



W.P.No.3796 of 2024

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 20.02.2024

CORAM :

THE HONOURABLE MR. JUSTICE G.K.ILANTHIRAIYAN

W.P.No.3796 of 2024

K.Madhaiyan

...Petitioner

-Vs-

Tamilnadu State Transport Corporation (Salem) Ltd.,
Rep. by its The Managing Director,
No.12, Ramakrishna Road,
Salem-7.

...Respondent

Prayer : Writ Petition filed under Article 226 of the Constitution of India for issuance of a Writ of Mandamus directing the respondent to pay the petitioner interest at the rate of 18% per annum for the belated payment of the petitioner's PF, Gratuity and earned leave salary with interest at the rate of 18% within a specified time.

For petitioner

: Mr.R.Krishnaswamy

For respondent

: Mr.K.Raja,
Standing Counsel



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ORDER

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This writ petition has been filed seeking direction to the respondent to pay interest at the rate of 18% per annum for the belated payment leave salary, Provident Fund, Gratuity and PF with interest at the rate of 18% as sought for in the petitioner's representation.

2. Heard the learned counsel appearing for the petitioner and the learned Standing Counsel appearing for the respondent and perused the materials available on record.

3. In identical issues, this Court has passed various orders, justifying the payment of interest to the aggrieved pensioners and in the order dated 13.12.2019 in W.P.(MD).No.26481 of 2019, the following order came to be passed : -

"5. I am not in agreement with the said representation made. There was already a duty cast on the respondent Corporation to pay the terminal benefits on the date of retirement itself and the very fact that the belated disbursement of retirement benefit, had already put the



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retired employee to serious prejudice, entertaining the present request for disbursement of the interest on the belated payment in installments, could cause further prejudice to the retired employee.

6. In the light of the above observations, there shall be a direction to the respondent / Corporation to pay the penal interest at the rate of 6% per annum on the belated payment of the retirement benefits for the period from the date of the retirement, till the date of the actual disbursement, as expeditiously as possible and in any event, not before the expiry of three month from the date of receipt of a copy of this order.

4. This Court is of the view that the respondent could be directed to pay the interest on the belated payment, at the rate of 6% per annum, as ordered in the above writ petition.



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5. In the light of the above findings, there shall be a direction to the respondent herein to pay the interest on the belated payment of the terminal benefits to the petitioner at the rate of 6% per annum, commencing from the date of the retirement, till the date of actual disbursement, within a period of eight weeks from the date of receipt of copy of this order.

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

20.02.2024

Index : Yes/No
Internet: Yes/No
gvn



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To

Tamilnadu State Transport Corporation (Salem) Ltd.,
Rep. by its The Managing Director,
No.12, Ramakrishna Road,
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G.K.ILANTHIRAIYAN,J.
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