

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 04.10.2021

CORAM

THE HON'BLE **MR.JUSTICE C.SARAVANAN**

W.P.Nos.21309, 21312 & 21316 of 2021

(Through Video Conferencing)

1.D.Hidayadulla ... Petitioner
in W.P.No.21309 of 2021

2.V.Kalyanakumar ... Petitioner
in W.P.No.21312 of 2021

3.R.Chandrasekaran ... Petitioner
in W.P.No.21316 of 2021

Vs.

1.The Management of
Tamil Nadu State Transport
Corporation (Kovai) Limited,
Erode Region, Represented by its Managing Director,
Erode.

2.The Administrator,
Tamil Nadu State Transport Corporation
Employees' Pension Fund Trust,
Thiruvalluvar Illam, Anna Salai,
Chennai – 600 002.

... Respondents in all W.Ps

Prayer in W.P.No.21309 of 2021: Writ Petition filed under Article 226 of Constitution of India, for issuance of a Writ of Mandamus directing the respondents to pay the petitioner interest at the rate of 18% per annum, for the period of delay from **01.08.2018 to 20.09.2019** in paying the amounts paid towards the terminal and pension benefits of the petitioner namely EPF Employee's Contribution, Gratuity, Encashment of Earned/Sick Leaves and Commutated Value of Pension.

Prayer in W.P.Nos.21312 & 21316 of 2021: Writ Petition filed under Article 226 of Constitution of India, for issuance of a Writ of Mandamus directing the respondents to pay the petitioner interest at the rate of 18% per annum, for the period of delay from **01.06.2019 to 24.01.2021** in paying the amounts paid towards the terminal and pension benefits of the petitioner namely EPF Employee's Contribution, Gratuity, Encashment of Earned/Sick Leaves and Commutated Value of Pension.

For Petitioners : Ms.H.Nandhini
(In all W.Ps) for Mr.V.Ajoy Khose

For Respondents : Mr.A.Sundaravadhanam
(In all W.Ps) Standing Counsel

COMMON ORDER

These Writ Petitions have been filed for a Writ of Mandamus, to direct the respondents to pay interest at the rate of 18% per annum for the period of delay from 01.08.2018 to 20.09.2019 and 01.06.2019 to 24.01.2021 in paying the amounts paid towards the terminal and pension benefits of the petitioners namely EPF Employee's Contribution, Gratuity, Encashment of Earned/Sick Leaves and Commutated Value of Pension 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 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, these Writ Petitions are disposed by directing the respondents to consider the representation dated 30.06.2021 of the petitioners and to pay interest at the rate of 4% per annum for the belated payment of EPF Employee's Contribution, Gratuity and other legal dues to the petitioners in six equated monthly instalments commencing from 1st November, 2021. No costs.

