



W.P.No.22685 of 2023

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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 02.08.2023

CORAM:

THE HONOURABLE MR.JUSTICE N.SATHISH KUMAR

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1. S.Thangam
2. V.Muthusamy
3. A.R.Rajendran
4. M.Velmurugan
5. S.Balachandar
6. K.K.Ganesan
7. K.Velusamy
8. R.Varadarajan
9. K.K.Magudeswaran

... Petitioners

Vs

1. The Managing Director,
Tamil Nadu State Transport Corporation [Coimbatore] Ltd.,
No.37, Mettupalayam Road, Coimbatore – 641 043.
2. The General Manager,
Tamil Nadu State Transport Corporation Ltd.,
Erode Region, Chennimalai Road, Erode – 638 001.
3. The Administrator,
Tamil Nadu State Transport Corporation EPF Trust,
Thiruvalluvar House, Pallavan Salai, Chennai – 600 002.

... Respondents



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Prayer:- Writ Petition filed, under the Article 226 of Constitution of India, to issue a Writ of Mandamus directing the respondents to pay interest for the belated payment of Provident Fund, Gratuity, Encashment of Earned Leave, Surrender leave and Commuted Value of Pension, at the rate of 12% per annum within a specified time as may be fixed by this Court.

For Petitioners : Mr.N.Senthilkumar

For Respondents : Mr.M.Murali Vinoth
Standing Counsel for the respondents 1 & 2

ORDER

This Writ Petition has been filed to direct the respondents to pay interest for the belated payment of Provident Fund, Gratuity, Encashment of Earned Leave, Surrender leave and Commuted Value of Pension, at the rate of 12% per annum within the time stipulated by this Court.

2. It is the case of the Writ Petitioners that the writ petitioners 1 to 7 retired from service on 31.05.2022, the eighth petitioner retired from service on 30.06.2022 and the ninth petitioner retired from service on



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31.08.2022. It is the contention of the learned counsel that the terminal benefits were belatedly settled to the petitioners only on 22.05.2023. Therefore, the petitioners are eligible for interest on the belated payment of Provident Fund, Gratuity, Earned Leave, Commuted Pension and other benefits. Hence, seeks interest at the rate of 6% p.a. for belated payment of retirement benefits of the petitioners.

3. Heard Mr.N.Senthil Kumar learned counsel for the petitioners and Mr.M.Murali Vinoth, learned Standing Counsel appearing for the respondents.

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.



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5. Accordingly, the first respondent is directed to pay interest at the rate of 4% per annum on the belated payment of the terminal benefits to the petitioners, from the date of their 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.

02.08.2023

Index:Yes/No

Neutral Citation : Yes/No

vrc

To,

1. The Managing Director,
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2. The General Manager,
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N.SATHISH KUMAR, J.

VTC

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