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W.P.No.23001 of 2023

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 04.08.2023

CORAM :

THE HONOURABLE MR. JUSTICE N. SATHISH KUMAR

W.P.No.23001 of 2023

K.Durai Raj

... Petitioner

Vs.

1.The Managing Director,
Tamil Nadu State Transport Corporation (VPM) Ltd.,
Villupuram – 605 602.

2.The General Manager,
Tamil Nadu State Transport Corporation (VPM) Ltd.,
Tiruvannamalai Region,
Tiruvannamalai – 606 604.

... Respondents

Prayer : Writ Petition filed under Article 226 of the Constitution of India for issuance of a Writ of Mandamus to direct the respondents to settle the payments of relating to Difference in Gratuity, Difference in Salary arrears (9 months) and other benefits with interest of 12% per annum as per 12(3) wage settlement, by considering the petitioner's representation dated 20.09.2022 within the stipulated time as may be fixed by this Court.

For Petitioner : M/s.S.Vasanthi

For Respondents : Mr.R.Venkatesa Perumal
Standing Counsel



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ORDER

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This writ petition has been filed to direct the respondents to settle the payments relating to Difference in Gratuity, Difference in Salary arrears (9 months) and other benefits with interest of 12% per annum as per 12(3) wage settlement, by considering the petitioner's representation, dated 20.09.2022, within the stipulated time as may be fixed by this Court.

2.It is the case of the petitioner that he retired from the respondent Corporation on 30.05.2017 and his retirement benefits were belatedly settled only after six months. However, it is the grievance of the petitioner that his retirement benefits were calculated as per old basic scale of pay, whereas, according to the petitioner, he is eligible for new scale of pay, as per 12(3) settlement which was announced in the year 2018 with effect from 01.09.2016. Therefore, the petitioner prays for disbursement of Difference in Gratuity, Difference in Salary arrears (9 months) and other benefits with interest at the rate of 12% per annum.

3.Heard the learned counsel for the petitioner.



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4.Mr.R.Venkatesa Perumal, learned Standing Counsel, who takes notice for the respondents, fairly submitted that the petitioner is entitled to the difference amounts.

5.This Court, in various decisions, have already taken a view that, in all cases of belated payment of terminal benefits, the concerned employee would be entitled to interest at the rate of 4% per annum. Hence, this Court is of the view that the petitioner is entitled to interest at the rate of 4% per annum on the belated payment of the terminal benefits.

6.Accordingly, the respondents are directed to disburse all the difference amounts payable to the petitioner, along with interest at the rate of 4% per annum, on the belated payment of such amount, from the date of his retirement till the date of actual disbursement, within a period of eight weeks from the date of receipt of a copy of this order.

7.With the above direction, this writ petition is disposed of. No costs.

04.08.2023



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N. SATHISH KUMAR, J.
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Internet : Yes
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Neutral citation : Yes / No
Speaking order / Nonspeaking order

To

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Villupuram – 605 602.
- 2.The General Manager,
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