

Gujarat State Road Transport Corpn., and another

Vs

Mulu Amra

Civil Appeal No. 1099 of 1992

(A. M. Ahmadi, S. Mohan, JJ)

10.03.1992

JUDGMENT

1. Special leave granted.

2. We have heard counsel on both sides. Having regard to the fact that the respondent was dismissed way back on 17th November, 1967 and we are now in March, 1992, we thought it would be proper if the respondent is paid a lump sum compensation in lieu of reinstatement. That was also the suggestion which came from counsel for the respondent, but she stated that the respondent should be paid 75% of the back-wages by way of compensation. That suggestion was not acceptable to the learned counsel for the appellant. We, however, thought that a lump sum payment is the most suitable solution to this dispute between the parties. Unfortunately, the counsel for the parties were not in possession of the relevant material concerning the salary of the respondent and its revision from time to time. We, therefore, have to do some amount of guess work. Keeping in mind what were the salaries in 1967 and the revisions that took place thereafter in State services, similar revisions also took place in the services of the public sector corporations. We worked out the compensation keeping in view the rival contentions of the parties. We suggested that on our working the compensation comes to Rs. 75,000/-. Both the learned counsel have agreed to the suggestion that the matter may be closed on payment of Rs. 75,000/- by way of compensation.

3. In the result, we allow this appeal, set aside the order of the High Court directing reinstatement in service with full back-wages and instead direct that the appellant-Corporation shall pay a sum of Rs. 75,000/- to the respondent in lieu of reinstatement with back-wages and in full and final satisfaction of all his claims. We may, however, clarify that if he has any claim in regard to provident fund, the same may be refunded to him, if not done so far. The amount of compensation will be paid within two months from today, failing which interest will run at 18% per annum.

4. We find that the respondent belongs to the under privileged class. He comes from a strata of society which lacks in financial discipline and the respondent would not be in a position to deal with this large amount. We, therefore, think it necessary to give certain directions in this behalf in his own interest so that the amount is not frittered away. We, therefore, direct that the appellant-Corporation will assist the respondent in depositing a sum of Rs. 50,000/- in a long term fixed deposit with a scheduled bank or in the National Saving Certificate so that the respondent may earn interest which may be paid to him quarterly. The remaining amount of Rs. 25,000/- may be paid to him personally either in cash or by cheque, as he may desire. With these observations, the appeal stands allowed with no order as to costs. Appeal allowed.

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