



W.P.No.22268 of 2023

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 27.07.2023

CORAM:

THE HONOURABLE MR.JUSTICE N.SATHISH KUMAR

WP.No.22268 of 2023

R.Sabapathi

... Petitioner

Vs

The Management of
Tamilnadu State Transport Corporation [Kovai] Ltd.,
Erode Region, Rep. by its Managing Director,
Erode.

... Respondent

Prayer:- Writ Petition filed, under the Article 226 of Constitution of India, to issue a Writ of Mandamus directing the respondents to pay the petitioner interest at the rate of 18% per annum, for the period of delay from 01.08.22 to 30.05.23, in paying the amounts paid towards his terminal benefits namely EPF Employee's Contribution, Gratuity and Encashment of Earned/Sick Leaves within a time frame as may be fixed by this Court.

For Petitioner : Mr.V.Ajoy Khose

For Respondent : Mr.M.Murali Vinodh



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ORDER

This Writ Petition has been filed to direct the respondent to pay the petitioner interest at the rate of 18% per annum, for the period of delay from 01.08.22 to 30.05.23, in paying the amounts paid towards his terminal benefits namely EPF Employee's Contribution, Gratuity and Encashment of Earned / Sick Leaves within a time frame as may be fixed by this Court.

2. It is the case of the Writ Petitioner that he retired from service on 31.07.2022 on superannuation. It is the contention of the learned counsel that the terminal benefits were belatedly settled to the petitioner only on 31.05.2023. Therefore, the petitioner is eligible for interest on the belated payment of Gratuity, encashment of Earned/Sick Leaves and other benefits. Hence, seeks interest at the rate of 18% p.a. for belated payment of retirement benefits of the petitioner.

3. Heard Mr.V.Ajoy Khose, learned counsel for the petitioner and Mr.M.Murali Vinodh learned counsel appearing for the respondent.



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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 respondents are directed to pay interest at the rate of 4% per annum on the belated payment of the terminal benefits 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.

27.07.2023

Index:Yes/No
Neutral Citation : Yes/No
vrc



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To,

The Management of
Tamilnadu State Transport Corporation [Kovai] Ltd.,
Erode Region, Rep. by its Managing Director,
Erode.



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N.SATHISH KUMAR, J.

VTC

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