04.10.2021

Index : Yes/No

Internet : Yes/No

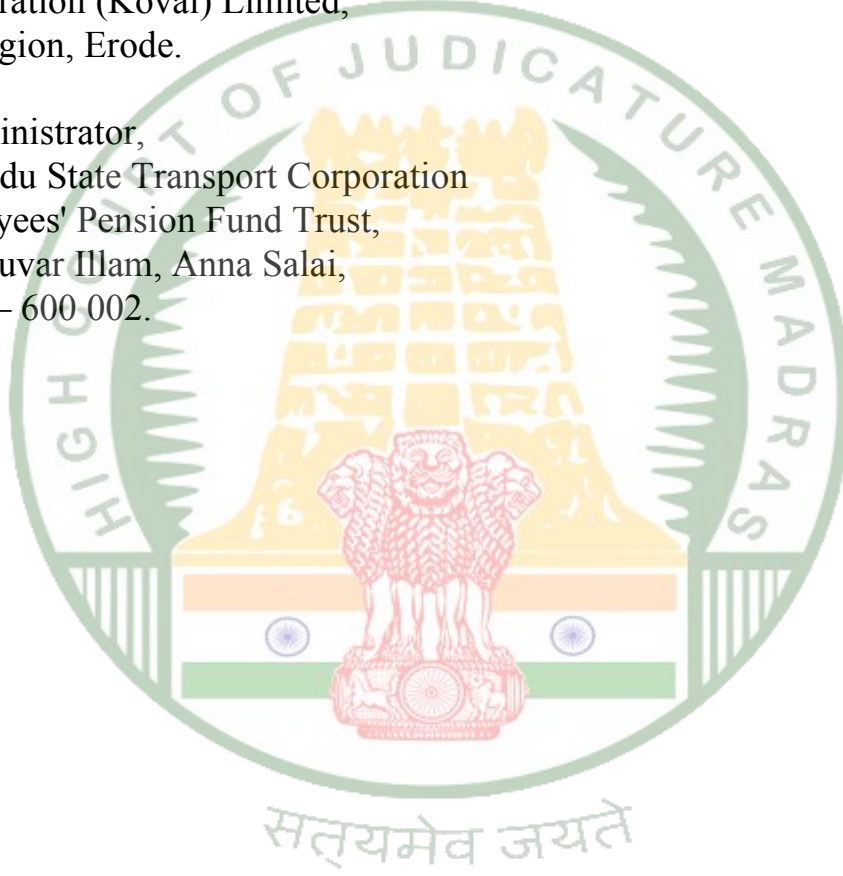
Speaking/Non-speaking Order

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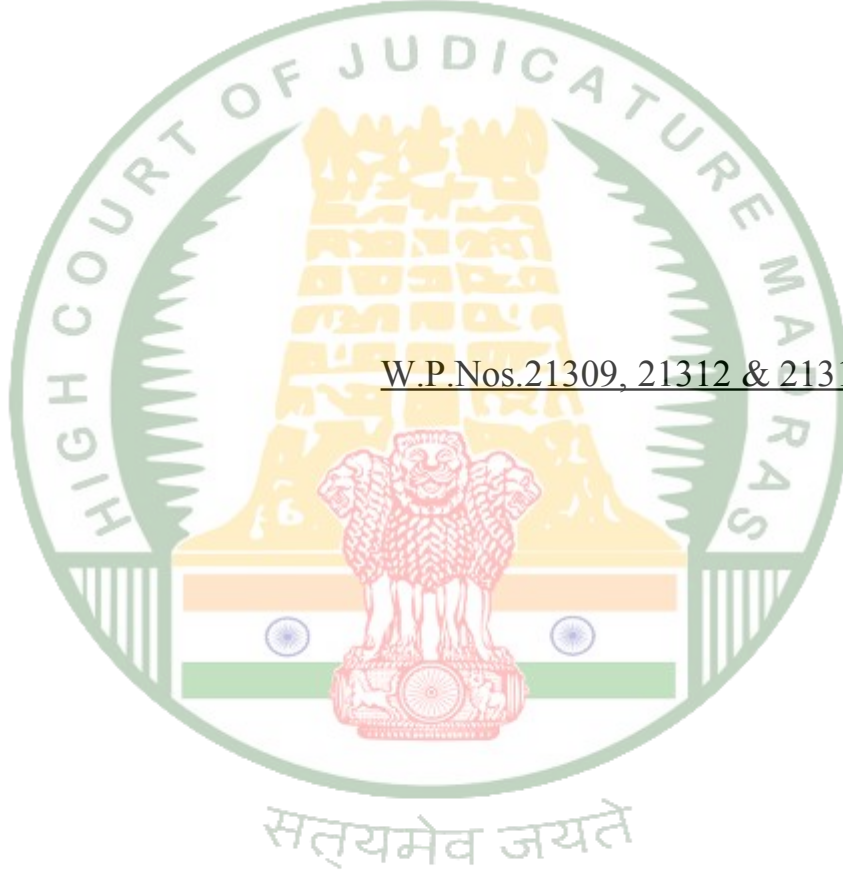
- 1.The Managing Director,
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Tamil Nadu State Transport
Corporation (Kovai) Limited,
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- 2.The Administrator,
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Employees' Pension Fund Trust,
Thiruvalluvar Illam, Anna Salai,
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C.SARAVANAN, J.

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