WEB COPY

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 29.07.2021

CORAM:

THE HONOURABLE Mr. JUSTICE S.S.SUNDAR

W.P. No.15730/2021

1.M.Balakrishna Kumar
2.Vadivel ...Petitioners

Versus

1. The Tamil Nadu State Transport Corporation Ltd
   Coimbatore Division I, rep.by its Managing
   Director, No.37, Mettupalayam Road,
   Coimbatore.

2. The Administrator
   Tamil Nadu Pension Trust
   Pallavan Salai, Chennai. ...Respondents

Writ Petition filed under Article 226 of the Constitution of India, praying to issue a Writ of Mandamus directing the 1st respondent herein to pay interest for the delayed payments made to the petitioner in respect of Gratuity, Commutation, Provident Fund and Earned Leave etc.

For Petitioner : Mr.D.Anand Raja
For Respondents : Mr.Sundaravadhanam
Standing Counsel

ORDER

(1) The writ petition is filed by the relieved employees of the 1st respondent Corporation for issuance of a writ of mandamus directing the respondents to pay interest for the delayed payment of Provident Fund, Gratuity, Commutation and Earned Leave.

(2) Mr.Sundaravadhanam, learned Standing counsel accepts notice on behalf of the respondents.

(3) In similar cases, this Court has recently reduced interest at 4% per annum for the delayed payment. It is admitted that the petitioners are entitled to terminal benefits and there is delay in settlement of terminal benefits namely Provident Fund, Gratuity, Commutation and Earned Leave. This Court uniformly has recognised the petitioners'

https://hcservices.ecourts.gov.in/hcservices/

WEB COPY

entitlement to interest. Though interest @ 6% was granted earlier, the Courts have subsequently reduced the rate of interest from 6% to 4% considering the difficulties of the Transport Corporation during Covid Pandemic.

(4) This Court is inclined to dispose of these writ petitions with the following direction:

The respondent Transport Corporation is directed to pay interest @ 4% per annum for the delayed payment of Provident Fund, Gratuity, Earned Leave and Commutation of Pension. The amount calculated towards interest should be paid in six monthly instalments commencing from 01.09.2021. In case of any further delay in paying instalments within the time stipulated by this order, the interest payable will be @ 6% for the delayed payment. If there is any dispute with regard to quantum, the parties are at liberty to workout their remedy independently and if there is a delay in payment beyond one year, then the petitioners are liberty to approach this Court for higher rate of interest.

(5) Accordingly, the writ petition stands disposed of. No costs.

Sd/-
Assistant Registrar(CS IV)

//True Copy//

Sub Assistant Registrar

AP

To
1. The Managing Director,
   Tamil Nadu State Transport Corporation ltd.,
   Coimbatore Division I
   No.37, Mettupalayam Road, Coimbatore.

2. The Administrator
   Tamil Nadu Pension Trust
   Pallavan Salai, Chennai.

+1 CC to M/s.D.Anandraj, Advocate, Sr.No. 36652.

W.P. No.15730/2021

PMK(CO)
LS(24/08/2021)

https://hcservices.ecourts.gov.in/hcservices/