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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 08.10.2021

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THE HON'BLE MR.JUSTICE C.SARAVANAN

W.P.No.21804 of 2021

and

W.M.P.No.22989 of 2021

(Through Video Conferencing)

1.N.Dhanasearan

2.N.Maganathan

...Petitioners

Vs.

1. The Government of Tamil Nadu,
Represented by its Secretary to Government,
Transport Department,
Secretariat, Chennai - 600 009.

2. The Managing Director,
Tamil Nadu State Transport
Corporation (Salem) Limited,
Salem Division, No.12, Ramakrishna Road,
Post Box No.713,
Salem - 636 007.

3. The General Manager,
Tamil Nadu State Transport
Corporation (Salem) Limited,
Salem Division, No.12, Ramakrishna Road,
Post Box No.713,
Salem - 636 007.

4. The General Manager,
Tamil Nadu State Transport
Corporation (Salem) Limited,
Dharmapuri Region,
Dharmapuri District - 636 705.

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

...Respondents



Prayer: Writ Petition filed under Article 226 of Constitution of India, for issuance of a Writ of Mandamus directing the respondents to settle the interest for the belated payment of retirement benefits such as Gratuity, Earned Leave, Medical Leave, Commutation of Pension, Provident Fund and other retirement benefits payable to the petitioners with 18% rate of interest.

For Petitioners : Mr.N.Sudhagar Nagaraj

For Respondents :

For R : Mr.V.P.R.Elamparithi
Government Advocate

For R2 to R4 : Mr.D.Raghu
Standing Counsel

For R5 : Mr.C.S.K.Sathish
Standing Counsel

ORDER

This Writ Petition has been filed for a Writ of Mandamus, to direct the respondents to settle interest at the rate of 18% per annum for the belated payment of the petitioners Gratuity, Earned Leave, Medical Leave, Commutation of Pension and Provident Fund in terms of the decision of the First Bench of the Madurai Bench of this Court in W.A.(MD)Nos.383 to 457 of 2015.

2. The First Bench of the Madurai Bench of this Court, in the above case, has directed the State Transport Corporation to settle the terminal benefits of its employees in 12 equal monthly installments and to pay interest at the rate of 6% on the terminal benefits payable to the workman. The First Bench of the Madurai Bench of this Court has also held that workman is entitled to 18% interest for the defaulted period of installments.

3. It is noticed that though the above observation of the First Bench of the Madurai Bench of this Court was followed by a learned Single Judge in W.P.No.15886 of 2020 vide order dated 19.01.2021, the learned Single Judge has subsequently modified the views in W.P.No.506 of 2021 vide order dated 24.03.2021 considering the constraints of the State Finance due to the outbreak of Covid-19 with the following directions:-

"(i) Respondent/Transport Corporation is directed to pay interest @ 4% per annum to the Petitioner for the belated payment of



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gratuity, leave salary and communication of pension amount that are yet to be settled, in six equal monthly instalments, commencing 01.04.2021.

(ii) In case of delay in making instalments within the time stipulated supra, with reference to the judgment of the Division Bench of this Court (supra), interest payable for the period of delay shall be at 6% per annum."

4. Considering the same, this Writ Petition is disposed by directing the respondent to consider the representation dated 11.08.2021 of the petitioners and to pay interest at the rate of 4% per annum for the belated payment of Gratuity, Earned Leave, Medical Leave and other legal dues to the petitioners in six equated monthly instalments commencing from 1st November, 2021. No costs. Consequently, connected Writ Miscellaneous Petition is closed.

Sd/-

Assistant Registrar(CS IX)

//True Copy//

Sub Assistant Registrar

arb

To

1. The Secretary,
Government of Tamil Nadu,
Transport Department,
Secretariat, Chennai - 600 009.
2. The Managing Director,
Tamil Nadu State Transport
Corporation (Salem) Limited,
Salem Division, No.12, Ramakrishna Road,
Post Box No.713, Salem - 636 007.
3. The General Manager,
Tamil Nadu State Transport
Corporation (Salem) Limited,
Salem Division, No.12, Ramakrishna Road,
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Salem - 636 007.



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4. The General Manager,
Tamil Nadu State Transport
Corporation (Salem) Limited,
Dharmapuri Region,
Dharmapuri District - 636 705.

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

+1cc to Mr.N.Sudhagar Nagaraj, Advocate, S.R.No.53558
+1cc to the Government Pleader, S.R.No.53485

W.P.No.21804 of 2021
and
W.M.P.No.22989 of 2021

AD[co]
NSK 02/11/2021