



WEB COPY

WP No. 29991 of 2025



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 11-08-2025

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THE HONOURABLE MS. JUSTICE P.T. ASHA

WP No. 29991 of 2025

1. G.Elumalai
B/14, Kabali Thottam,
Mylapore, Chennai-04.

Petitioner(s)

Vs

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

Respondent(s)

PRAYER

directing the respondent to pay the interest at the rate of 18 percent per annum for the belated payment of retirement benefits including Gratuity, provident fund and earned leave encashment amount without the time limit that may be fixed by this Honourable Court

For Petitioner(s): Mr.K.Malaikannu

For Respondent: Mr.A.Vinoth Raj



ORDER

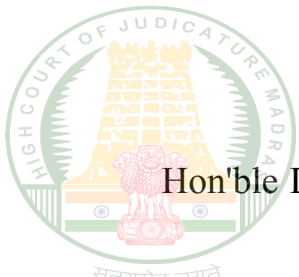
The Writ Petition is filed for the below relief:

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" 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 and Earned Leave encashment amount within the time limit".

2. The brief facts which are culminating in the filing of this writ petitions are set out below:

2.1. The petitioner has been appointed as a Conductor in the Respondent Corporation on 03.06.1997. He attained the age of superannuation on 30.06.2023. The Respondent 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 and earned leave encashment 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 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.

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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* wherein 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 allowed as prayed for 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 retirement benefits including, Gratuity, Provident Fund



and earned leave encashment amount within a period of two (2) months from the date of receipt of this order.

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

11-08-2025

shl

Index: Yes/No

Speaking/Non-speaking order

Internet: Yes

Neutral Citation: Yes/No

To

1. The Managing Director

Metropolitan Transport Corporation (Chennai) Ltd.,

Pallavan Salai, Chennai-600 002.



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P.T.ASHA J.

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