



W.P.(MD).Nos.6544 & 6545 of 2023

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

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DATED: 27.03.2023

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THE HONOURABLE MRS.JUSTICE S.SRIMATHY

W.P.(MD)Nos.6544 & 6545 of 2023

S.Akbar Batcha ... Petitioner in
W.P.(MD)No.6544 of 2023

K.Mythili ... Petitioner in
W.P.(MD)No.6545 of 2023

Vs.

1.The Managing Director,
Tamil Nadu State Transport
Corporation (Madurai) Limited,
Bye-Pass Road,
Madurai – 625 016.

2. The Administrator,
The Tamil Nadu State Transport
Corporation Employees' Pension Fund Trust,
Thiruvalluvar House,
Pallavan Salai,
Chennai – 600 002.

... Respondents in both the
writ petitions

COMMON PRAYER: Writ Petition filed under Article 226 of the Constitution of India for issuance of *Writ of Mandamus*, directing the respondents to pay interest at the rate of 6% per annum to the petitioners for the belated payment of Gratuity, Provident Fund, Leave salary and Pension commutation from the date of retirement to the date of actual payment.



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For Petitioners : M/s.C.Thangamani
For R-1 : Mr.S.Sivabalaji,
Standing Counsel
For R-2 : Mr.S.C.Herold Singh
Standing Counsel

COMMON ORDER

By consent of both parties, these writ petitions are taken up for final disposal at the stage of admission itself.

2. These writ petitions have been filed seeking direction to the respondents to pay interest at the rate of 6% per annum to the petitioners for the belated payment of Gratuity, Provident Fund, Leave salary and Pension commutation from the date of retirement to the date of actual payment.

3. As far as the Commutation of Pension is concerned, the same would be paid based on the request of the employee on submitting application and not from the date of retirement. Hence the same would not carry any interest. The Gratuity ought to be paid within the prescribed period and any belated payment would carry statutory interest as prescribed under the Payment of Gratuity Act. The respondents would have paid gratuity amount alone with interest only. As far as Provident Fund is concerned the same would be paid with accrued interest and the



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respondent would have paid along with interest. As far as Leave Salary the respondents bound to pay the same, but there are no statutory rules prescribing interest. However, there are judgment to this effect to pay banking interest.

4. Therefore, this Court is inclined to pass the following order:

(i) As far as the Gratuity is concerned, the same would be paid along with statutory interest. If the respondents settled without interest, then the respondents shall pay the applicable interest.

(i). As far as the Commutation of Pension, the respondents need not pay any interest.

(ii) As far as the Provident Fund is concerned the same would be paid with accrued interest. If the respondents settled without interest, then the respondents shall pay the applicable interest.

(iii) As far as the Leave Salary is concerned, there is no statutory rules and regulations prescribing interest. However, the respondents shall pay 6% per annum for belated payment.

(vi) The respondents shall comply with the order within a period of four weeks from the date of receipt of a copy of the order.



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5. With the above directions, these Writ Petitions are allowed.

No Costs.

Index : Yes / No
Internet : Yes
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To

The Member of Secretary,
Sports Development Authority of Tamil Nadu,
Chennai – 84.



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S.SRIMATHY, J

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**Common Order made in
W.P.(MD)Nos.6544 & 6545 of 2023**

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