



BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 27.07.2020

CORAM:

THE HONOURABLE MR.JUSTICE D.KRISHNAKUMAR

W.P. (MD)No.1498 of 2019

The Secretary,
M.D.107, Tamilnadu State Transport Corporation
Employees' Co-operative Thrift and Credit Society Limited,
138 (1), Railway Station Road,
Nagal Nagar,
Dindigul 624 003.

... Petitioner

Vs

The Managing Director,
Tamilnadu State Transport (Madurai) Limited,
By-pass Road,
Madurai 625 010.

... Respondent

PRAYER:- Writ Petition filed under Article 226 of the Constitution of India, praying for the issuance of Writs of Mandamus, to direct the respondent to remit a sum of Rs.9,20,92,274.40/- with the petitioner, the recovered and unremitted amount from the members/employees from December 2017 to November 2018 and the interest of Rs.4,54,33,160/- towards belated remittance of the accumulation, with further interest @ 10% till the remittance, by fixing a time limit for the remittance.

For Petitioner : Mr.S.Seenivasagam

For Respondent : Mr.J.Senthil Kumaraiah

Standing Counsel

ORDER

This Writ Petition is filed to direct the respondent to remit a sum of Rs.9,20,92,274.40/-, which was recovered from the members/employees of the respondent corporation from December 2017 to November 2018 and not remitted to the petitioner's society and the interest of Rs.4,54,33,160/- towards belated remittance of the accumulation along with further interest @ 10% till the remittance to the petitioner.

2.According to the petitioner, as per the agreement entered between the petitioner society and the respondent corporation, the employees of the respondent corporation availed loan to extend their financial assistance, which are repayable in monthly installments by deducting the same from their monthly salary. Though the respondent corporation had deducted the demand dues from the monthly salary of

the employees concerned, they have not remitted the aforesaid amount with the petitioner's society in time. In this regard, though the petitioner made several representations to the respondent



corporation, no action has been taken by the respondent corporation. Hence, left with no other alternative, the petitioner is before this Court.

3. Though the relief sought for in this writ petition is to direct the respondent to remit a sum of Rs.9,20,92,274.40/-, which was recovered from the members/employees of the respondent corporation from December 2017 to November 2018 and not remitted to the petitioner's society and the interest of Rs.4,54,33,160/- towards belated remittance of the accumulation along with further interest @ 10% till the remittance to the petitioner, the learned counsel appearing for the petitioner, in the course of his argument, requested before this Court that the respondent corporation has to pay the recovered amount along with interest, till date, to the petitioner society.

4. The learned Standing Counsel appearing for the respondents would submit that a similar issue has already been disposed of in W.P.(MD) No.3437 of 2012 by this Court on 31.03.2016, directing the respondent corporation therein to remit the amount along with interest, by following the orders passed in W.P.(MD) Nos.4234 and 7530 of 2010 by this Court dated 01.04.2010 and 26.07.2011 respectively.

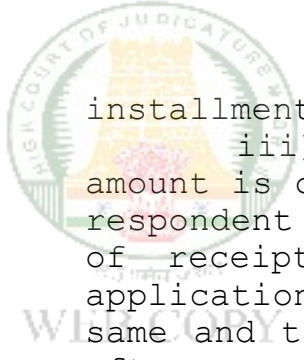
5. The learned Standing Counsel further undertakes before this Court that the respondent corporation would pay the recovered amount payable to the petitioner society in twelve equal monthly installments, starting from January, 2021. Insofar as the interest for the aforesaid payable dues amount is concerned, he would submit that if the petitioner files an application in this regard, the respondent corporation will consider the same, in accordance with the provisions of law and further undertakes that if there is any possibility to negotiate with the petitioner society, that too will also be considered by the respondent corporation.

6. Heard the learned counsel on either side and perused the records carefully.

7. In view of the submission made by the learned counsel appearing for the petitioner and the submission made by the learned Standing Counsel appearing for the respondent, this Court is inclined to pass the following directions:-

i) the respondent corporation is directed to draw a file by calculating the amount payable to the petitioner society, as per the agreement entered between the parties, after affording an opportunity to the petitioner, within a period of eight weeks from the date of receipt of a copy of this order;

ii) after arriving the outstanding amount, the respondent corporation is directed to pay the same to the petitioner society on or before the 5th day of English Calendar month in 12 equal monthly



installments with effect from January 2021;

iii) insofar as the interest for the aforesaid outstanding amount is concerned, the petitioner shall make an application to the respondent corporation, within a period of eight weeks from the date of receipt of a copy of this order and on receipt of such application, the respondent corporation is directed to consider the same and take a decision in accordance with the provisions of law, after providing an opportunity of hearing to the petitioner; as expeditiously as possible;

iv) needless to say that if the respondent corporation passes an order to remit the interest for the aforesaid outstanding amount with the petitioner society, they shall pay the same on every 5th day of English Calendar month in 12 equal monthly installments with effect from January 2021, along with the remittance of the recovered amount.

8. With the above directions, this Writ Petition is disposed of. No costs.

Sd/-

Assistant Registrar (Records)

// True Copy //

/ /2020

Sub Assistant Registrar(CS)

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Note: In view of the present lock down owing to COVID-19 pandemic, a web copy of the order may be utilized for official purposes, but, ensuring that the copy of the order that is presented is the correct copy, shall be the responsibility of the advocate/litigant concerned.

To

The Managing Director,
Tamilnadu State Transport (Madurai) Limited,
By-pass Road,
Madurai 625 010.

+1 CC to M/s.S. SEENIVASAGAM, Advocate (SR-13310[F] dated 29/07/2020)

W.P. (MD) No.1498 of 2019
27.07.2020

KK(14.08.2020) 3P 3C