



W.P.No.30331 of 2023

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 30.10.2023

CORAM:

THE HONOURABLE MR. JUSTICE M.S. RAMESH

W.P.No.30331 of 2023

N.Selvakumar

...Petitioner

Vs.

1.The Managing Director,
Tamil Nadu State Transport
Corporation (Coimbatore) Ltd.,
Mettupalayam Road,
Coimbatore – 43.

2.The Administrator,
Tamil Nadu State Transport Corporation,
Pension Fund Trust,
Thiruvalluvar House, Pallavan Salai,
Chennai – 2.

...Respondents

PRAYER: Writ Petition filed under Article 226 of the Constitution of India praying to issue a Writ of Mandamus, directing the respondents 1 and 2 to pay the interest at the rate of 18% per annum for the belated payment of the terminal benefits which includes, gratuity, provident fund, commutation of pension and leave encashment of salary for the period i.e. date of retirement 31.05.2022 to date of payment of the benefits i.e., 22.05.2023 payable to the petitioner for his service rendered in the respondent Corporation within a time frame.



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W.P.No.30331 of 2023

For Petitioner : Mr.P.Paramasivadosh
For R1 : Mr.C.Gauthamaraj
Standing Counsel
For R2 : Mr.C.S.K.Sathish
Standing Counsel

ORDER

With the consent of both the parties, this Writ Petition is taken up for final disposal at the admission stage itself.

2. The petitioner herein had retired from service on 31.05.2022 on reaching the age of superannuation. However, his terminal benefits, i.e., Provident Fund, Gratuity and Encashment of Leave, came to be settled belatedly on 22.05.2023 and the respondents have not paid interest for the belated payment. In this regard, the petitioner has given a representation to the respondents on 01.09.2023, which is yet to be considered.

3. This Court, in various decisions, have already taken a view that in all cases of belated payment of the terminal benefits, the concerned



W.P.No.30331 of 2023

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employee would be entitled for interest at the rate of 6% per annum. In this background, this Court is of the view that if the respondents are directed to pay interest on the belated payment of the terminal benefits of the petitioner, the ends of justice could be secured.

4. In the light of the above observations, there shall be a direction to the first respondent herein to settle the interest amount at the rate of 6% per annum on the belated payment of the terminal benefits from the date of the petitioner's retirement till the date of actual payment, within a period of four (4) weeks from the date of receipt of a copy of this order.

5. With the above direction, the Writ Petition stands disposed of.

No costs.

30.10.2023

Index: Yes/No

Speaking order/Non-speaking order

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W.P.No.30331 of 2023

M.S.RAMESH,J.

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To

- 1.The Managing Director,
Tamil Nadu State Transport
Corporation (Coimbatore) Ltd.,
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- 2.The Administrator,
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W.P.No.30331 of 2023

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