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BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 19.01.2026

CORAM:

THE HONOURABLE MR.JUSTICE B.PUGALENDHI

WP(MD)No.1015 of 2026

K.Vijayaragavan ... Petitioner

Vs

The Management
State Express Transport Corporation (Kumbakonam) Ltd.,
Karur Region,
Rep by its General Manager,
Karur. ...Respondent

Prayer: Writ Petition filed under Article 226 of the Constitution of India to issue a Writ of Mandamus, directing the respondent to revise/re-fix the scale of pay of the petitioner w.e.f. 01.09.23 to till his retirement, based on the wage settlement dated 29.05.25 and consequently to pay him difference/ arrears of terminal benefits namely Gratuity and Encashment of Leave, after revising the same based on such re-fixed scale of pay payable to him on the month of his retirement, together with 18 percentage interest per annum, within a time frame as may be fixed by this Court.

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For Petitioner : Mr.S. Arunachalam,

For Respondent : Mr.K.Ramaiah
Standing Counsel

O R D E R

The petitioner was appointed as a Junior Tradesman in the respondent transport Corporation on 18.01.1989. He retired from service on 31.05.2024 on attaining the age of superannuation. The retirement benefits have been settled to him after several months of his retirement. Thereafter, the 15th tripartite wage settlement under Section 12(3) of the Industrial Disputes Act was entered into between the Management and Trade Unions on 29.05.2025. As per Clause 1 of the terms of settlement, the Management has agreed to revise the wages of the employees who were in service as on 01.09.2023 by revising the pay by 6% of the earlier wages, with effect from 01.09.2023 notionally and monetary benefits with effect from 01.09.2024.

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2.Admittedly, the petitioner was in service as on 01.09.2023. Therefore, the petitioner made a representation to the respondents seeking the benefits due to him as per the 15th wage settlement. Alleging inaction, he has filed this writ petition seeking a mandamus directing the respondents to revise the petitioner's wages based on the 15th wage settlement dated 29.05.2025 and to pay the benefits with interest.

3.Mr.K.Ramaiah, learned Standing Counsel takes notice for the respondent and submitted that as per Clause 37(b) of the settlement u/s.12(3) of the Act dated 29.05.2025, the Management is expected to revise the scale of pay from 01.09.2023 and to calculate the arrears of amount with effect from 01.09.2024 and pay the amount on four quarterly installments. According to him, they would calculate the difference of pay, if any, due to the petitioner and it would be paid within a reasonable time.

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4.This Court paid it's anxious consideration to the rival submissions made on either side and perused the materials placed on record.

5.The 15th wage settlement under Section 12(3) of the Industrial Disputes Act was entered into between the Management and the Unions on 29.05.2025. As per Clause 1 of the terms of the settlement, the Management has agreed to revise the wages of the employees, who were in service as on 01.09.2023, by revising the pay by 6% of the earlier wages. Therefore, the monetary benefits would be paid with effect from 01.09.2024 and the arrears if any, would be settled in four quarterly installments.

6.Clause 37(b) of the settlement dated 29.05.2025 reads as under:-

> “ஆ) இந்த ஒப்பந்தத்தின் மூலமான பணப்பயன் நிலுவைத் தொகை 01.09.2024 முதல் கணக்கிடப்பட்டு 4 தவணைகளாக காலாண்டுதோறும் வழங்கப்படும்.”

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7.The petitioner was in service as a permanent employee of the Transport Corporation as on 01.09.2023 and therefore, he is entitled for the benefits as per this 15th wage settlement. He was paid with the retirement benefits as per the earlier wage settlement. The 15th wage settlement provides revision of scale of pay by 6% on the basic pay, for those who were in service as on 01.09.2023, however monetary benefits with effect from 01.09.2024. Therefore, the petitioner is entitled for the benefits, pursuant to the revision of scale of pay from 01.09.2024.

8.Admittedly, such a revision has not been made till date. Any belated settlement of monetary benefits due to an employee needs to be settled with interest at the rate of 6% per annum. Therefore, this writ petition stands allowed with a direction to the respondent Transport Corporation to revise the pay scale of the petitioner with effect from 01.09.2023 and provide the benefits with effect from 01.09.2024, as per the 15th wage settlement dated 29.05.2025 and settle the benefits along with arrears to the petitioner

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within a period of six months from the date of receipt of a copy of this order, with interest @ 6% per annum. The interest shall be calculated for the period beyond Clause 37(b) of the settlement dated 29.05.2025 till the date of actual payment. There shall be no order as to costs.

19.01.2026

NCC:Yes/No
Index:Yes
Internet:Yes
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To

The Management
State Express Transport Corporation (Kumbakonam) Ltd.,
Karur Region,
Rep by its General Manager,
Karur.

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B.PUGALENDHI.J.,

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Order made in
WP(MD)No.1015 of 2026

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