



WEB COPY

WP No. 18917 of 2026



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 03-06-2026

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THE HON'BLE MS. JUSTICE P.T. ASHA

WP No. 18917 of 2026

R.Paramasivam (Retired Staff No.FD0162)
S/o.Ramasamy Gounder,
No.40/19, Elur puthupatti, Elur post, Namakkal
District.

..Petitioner(s)

Vs

The Managing Director,
Tamilnadu State Transport Corporation (Salem)
Limited, No.12, Ramakrishna road, Salem - 636007.

..Respondent(s)

PRAYER: The Writ Petition is filed under Article 226 of the Constitution of India seeking the issuance of a Writ of a Mandamus directing the respondents to disburse the belated payment of interest amount of provident fund, gratuity, commutation and earned leave salary amounts and other unsettle benefits of difference amount of gratuity and E.L salary as per 12(3) wage settlement and 10 days last month salary with effect from 01.07.2025 within the stipulated time as may be fixed by this Court.

For Petitioner(s): Mr. N.Desinghu

For Respondent(s): Mr. K. Raja, Standing Counsel

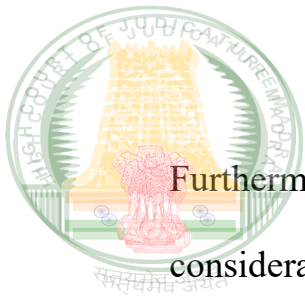


ORDER

The Writ Petition has been filed seeking the issuance of a Writ of a Mandamus directing the respondents to disburse the belated payment of interest amount of provident fund, gratuity, commutation and earned leave salary amounts and other unsettled benefits of difference amount of gratuity and E.L salary as per 12(3) wage settlement and 10 days last month salary with effect from 01.07.2025 within the stipulated time as may be fixed by this Court.

2. It is the case of the petitioner that he joined the services of the respondent-corporation as a driver on 20.01.1989 and retired from service on 30.06.2025 on attaining the age of superannuation, while holding the post of Driving Instructor.

3. The petitioner submits that a settlement was entered into under Section 12(3) of the Industrial Disputes Act, 1947, between the management and the employees. In terms of the said settlement, the petitioner is entitled to a revision of pay and consequential terminal benefits, including the differential amounts for gratuity, earned leave salary and last 10 days salary. However, the said benefits were not extended to him. Instead, his terminal benefits were settled on the basis of the pre-revised pay scales rather than the terms of the settlement.



Furthermore, even these pre-revised terminal benefits were disbursed with considerable delay. Aggrieved by this, the petitioner submitted a representation dated 20.03.2026 to the respondent, requesting the payment of interest for the delayed disbursement of terminal benefits, as well as the differential amounts for leave salary and gratuity under the 12(3) settlement, along with interest. However, the said representation has not been considered till date. Hence, the petitioner is before this Court, to espouse the said cause.

4. Heard the learned counsel on either side and perused the materials available on records.

5. The stand of the petitioner cannot be disputed. In view of the Settlement arrived at under Section 12(3) of the Industrial Disputes Act, 1947, which entitles the employees of the Transport Corporation to revision of pay including gratuity and encashment of leave and also last 10 days salary, the respondents are directed (i) to pay interest at the rate of 6% per annum for the belated payment of admissible terminal benefits from the date of retirement till the date of actual disbursement of the terminal benefits of the petitioner, and (ii) to pay the eligible differential amount in leave salary and gratuity and last 10 days salary, as per the said Settlement along with admissible interest. The amounts



shall be paid to the petitioner within a period of six (6) weeks from the date of receipt of a copy of this order.

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6. With the above directions, this Writ Petition stands disposed of. There shall be no order as to costs.

03-06-2026

Asi

To

The Managing Director,
Tamilnadu State Transport Corporation (Salem)
Limited, No.12, Ramakrishna Road,
Salem - 636007.



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P.T.ASHA, J.

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