BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

Dated : 02.01.2026

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THE HONOURABLE MR. JUSTICE B.PUGALENDHI

WP(MD)No.36704 of 2025

J.Sujatha ... Petitioner

Vs

1. The Management of
   Tamilnadu State Transport Corporation
   (Kumbakonam) Ltd.,
   Trichy Region,
   Rep. by its General Manager,
   Trichy.

2. The Administrator,
   Tamil Nadu State Transport Employees'
   Pension Fund Trust,
   Thiruvalluvar Illam,
   Anna Salai,
   Chennai – 2. ... Respondents

Writ Petition filed under Article 226 of the Constitution of India, praying this Court to issue a Writ of Mandamus directing the respondents to pay the petitioner interest at the rate of 6% per annum, for the period of delay from 01.03.2024 to 24.08.2025 in paying the amounts paid towards the terminal/pension benefits, namely, EPF employee's contribution, Gratuity, Encashment of Earned Leaves and Pension Commutation of her deceased husband/retired employee (Late) P.Joseph

Sahayaraj with Staff No.K2D900034 within a time frame as may be fixed by this Court.

For Petitioner	:	Mr.S.Arunachalam
For Respondents	:	Mr.SC.Herold Singh, Standing Counsel

ORDER

The petitioner is the wife of one P.Joseph Sahayaraj, who was the employee of the respondent Transport Corporation. He joined as a Driver in the respondent Transport Corporation on 31.03.1990 and after rendering 34 years of service, he retired from service as Driver Level-5 on 29.02.2024 and he died on 13.01.2025 without getting the retirement benefits. However, the retirement benefits, namely, EPF employee's contribution, Gratuity, Encashment of Earned Leaves and Pension Commutation, due to the petitioner's husband were settled to the petitioner belatedly. Seeking interest for the belated payment, the petitioner gave a representation to the respondents on 10.11.2025, however, it was not considered by the respondents. Therefore, the petitioner has filed this writ petition for the above said relief.

2. Mr.SC.Herold Singh, learned Standing Counsel, takes notice on behalf of the respondents submits that the retirement benefits of the deceased employee have been settled to his wife/the petitioner, however belatedly.

3. By consent of both the parties, the writ petition is taken up for final hearing at the admission stage itself.

4. This Court paid its anxious consideration to the rival submissions made and also perused the materials placed on record.

5. The employer is liable to settle the retirement benefits to its employees without any delay and in case, if it is settled belatedly, it has 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 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. Following the same, in a similar issue, a Division Bench of this Court, in W.A.(MD)No.403 of 2010, etc. batch, vide common order dated 04.07.2014, has fixed the rate of interest at 6% per annum and held as under:-

"5. ..... even though there is no provision in the Tamil Nadu State Transport Corporation Employees Pension Fund for payment of interest, cannot stand in the

light of the law laid down by the Supreme Court in S.K.Dua v. State of Haryana and another, reported in (2008) 3 SCC 44. As a matter of fact, the Rules do not contemplate belated payment of retirement benefits. The Rules contemplate prompt payment. When the Rules contemplate prompt payment and not bleated payment, the Rules will not contain a provision for payment of interest. The Pension Fund which was created as a Trust by the Corporation was supposed to act in trust for the employees' benefit. If the Trust could not make payments within the time stipulated, then, irrespective of whether there is any provision for payment of interest or not, the Corporation is obliged to make payment."

7. Following the dictum laid down on this issue, the writ petition is allowed with a direction to the respondents to pay interest for the belated payment of retirement benefits of the petitioner's deceased husband at the rate of 6% per annum within a period of six months from the date of receipt of a copy of this order. No costs.

02.01.2026

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Index : Yes / No.
Internet: Yes / No.
NCC : Yes / No.

B.PUGALENDHI, J.

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To

1. The General Manager,
   Tamilnadu State Transport Corporation
   (Kumbakonam) Ltd.,
   Trichy Region,
   Trichy.

2. The Administrator,
   Tamil Nadu State Transport Employees'
   Pension Fund Trust,
   Thiruvalluvar Illam,
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