



W.P.No.30221 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 12.08.2025

CORAM:

THE HONOURABLE MS. JUSTICE P.T.ASHA

W.P.No.30221 of 2025

M.Sridhar

.. Petitioner

Vs.

1. The Managing Director,
Metropolitan Transport Corporation
(Chennai) Ltd.,
Pallavan Salai, Chennai – 600 002.

2. The Administrator,
Tamil Nadu State Transport Corporation
Retired Employees Pensions Trust,
No.2, Thiruvallur Illam, SETC Head Office,
Pallavan Salai, Chennai – 600 002.

... Respondents

PRAYER: Writ Petition filed under Article 226 of the Constitution of India, to issue a Writ of Mandamus directing the respondent to pay the interest at the rate of 18% per annum for the belated payment of retirement benefits including Gratuity, Provident Fund, Earned Leave encashment amount and Commutation of Pension within the time limit that may be fixed by this Court.

For Petitioners : Mr.K.Malaikannu

For Respondents : Mr.A.Vinothraj
Standing Counsel for R1



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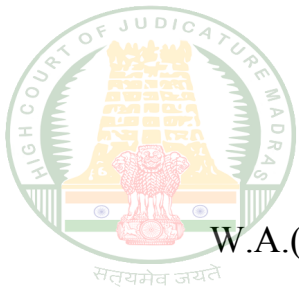
ORDER

The Writ Petition is filed for the below relief:

" directing the respondent to pay the interest at the rate of 18% per annum for the belated payment of retirement benefits including, Gratuity, Provident fund, Earned Leave encashment amount and Commutation of Pension within the time limit".

2. The brief facts which has culminated in the filing of this writ petition is set out below:

2.1. The petitioner was appointed as a Gardener in the first Respondent Corporation on 30.09.1993. He attained the age of superannuation on 30.06.2023. The Respondents failed to settle the retirement benefits to the petitioner immediately on his attaining superannuation and the petitioner had made several representations and ultimately on 16.04.2025, the gratuity, provident fund, earned leave encashment and commutation were settled to the petitioner however, there was a delay of over 655 days in disbursing the amounts. Therefore, the petitioner would submit that he is entitled to interest. The petitioner would rely on the decision of the Hon'ble Division Bench of this Court in



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W.A.(MD).No.383 to 457 of 2015 dated 12.06.2015, wherein, the Hon'ble Division Bench had directed that the interest to be paid on the delayed payments.

3. The petitioner would submit that in the judgement of the Hon'ble Supreme Court in the case of *Tewari (D) Thr.Lrs vs. Uttar Haryana Bijli Vitran Nigam Ltd* reported in *2014 (8) SCC 894* the Hon'ble Supreme Court had directed interest at 18% per annum in case of default. The petitioner therefore, would seek the very same relief in this Writ Petition.

4. Heard the learned Counsels on either side.

5. Admittedly, the petitioner's retirement benefits has been paid after delay of two years for no fault of the petitioner. Therefore, the petitioner is entitled to interest on the same. Had the retirement benefits been issued to the petitioner earlier, he could have invested the same and earned interest thereby making a nest for himself in the post retirement stage. Therefore, ***Writ Petition is partly allowed*** and directions are issued to the respondent to pay the interest at the rate of 6% per annum instead of 18% per annum as claimed for the belated payment of



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retirement benefits including, Gratuity, Provident Fund, earned leave encashment amount and Commutation of Pension within a period of two (2) months from the date of receipt of this order. The learned counsel for the petitioner has consented for a reduced interest taking note of a current rate of interest on fixed deposits and the various judgments of this Court.

6. With the above directions, the Writ Petition stands partly Allowed. No costs.

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dh

Index: Yes/No

Internet: Yes/No

To

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