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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 01.11.2021

CORAM

THE HON'BLE MR.JUSTICE C.SARAVANAN

W.P.No.23444 of 2021

(Through Video Conferencing)

M.Mathaiyan

... Petitioner

Vs.

Tamil Nadu State Transport
Corporation (Salem) Limited,
Represented by its Managing Director,
No.12, Ramakrishna Road,
Salem - 7.

... Respondent

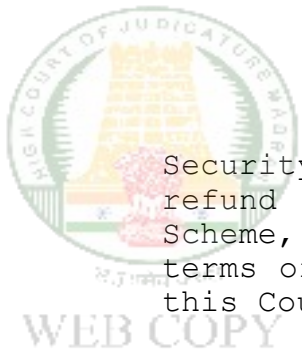
Prayer: Writ Petition filed under Article 226 of Constitution of India, for issuance of a Writ of Mandamus directing the respondent to pay the petitioner interest at the rate of 6% per annum for the belated payment of his Provident Fund, Gratuity and Earned Leave Salary, to pay him wages towards 30 days of earned leaves surrendered by the petitioner, while he was in service; to settle the amounts payable under the Social Security Scheme, Family Benefit Fund, IRT Contributions and to refund of contributions under the Post Retirement Benefit Scheme, together with interest at the rate of 6% within a specified time.

For Petitioner : Ms.H.Nandhini

For Respondent : Mr.D.Raghu
Standing Counsel

ORDER

This Writ Petition has been filed for a Writ of Mandamus, to direct the respondent to pay interest at the rate of 6% per annum for the belated payment of the petitioner's Provident Fund, Gratuity and Earned Leave Salary, to pay wages towards 30 days of earned leaves surrendered by the petitioner, while he was in service, to settle the amounts payable under the Social



Security Scheme, Family Benefit Fund, IRT Contributions and to refund of contributions under the Post Retirement Benefit Scheme, together with interest at the rate of 6% per annum 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 decision 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 respondent to consider the representation dated 28.07.2021 of the petitioner and to pay interest at the rate of 4% per annum for the belated payment of Provident Fund, Gratuity, Earned Leave Salary and other legal dues to the petitioner in six equated monthly instalments commencing from 1st December, 2021.

5. In case the petitioner is also entitled to Earned Leave surrendered by the petitioner, the same shall also be paid by



the respondent at the rate of 4% per annum along with the aforesaid amounts. No costs.

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Sd/-
Assistant Registrar (CS-VI)

//True Copy//

Sub Assistant Registrar

arb

To

The Managing Director,
Tamil Nadu State Transport
Corporation (Salem) Limited,
No.12, Ramakrishna Road,
Salem - 7.

+1cc to Mr.D.Raghu, Advocate, S.R.No.56741

W.P.No.23444 of 2021

PMK (CO)
SU(30/11/2021)