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W.P.No.27931 of 2023

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 26.09.2023

CORAM:

THE HONOURABLE MR.JUSTICE N.SATHISH KUMAR

WP.No.27931 of 2023

M.Ismail

... Petitioner

Vs

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

... Respondent

Prayer:- Writ Petition is filed, under the Article 226 of Constitution of India, to issue a Writ of Mandamus directing the respondent to pay the petitioner interest to the petitioner at the rate of 18 percentage per annum for the period of delay from 01.05.18 to 19.09.19 in paying the amounts paid towards his terminal benefits namely EPF Employees Contribution Gratuity and Encashment of Leaves within a time frame as may be fixed by this Honourable Court and without affecting his right to claim balance amounts towards those benefits.



W.P.No.27931 of 2023

WEB COPY

For Petitioner : Mr.V.Ajoy Khose

For Respondent : Mr.A.Vinothraj

ORDER

This Writ Petition has been filed to direct the respondent to pay the petitioner interest to the petitioner at the rate of 18 percentage per annum for the period of delay from 01.05.2018 to 19.09.2019 in paying the amounts paid towards his terminal benefits namely EPF Employees Contribution Gratuity and Encashment of Leaves within a time frame as may be fixed by this Honourable Court and without affecting his right to claim balance amounts towards those benefits.

2. The contention of the petitioner is that the petitioner has retired from service on 30.04.2018 on attaining the age of superannuation and his retirement benefits were belatedly credited to the account of the petitioner only on 20.09.2019. Therefore, the petitioner is eligible for interest on the belated payment of EPF Employees Contribution Gratuity



W.P.No.27931 of 2023

and Encashment of Leaves and other benefits. Hence, seeks interest for belated payment of his retirement benefits.

3. Heard Mr.V.Ajay Khose, learned counsel for the petitioner, Mr.A.Vinothraj, learned counsel appearing for the 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.



W.P.No.27931 of 2023

WEB COPY

6. With the above direction, this Writ Petition is disposed of. No costs.

26.09.2023

Index: Yes/No

Neutral Citation : Yes/No

vrc

To,

The Managing Director,
Tamil Nadu State Transport Corporation [Kovai] Ltd.,
Erode Region, Erode.



WEB COPY



W.P.No.27931 of 2023

N.SATHISH KUMAR, J.

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WP.No.27931 of 2023

26.09.2023