627011.

...Respondents

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 interest at the rate of 6% per annum to the petitioner for the belated payment of Gratuity, Provident fund and leave salary of her deceased husband from the date of retirement to the date of actual payment within a time frame as may be fixed by this Court.

For Petitioner	: Ms.D.Ramya
For Respondents	: Mr.D.Jebaraj
	Standing Counsel

ORDER

The petitioner with a grievance that her husband's



W.P(MD)No.29710 of 2024

retirement benefits have been settled belatedly on 30.10.2024 and 01.11.2024 has approached this Court, seeking a Mandamus, directing the respondents to pay interest at the rate of 6% for the belated payment of terminal benefits.

2.The learned counsel appearing for the petitioner submits that the petitioner's husband was working in the respondent Corporation and on 04.06.2023, he died due to ill health. The retirement benefits of her husband have been settled to the petitioner belatedly. The learned counsel further submits that this Court has already taken a decision, following the order of the Honourable Division Bench of this Court in WP(MD) No.21713 of 2021, dated 07.12.2021, directing the Transport Corporation to pay interest at the rate of 6% for the belated payment of terminal benefits.

3.Mr.Mr.D.Jebaraj, learned Standing Counsel, who takes notice for the respondent Corporation has not disputed the same and submits that as against the order of this Court in WP(MD) No.21713 of 2021, they have not preferred any appeal.



W.P(MD)No.29710 of 2024

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4.This Court considered the rival submissions made and also perused the materials placed on record.

5.Admittedly, the terminal benefits due to the petitioner were settled belatedly. In this regard, this Court has already taken a decision that the retired employee is entitled for interest for the belated payment of terminal benefits, as per the dictum laid down by this Court as well as by the Honourable Apex Court in ***SK Dua Vs. State of Haryana***, reported in ***2008 3 SCC 44*** and the relevant portion is extracted as under:-

“6. The employer is liable to settle the retirement benefits without any delay and the belated payment is liable to be compensated by way of interest for the belated payment. In this regard, the Hon'ble Apex Court in S.K.Dua vs. State of Haryana reported in 2008 (3) SCC 44, has held as follows:

“14. In the circumstances, prima facie, we are of the view that the grievance voiced by the appellant appears to be well founded that he would be entitled to interest on such benefits. If there are statutory rules occupying the field, the



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W.P(MD)No.29710 of 2024

appellant could claim payment of interest relying on such rules. If there are administrative instructions, guidelines or norms prescribed for the purpose, the appellant may claim benefit of interest on that basis. But even in absence of statutory rules, administrative instructions or guidelines, an employee can claim interest under Part III of the Constitution relying on Articles 14, 19 and 21 of the Constitution. The submission of the learned counsel for the appellant, that retiral benefits are not in the nature of “bounty” is, in our opinion well founded and needs no authority in support thereof. In that view of the matter, in our considered opinion, the High Court was not right in dismissing the petition in living even without issuing notice to the respondents.”

6.This Court has also relied upon the Judgment of the Honourable Division Bench of this Court in WA(MD) No.403 of 2010 etc., batch, dated 04.07.2014.

7.Since this Court has already decided the issue, this writ petition is allowed with a direction to the respondent/Transport Corporation to pay interest for the belated payment of retirement



W.P(MD)No.29710 of 2024

benefits at the rate of 6% p.a., from the date of retirement till the date of actual disbursement, within a period of six months from the date of receipt of a copy of this order. No costs.

10.12.2024

NCC:Yes/No

Index:Yes

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To

- 1.The Managing Director,
State Express Transport Corpn (TN) Ltd,
Corporate Office, No. 2, Pallavan Salai,
Chennai 600 002.
- 2.The Financial Advisor and Chief Accounts Officer,
State Express Transport Corpn (TN) Ltd,
Corporate Office, No. 2,
Thiruvalluvar House,
Pallavan Salai,
Chennai 600 002.



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W.P(MD)No.29710 of 2024

B.PUGALENDHI, J.

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Order made in
W.P(MD)No.29710 of 2024

10.12.2024