



W.P.No.20928 of 2023

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 14.07.2023

CORAM:

THE HONOURABLE MR.JUSTICE N.SATHISH KUMAR

WP.No.20928 of 2023

Arumugam

... Petitioner

Vs

1. The Managing Director,
Tamil Nadu State Transport Corporation [Salem] Ltd.,
No.12, Ramakrishna Road, Salem – 636 007.
2. The General Manager,
Tamil Nadu State Transport Corporation [Salem] Ltd.,
Dharmapuri Region, Bharathipuram, Dharmapuri.
3. The Administrator
Tamil Nadu State Transport Corporation,
Employees Post Retirement Welfare Fund Scheme,
Thiruvalluvar House, Pallavan Salai, Chennai – 600 002.

... Respondents

Prayer:- Writ Petition is filed, under the Article 226 of Constitution of India, to issue a Writ of Mandamus directing the respondents to disburse the interest for belated payment of amount of Provident Fund, Gratuity and Earned Leave Salary, Pension Commutation & consequently direct the respondents to settle Earned Leave Surrender from the years 2010-



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2019, ERBS Pension Amount, DA and 10 days salary amount along with interest within the stipulated time as may be fixed by this Court.

For Petitioner : Mr.N.Desinghu

For Respondents : Mr.K.Raja – R1 & R2

Mr.C.S.K.Sathish – R3

ORDER

This Writ Petition has been filed to direct the respondents to disburse the interest for belated payment of amount of Provident Fund, Gratuity and Earned Leave Salary, Pension Commutation and consequently direct the respondents to settle Earned Leave Surrender from the years 2010-2019, ERBS Pension Amount, DA and 10 days salary amount along with interest within the stipulated time as may be fixed by this Court.

2. The contention of the petitioner is that the petitioner retired from service on 30.06.2022 and his retirement benefits were belatedly settled only on 31.05.2023. Therefore, the petitioner is eligible for interest on



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the belated payment of Provident Fund, Gratuity, Earned Leave Salary, Commutation and other benefits. Hence, seeks interest at the rate of 12% p.a. for belated payment of his retirement benefits.

3. Heard Mr.N.Desinghu learned counsel for the petitioner, Mr.K.Raja, learned counsel appearing for the first and second respondents and Mr.C.S.K.Sathish, learned counsel appearing for the third respondent.

4. This Court, in various decisions, have already taken a view that in all cases of belated payment of the terminal benefits, the concerned employee would be entitled for interest at the rate of 4% per annum. Hence, this Court is of the view that the petitioner is entitled for interest at the rate of 4% per annum on the belated payment of the terminal benefits.

5. Accordingly, the first respondent is directed to pay interest at the rate of 4% per annum on the belated payment of the retirement benefits



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to the petitioner, from the date of his retirement till the date of actual disbursement within a period of eight weeks from the date of receipt of a copy of this Order.

6. With the above direction, this Writ Petition is disposed of. No costs.

14.07.2023

Index: Yes/No

Neutral Citation : Yes/No

vrc

To,

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N.SATHISH KUMAR, J.

VTC

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