



BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 27.04.2018

CORAM:

WEB COPY

THE HONOURABLE MR.JUSTICE T.S.SIVAGNANAM

W.P(MD)No.9757 of 2018

Narayana Pillai

.. Petitioner

Vs.

1.The Managing Director,
Tamil Nadu State Transport Corporation,
Tirunelveli Limited,
Tirunelveli.

2.The General Manager,
Tamil Nadu State Transport Corporation,
Tirunelveli Limited,
Ranithottam,
Nagercoil - 629 001,
Kanyakumari District.

.. Respondents

PRAYER: Writ Petition is filed under Article 226 of the Constitution of India praying for issuance of a Writ of Mandamus, directing the respondents to pay 18% interest for the belated payment of the petitioner's retirement benefits ie., Provident Fund, Gratuity, Leave Salary, from the date of the petitioner's retirement to the actual date of payment of retirement benefits to the petitioner within a stipulated time.

For Petitioner

: Mr.N.S.Ramakrishna Dass

For respondents

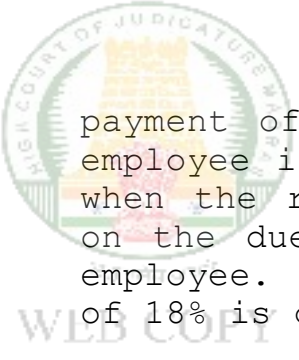
: Mr.K.Sathiya Singh

ORDER

Heard Mr.N.S.Ramakrishna Dass, learned counsel for the petitioner and Mr.Sathiyasingh, learned standing counsel for the respondent.

2. The petitioner seeks for payment of interest at the rate of 18% for the belated payment of retirement benefits ie., Provident Fund, Gratuity, etc.

<https://hcservices.ecourts.gov.in/hcservices/> The Hon'ble Supreme Court as well as this Court in several decisions have held that when there is any delay in



payment of retirement benefits, more particularly, Gratuity, the employee is entitled for payment along with interest. Therefore, when the respondents are admittedly not paid retirement benefits on the due date, they are bound to pay interest to the retired employee. However, I find that the claim of interest at the rate of 18% is on the higher side.

4. In the light of the above, this writ petition is disposed of directing the respondents to pay interest at the rate of 6% for the belated payment of the retirement benefits ie., Provident Fund, Gratuity, etc. to the petitioner from the date of his retirement till the date of actual payment. The respondents are directed to comply with the above direction within a period of eight weeks from the date of receipt of a copy of this order. No costs.

Sd/-

Assistant Registrar (Crl.Side)

/True Copy/

Sub Assistant Registrar

To

1.The Managing Director,
Tamil Nadu State Transport Corporation,
Tirunelveli Limited,
Tirunelveli.

2.The General Manager,
Tamil Nadu State Transport Corporation,
Tirunelveli Limited,
Ranithottam,
Nagercoil - 629 001,
Kanyakumari District.

+1CC TO Mr.N.S.Ramakrishna Dass, Advocate, Sr No.64290

+1CC TO Mr.K.Sathiya Singh, Advocate, Sr No.64712

ORDER MADE IN
W.P(MD)No.9757 of 2018
27.04.2018
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gcg

MS/PN/SAR.3/15.05.2018/2P.5C