



WEB COPY



W.P.No.23456 of 2023

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 11.08.2023

CORAM:

THE HONOURABLE MR.JUSTICE N.SATHISH KUMAR

WP.No.23456 of 2023

A.M.Thangavel

... Petitioner

Vs

1. The Managing Director,
Tamil Nadu State Transport Corporation [Salem] Ltd.,
Salem Division, No.12, Ramakrishna Road,
Post Box No.713, Salem – 636 007.

2. The General Manager,
Tamil Nadu State Transport Corporation [Salem] Ltd.,
Salem Division, No.12, Ramakrishna Road,
Post Box No.713, Salem – 636 007.

... Respondents

Prayer:- Writ Petition is filed, under the Article 226 of Constitution of India, to issue a Writ of Mandamus directing the Respondents to settle the interest for the belated payment of retirement benefits such as Gratuity, Earned Leave, Commutation of Pension and Provident Fund payable to the petitioner with 6 percent rate of interest within the time frame that may be stipulated by this Court.



W.P.No.23456 of 2023

For Petitioner : Mr.N.Sudhagar Nagaraj

For Respondents : Mr.K.Raja – R1 & R2

ORDER

This Writ Petition has been filed to direct the respondents to settle the interest for the belated payment of retirement benefits such as Gratuity, Earned Leave, Commutation of Pension and Provident Fund payable to the petitioner with 6 percent rate of interest within the time frame that may be stipulated by this Court.

2. The contention of the petitioner is that the petitioner retired from service from 31.05.2022 and his retirement benefits were belatedly settled only on 22.05.2023. Therefore, the petitioner is eligible for interest on the belated payment of Provident Fund, Gratuity, Earned Leave Salary, Commutation and other benefits. Hence, seeks interest at the rate of 6% p.a. for belated payment of his retirement benefits.



W.P.No.23456 of 2023

3. Heard Mr.N.Sudhagar Nagaraj learned counsel for the petitioner, Mr.K.Raja, learned counsel appearing for the first respondent and the second 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 respondents are directed to pay interest at the rate of 4% per annum on the belated payment of the retirement 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



W.P.No.23456 of 2023

costs.

WEB COPY

11.08.2023

Index:Yes/No

Neutral Citation : Yes/No

vrc

To,

1. The Managing Director,
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Post Box No.713, Salem – 636 007.

2. The General Manager,
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W.P.No.23456 of 2023

N.SATHISH KUMAR, J.

VTC

WP.No.23456 of 2023

11.08.2023