



WEB COPY

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 07.10.2021

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THE HONOURABLE MR.JUSTICE C.SARAVANAN

W.P.No.21732 of 2021

(Through Video Conferencing)

V.K.Shanmugasundaram

...Petitioner

Vs

The Tamil Nadu State Transport
Corporation Ltd.,
Rep. by its Managing Director,
No.37, Mettupalayam Road,
Coimbatore-641 043.

...Respondent

Prayer : Petition filed under Article 226 of the Constitution of India to issue a Writ of Mandamus, to direct the respondents to settle interest at the rate of 6% for the belated payment of terminal benefits to the petitioner in respect of Gratuity, Leave Salary, Provident Fund from the date of the petitioner's retirement to date of actual payment for the said benefits in the time schedule to be directed by this Court.

For Petitioner : Mr.M.A.Sivakumaran

For Respondent : Mr.A.Sundaravadhanam
Standing Counsel

O R D E R

This Writ Petition has been filed for a Writ of Mandamus, to direct the Respondent to settle interest at the rate of 6% for the belated payment of terminal benefits to the petitioner in respect of Gratuity, Leave Salary, Provident Fund from the date of the petitioner's retirement to date of actual payment for the said benefits 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, this Writ Petition is disposed by directing the respondents to consider the representation dated 19.07.2021 of the petitioner and to pay interest at the rate of 4% per annum for the belated payment of terminal benefits to the petitioner in respect of Gratuity, Leave Salary, Provident Fund and other legal dues to the petitioner in six equated monthly instalments commencing from 1st December, 2021. No costs.

Sd/-

Assistant Registrar(CS III)

//True Copy//

Sub Assistant Registrar

jas/rgm



To

The Managing Director,
Tamil Nadu State Transport Corporation Ltd.,
No.37, Mettupalayam Road,
Coimbatore-641 043.

+1cc to Mr.Sundaravadhanan, Advocate Sr No.52921
+1cc to Mr.Sivakumar, Advocate Sr No.52528

W.P.No.21732 of 2021

MG (CO)
PR (22/11/2021)