



BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 09.07.2021

CORAM:

THE HONOURABLE MS.JUSTICE V.M.VELUMANI

W.P.(MD)No.11432 of 2021

WEB COPY

M.Subramanian

... Petitioner

Vs.

1.The Tamil Nadu State Transport
Corporation (Kumbakonam) Ltd.,
Represented by its Managing Director,
Kumbakonam.

2.The General Manager,
The Tamil Nadu State Transport
Corporation (Kumbakonam) Ltd.,
Nagapattinam Region,
Nagapattinam.

... Respondents

PRAYER: Writ Petition is filed under Article 226 of the Constitution of India, to issue a Writ of Mandamus, directing the respondents to pay the petitioner's surrender leave salary for 135 days of Rs.2,20,388/- for the years 2011-2019 together with interest at the rate of 18% per annum from the date of retirement to till the date of disbursement.

For Petitioner : Mr.A.Rahul

For R1 & R2 : Mr.D.Sivaraman

Standing Counsel for TNSTC

ORDER

This writ petition has been filed for a direction to the respondents to pay the petitioner's surrender leave salary for 135 days of Rs.2,20,388/- for the years 2011-2019 together with interest at the rate of 18% per annum payable from the date of retirement to till the date of disbursement within the time that may be stipulated by this Court.

2.Heard Mr.A.Rahul, learned counsel appearing for the petitioner and Mr.D.Sivaraman, learned Standing Counsel appearing for the respondents.

3.By consent of both parties, this writ petition is taken up for final disposal at the admission stage itself.

4.The grievance of the petitioner is that after his retirement,

<https://hcservices.ecourts.gov.in/hcservices/>

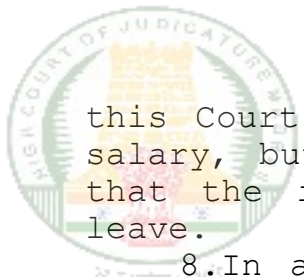


the respondents have not settled the surrender leave salary and therefore, he claims the disbursement of the same together with interest.

5.The learned counsel for the petitioner, as well as the learned Standing Counsel appearing for the respondents, submitted that the issue involved in the present writ petition is covered by various orders of this Court, including the order, dated 13.12.2019, passed in the case of **S.Alagesan Vs. The Managing Director, Tamil Nadu State Transport Corporation (Kumbakonam) Ltd., and another** in **W.P. (MD) .No.26487 of 2019**. The relevant portion of the order reads as follows:

"4. An identical issue came up for consideration before the Division Bench of this Court in W.A (MD) No.210 of 2019 and the Hon'ble Division Bench by judgment dated 04.09.2019 had upheld the view of the learned Single Judge against which the writ petition came to be filed and also rejected the Corporation plea that the employee had not claimed the encashment of the surrender leave within the stipulated time. The relevant portion of the said order reads as follows:-

'2. This appeal is filed by the Tamil Nadu State Transport Corporation, Kumbakonam Division. The respondent filed W.P(MD).No.2449 of 2018 praying for a Writ of Certiorarified Mandamus to quash the order dated 21.12.2017 and direct the appellants to settle the petitioner's surrender leave salary. The appellant Corporation resisted the claim by contending that even though as per the settlement entered into under Section 12(3) of the Industrial Dispute Act, the employee is entitled for surrendering and encashing 15 days in one year or 30 days in two years, the same has not been done by the writ petitioner during his service during 2011-2014 and after superannuation only in the year 2016, he has made a claim of surrender of earn leave, based on the circular issued by the appellant Corporation, dated 09.01.2017. Further, it is submitted that the circular is not meant for enabling the retired employees to renew their claim of surrendering their earned leave of 15 days in a year during the service i.e., between 2011-2014 and it is applicable only for existing employees. Therefore, it is submitted that the respondent/writ petitioner cannot lay his claim based upon the circular,



this Court in many cases have ordered for payment of earned leave salary, but have not granted interest and therefore, he submitted that the interest need not be paid for non surrender of earned leave.

8.In all the decisions cited by the learned Standing Counsel, both the Division Bench, as well as the learned Single Judges, there is no discussion with regard to the non entitlement of the interest. Since there is no dictum laid down in any of the decisions to the effect that the employees will not be entitled for interest on belated payment of earned leave, I am unable to accept these submissions made by the learned Standing Counsel.

9.Accordingly, there shall be a direction to the respondents herein to settle the surrender leave salary for 135 days, in respect of the years 2011-2019, together with interest at the rate of 6% per annum from the date of retirement till the date of actual disbursement. The respondents shall be entitled to disburse the surrender leave salary in six Equal Monthly Installments and the 1st Installment shall commence from 1st of September 2021.

10.This writ petition stands allowed accordingly. No costs.

Sd/-

Assistant Registrar (CS-III)

// True Copy //

/ /2021

Sub Assistant Registrar(CS)

am

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

- 1.The Managig Director,
The Tamil Nadu State Transport
Corporation (Kumbakonam) Ltd.Kumbakonam.
- 2.The General Manager,
The Tamil Nadu State Transport
Corpration(Kumbakonam) Ltd., Nagapattinam.

+1 CC to M/s.A.RAHUL, Advocate (SR-21886[F] dated 09/07/2021)

+1 CC to M/s.D.SIVARAMAN, Advocate (SR-21981[F] dated 09/07/2021)

W.P. (MD)No.11432 of 2021

09.07.2021