



W.P(MD)No.18110 of 2020

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 16.03.2023

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THE HONOURABLE MR.JUSTICE G.R.SWAMINATHAN

W.P(MD)No.18110 of 2020

and

W.M.P.(MD)Nos.15128 & 15130 of 2020

The General Manager,
Tamil Nadu State Transport Corporation,
Tirunelveli Ltd.,
Tirunelveli Region,
Vannarpettai,
Tirunelveli.

... Petitioner

Vs.

1.The Assistant Commissioner of Labour,
Authority under Payment of Gratuity Act,
Tirunelveli.

2.T.Ranjithamani

... Respondents

Prayer : Writ Petition filed under Article 226 of the Constitution of India, praying this Court to issue a Writ of Certiorari, to call for the records from the first respondent / Assistant Commissioner of Labour / Authority under Payment of Gratuity relating to the impugned award passed by him in P.G.No.56 of 2016, dated 08.05.2018 and quash the same.



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For Petitioner : Mr.K.Sathiya Singh

For Respondents : Mr.T.Villavankothai
Additional Government Pleader for R1

: Mr.S.Kumar for R2

ORDER

Heard the learned counsel on either side.

2. The second respondent herein was employed in the petitioner corporation. He retired from service on 31.12.2015. Since his gratuity dues were not settled, he raised P.G.No.56 of 2016 before the controlling authority, Tirunelveli. Vide order dated 08.05.2018, the Management was directed to pay a sum of Rs.2,36,896/- together with interest at the rate of 10% p.a. from the date of claimant's entitlement. Instead of filing an appeal before the appellate authority, the writ petition has been filed.

3. Technically speaking, this writ petition may not be maintainable because the petitioner failed to avail the appeal remedy. I made it clear to the petitioner's counsel that I would not be inclined to go into the merits of the matter. Thereupon, the learned counsel appearing for the petitioner submitted



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that this Court can atleast reduce the interest rate payable to the claimant. The authority has awarded 10% interest. As per Section 7(3A) of Payment of Gratuity Act, 1972, the employer shall pay from the date on which the gratuity becomes payable to the date on which it is paid, simple interest at such rate, not exceeding the rate notified by the Central Government from time to time for repayment of long-term deposits.

4. In view of the aforesaid provision, the interest payable on the gratuity amount is reduced from 10% p.a. to 7% p.a. In all other respects, the impugned award is confirmed. The Management is directed to pay the gratuity amount together with interest at the rate of 7% p.a. within a period of twelve weeks from the date of receipt of a copy of this order.

5. The Writ Petition is partly allowed. No costs. Consequently, connected miscellaneous petitions are closed.

16.03.2023

Index : Yes / No
Internet : Yes/ No
rmi

NOTE:Issue Order Copy on 20.03.2023



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G.R.SWAMINATHAN, J.

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To

The Assistant Commissioner of Labour,
Authority under Payment of Gratuity Act,
Tirunelveli.

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