



W.P.No.26668 of 2023

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 12.09.2023

CORAM :

THE HONOURABLE MR. JUSTICE N. SATHISH KUMAR

W.P.No.26668 of 2023

V.Lakshmanasamy

... Petitioner

Vs.

Managing Director,
Tamil Nadu State Transport Corporation Ltd.,
Coimbatore Region,
No.37, Mettupalayam Road,
Coimbatore – 641 043.

... Respondent

Prayer : Writ Petition filed under Article 226 of the Constitution of India for issuance of a Writ of Mandamus to direct the respondent to pay the petitioner the interest for the principal amount paid to him towards the Encashment of 60 days of Earned Leave, surrendered by him in the years while he was in service before his retirement as admitted by the respondent, based on his monthly wages of the respective months of surrender of those Earned Leave calculating interest @ 6% p.a from the respective due dates within a time frame as may be fixed by this Court.

For Petitioner : Mr.M.A.Sivakumaran

For Respondent : Mr.A.Vinodhraj



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ORDER

WEB COPY

This writ petition has been filed to direct the respondent to pay the petitioner the interest for the principal amount paid to him towards the Encashment of 60 days of Earned Leave, surrendered by him in the years while he was in service before his retirement as admitted by the respondent, based on his monthly wages of the respective months of surrender of those Earned Leave calculating interest @ 6% p.a from the respective due dates within a time frame as may be fixed by this Court.

2.It is the case of the petitioner that the petitioner retired from the respondent Corporation on 31.10.2015, however, the Encashment of 60 days of Earned Leave surrendered by him in the years while he was in service before his retirement, was not settled by the respondent. Therefore, the petitioner approached this Court earlier and pursuant to the orders of this Court, the respondent has disbursed the Encashment of Earned Leave amount to the petitioner. However, it is the grievance of the petitioner that the petitioner is entitled to interest at the rate of 6% p.a. for the belated payment of the Encashment of Earned Leave amount. Hence, the writ.



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3. Heard the learned counsel for the petitioner and

Mr.A.Vinodhraj, learned counsel, who takes notice for the 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 respondent is directed to pay interest at the rate of 4% per annum for the belated payment of the amount paid to him towards the Encashment of 60 days of Earned Leave surrendered by him, 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.

12.09.2023

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N. SATHISH KUMAR, J.



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WEB COM

Internet : Yes

Index : Yes / No

Neutral citation : Yes / No

Speaking order / Nonspeaking order

To

The Managing Director,
Tamil Nadu State Transport Corporation Ltd.,
Coimbatore Region,
No.37, Mettupalayam Road,
Coimbatore – 641 043.

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