



WEB COPY



W.P.No.21831 of 2023

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 25.07.2023

CORAM :

THE HONOURABLE MR. JUSTICE N. SATHISH KUMAR

W.P.No.21831 of 2023

Mahalingam

... Petitioner

Vs.

1.The Managing Director,
Tamil Nadu State Transport Corporation (Salem) Ltd.,
No.12, Ramakrishna Salai,
Salem – 636 007.

2.The General Manager,
Tamil Nadu State Transport Corporation Ltd., (Salem),
Bharathipuram,
Dharmapuri Region,
Dharmapuri – 636 705.

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 filed under Article 226 of the Constitution of India for issuance of a Writ of Mandamus to direct the respondents to pay interest for the belated payment of terminal benefits, namely Provident Fund, Gratuity, Commutation and Social Welfare amount and consequently, to direct the respondents to settle VRS amount, IRTT



W.P.No.21831 of 2023

amount, deposit amount, 8 months pension arrear amount, ERBS amount and 6 days salary at a rate of 9% p.a.

For Petitioner : Mr.J.Pradeep
For R1 and R2 : Mr.K.Raja
For R3 : Mr.C.S.K.Sathish

ORDER

This writ petition has been filed to direct the respondents to pay interest for the belated payment of terminal benefits, namely Provident Fund, Gratuity, Commutation and Social Welfare amount and consequently, to direct the respondents to settle VRS amount, IRTT amount, deposit amount, 8 months pension arrear amount, ERBS amount and 6 days salary at a rate of 9% p.a.

2.It is the case of the petitioner that he retired from the respondent Corporation under Voluntary Retirement Scheme on 31.01.2016 and his retirement benefits were belatedly settled only on 30.08.2016. Therefore, it is the contention of the petitioner that the petitioner is eligible for interest on the belated payment of his retirement benefits, viz., Provident Fund, Gratuity, Commutation and Social Welfare



W.P.No.21831 of 2023

amount. Hence, the petitioner seeks interest at the rate of 9% per annum for the belated payment of his retirement benefits. The petitioner also prays for disbursement of his VRS amount, IRTT amount, deposit amount, 8 months pension arrear amount, ERBS amount and 6 days salary.

3. Heard the learned counsel for the petitioner, Mr.K.Raja, learned counsel, who takes notice for the respondents 1 and 2 and Mr.C.S.K.Sathish, learned counsel, who takes notice for the 3rd respondent.

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

5. Accordingly, the respondents are directed to disburse all the terminal benefits, to which the petitioner is entitled, and also to pay interest at the rate of 4% per annum on the belated payment of all retirement benefits to the petitioner, from the date of his retirement till the date of



W.P.No.21831 of 2023

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.

25.07.2023

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Internet : Yes
Index : Yes / No
Neutral citation : Yes / No
Speaking order / Nonspeaking order

To

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Salem – 636 007.
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N. SATHISH KUMAR, J.



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25.07.2023