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W.P.No.26026 of 2023

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 05.09.2023

CORAM :

THE HONOURABLE MR. JUSTICE N. SATHISH KUMAR

W.P.No.26026 of 2023

A.Sugumar

... Petitioner

Vs.

1.The Managing Director,
Tamil Nadu State Transport Corporation (Villupuram) Ltd.,
3/137, Salamedu Vazutha Reddy,
Villupuram – 605 602.

2.The General Manager,
Tamil Nadu State Transport Corporation (Villupuram) Ltd.,
Vellore Region,
Rangapuram, Vellore – 632 009.

3.The Administrator,
Tamil Nadu State Transport Corporations
Employees' Pension Trust Fund,
No.2, 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 @ 10% for the belated payment of Gratuity, Provident Fund, Leave Salary and Commutation amount to the petitioner.



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For Petitioners : Mr.S.T.Varadarajalu

For R1 and R2 : Mr.R.Venkatesa Perumal

For R3 : Mr.C.S.K.Sathish

ORDER

This writ petition has been filed to direct the respondents to pay interest @ 10% for the belated payment of Gratuity, Provident Fund, Leave Salary and Commutation amount to the petitioner.

2.It is the case of the petitioner that he retired from the respondent Corporation on 31.08.2022 and his retirement benefits were belatedly settled only on 23.05.2023. Therefore, it is the contention of the petitioner that the petitioner is eligible for interest on the belated payment of his retirement benefits, viz., Gratuity, Provident Fund, Leave Salary and Commutation amount. Hence, the petitioner seeks interest at the rate of 10% per annum for the belated payment of his retirement benefits.

3.Heard the learned counsel for the petitioner, Mr.R.Venkatesa Perumal, 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.

<https://www.mhc.tn.gov.in/judis>



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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 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 costs.

05.09.2023

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Internet : Yes

Index : Yes / No

Neutral citation : Yes / No

Speaking order / Nonspeaking order



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N. SATHISH KUMAR, J.

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To

- 1.The Managing Director,
Tamil Nadu State Transport Corporation (Villupuram) Ltd.,
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Villupuram – 605 602.
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