



BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 03.11.2016

C O R A M

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THE HON'BLE DR.JUSTICE S.VIMALA

W.P.(MD) No.3236 of 2015

T.Kulandhaivelu

.. Petitioner

Vs.

1.The Tamil Nadu State Transport Corporation (Kumbakonam) Ltd.,
Represented by its Managing Director,
New Railway Station Road,
Kumbakona, Thanjavur District-612 001.

2.The General Manager
The Tamil Nadu State Transport Corporation (Kumbakonam) Ltd.,
Kumbakonam Region,
Kumbakonam-612 001.

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

... Respondents

Prayer: Petition filed under Article 226 of the Constitution of India praying for the issuance of a Writ of Mandamus, directing the respondents to settle the leave salary of the petitioner with interest at the rate of 12% per annum payable from the date of his retirement to till the date of his actual settlement and also to pay the petitioner difference in grade pay and difference in dearness allowance with effect from 01.04.2013 to 31.08.2014 and the difference in retirement terminal benefits towards commuted value of pension unavailed leave salary with interest at the rate of 12% per annum payable from the date of the petitioner's retirement till the date of actual settlement within a time limit that may be fixed by this Hon'ble Court.

For petitioner	: Mr.A.Rahul
For R1 & R2	: Mr.D.Sivaraman
For R3	: Mr.A.P.Muthupandian

O R D E R

<https://hcservices.ecourts.gov.in/hcservices/>
The petitioner joined the services of the 1st respondent corporation as Security Guard with effect from 11.12.1980; that he



was subsequently promoted as Special Grade Security Guard and he retired from service on 31.03.2013 in the said post and the petitioner has approached this Court, seeking the following relief:

(i) To settle the leave salary of the petitioner with interest at the rate of 12% per annum payable from the date of his retirement to till the date of his actual settlement ;

(ii) To pay the petitioner difference in grade pay and difference in dearness allowance with effect from 01.04.2013 to 31.08.2014; and

(iii) To pay the difference in retirement terminal benefits towards commuted value of pension unavailed leave salary with interest at the rate of 12% per annum payable from the date of the petitioner's retirement till the date of actual settlement.

Difference in Grade Pay and Dearness Allowance:

2. Based on the Clause 4 of 12(3) settlement dated 22.01.2011 and the basis of the representation given by the petitioner, the respondent has revised the grade pay as Rs.4200/- and paid the difference in grade pay for the month of September, 2014 alone and the arrears from 01.04.2013 to 31.08.2014 was not paid; that the petitioner retired from service on 31.03.2013 and at the time of settlement, his terminal benefits were settled based on the last drawn salary, i.e. grade pay at Rs.2450/- with 72% instead of Rs.4200/- with 80%.

Conclusion:

3. It is seen from order issued by the respondent Corporation on 15.09.2014 that the petitioner is entitled to revision of grade pay from Rs.2450/- to Rs.4200/- in the 5th stage of review and to the contrary, while settling his terminal benefits, only Rs.2450/- was taken into account and subsequently, the difference was paid only for the month of September, 2014 alone.

3.1. Therefore, a direction is issued to the transport corporation to pay the arrears of the difference in grade pay from 01.04.2013 to 31.08.2014 within a period of four weeks from the date of receipt of a copy of this order.

Settlement of Terminal Benefits:

4. The First Bench of this Court in similar matter has passed an order dated 12.06.2015 in W.A.(MD) Nos.383 to 457 of 2015, issuing direction to the transport Corporations to settle the terminal benefits of its employees in equal monthly instalments and to pay 6% interest on the terminal benefits payable to the workman. The Bench has also held that workman is entitled to 6% interest for the defaulted period of instalment.

Conclusion:

4.1. Therefore, a direction is issued to the transport



corporation to settle the terminal benefits of the petitioner that are yet to be settled, in twelve equal monthly instalments. The first instalment shall commence by making payment on or before the 10th May 2017 and the amount in each of the remaining instalments shall be paid on or before 10th of every succeeding month;

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4.2. The said terminal amount shall carry interest @ 6% per annum, as per the Division Bench judgment referred to above. In case of delay in making instalments, the interest payable could be 18% for the delayed period;

4.3. The aforesaid direction to settle the terminal benefits would not preclude the workman to question the computation of any of the terminal benefits, if the same is paid lesser than the amount to which, he is entitled to receive. Likewise, if the petitioner has any grievance that he is entitled to interest for the amount already settled, he can agitate the same as per law, if he is entitled.

Interest for the Commuted Value of Pension

5. Following the Division Bench Judgment of this Court in Writ Appeal (MD)Nos.383 to 457 of 2015, dated 12.06.2015, the Courts are consistently passing orders for payment of retirement dues with interest at 6% p.a. with default interest of 18% p.a.

Conclusion:

5.1. Accordingly, the respondents are directed to pay the interest due (at rate of 6% p.a.) on the retirement dues already paid, within a period of six weeks from the date of receipt of a copy of this order, failing which, the default interest would be 18% p.a.

With these directions, this Writ Petition is disposed of. No costs. No costs.

Sd/-
Assistant Registrar(CO)

/True Copy/

Sub Assistant Registrar

To:

1.The Tamil Nadu State Transport
Corporation (Kumbakonam) Ltd.,
Represented by its Managing Director,
New Railway Station Road,
Kumbakona, Thanjavur District-612 001.



2.The General Manager
The Tamil Nadu State Transport
Corporation (Kumbakonam) Ltd.,
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3.The Administrator,
The Tamil Nadu State Transport Corporation,
Employees Pension Fund Trust,
Thiruvalluvar House,
Pallavan Salai, Chennai-600 002.

+1cc to M/S.A.RAHUL, Advocate SR.No.65124

+1cc to M/S.D.SIVARAMAN, Advocate SR.No.66210

W.P.(MD) No.3236 of 2015

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03.11.2016

JM/SKN RSK/SAR 2/18.04.2017/4P/6C