IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 05.06.2023

CORAM

THE HON'BLE MRS. JUSTICE J.NISHA BANU
AND
THE HON'BLE MR. JUSTICE D.BHARATHACHAKRAVARTHY

W.A.No.192 of 2018
and CMP.No.1375 of 2018

1.The Managing Director
Tamil Nadu Handloom Weavers'
Cooperative Society Ltd., (Co-optex)
350, Pantheon Road
Egmore, Chennai-600 008.
2.The General Manager (Credit Sales)
Tamil Nadu Handloom Weavers'
Cooperative Society Ltd., (Co-optex)
350, Pantheon Road, Egmore
Chennai-600 008 ... Appellants/Respondents.

Vs.

Esther Sundarraj ... Respondent/Writ Petitioner

Prayer: Writ Appeal filed under Clause 15 of the Letters Patent, against the order of His Lordship passed in W.P.No.9617 of 2006 dated 30.07.2012.

For Appellants : Mr.Jayaraman

For Respondent : Mr.Ramana Reddy

J U D G M E N T

[Judgment of the Court was made by J.Nisha Banu, J.]

The respondent herein filed the Writ Petition for a mandamus to direct the respondents-Cooptex to disburse the entire declared terminal benefits lawfully payable to her as Manager of Cooptex together with interest on the withheld amount at the rate of 18% per annum from 01.04.2005 upto date of payment in full.

2. The respondent-writ petitioner was initially appointed as Sales girl on temporary basis at the Super Market Cooperative Show Room on 30.07.1972 and after successive promotions, she rose to the cadre of Manager, Grade-III (Selection Grade) till she tendered her application for voluntary retirement on 16.02.1995.

3. According to the appellants-Cooptex, the offer of voluntary retirement of the respondent-writ petitioner by communication dated 24.03.2005 was accepted by the Cooptex with effect from 31.03.2005. On her retirement, she was paid a sum of Rs.1,50,000/- on 06.05.2005 towards her terminal benefits. However, a sum of Rs.1,59,662.15 was withheld from the amount payable to

the writ petitioner, stating that certain deductions were made towards stock deficit, unrealized credit sales, uncollected old dues.

4. According to the respondent-writ petitioner, she is not liable to make good any loss; some of the superior officers, from whom dues to be recovered have been allowed to retire from service and she alone was discriminated; once the Cooptex-Department accepted her application for voluntary retirement, they are not entitled to withhold any amount. It is also submitted that it is not known as to how such calculation of loss amount was determined by the Department.

5. A perusal of the records would go to show that the writ petitioner was put in 34 years of service. The communication dated 24.03.2005, would indicate that the appellant-Cooptex accepted the offer made by the writ petitioner on condition that the dues pending against her to Cooptex will be adjusted in full from the terminal benefits payable to her. The appellant would state that since the writ petitioner had given an undertaking, now she cannot contend that the said amount cannot be withheld.

6. The learned Judge, after going through the above contentions, found that there is no material available to show the break up details for the sum of Rs.1,59,662.15, but the counter filed in Writ Petition would show that such sum represents the dues under credit sales.

7. The learned Judge, in paragraph 7 of the order, referred to the judgment reported in ***V.N.Kulandaisamy Vs. Khadi and Village Industries Board, Tamil Nadu, rep. By its CEO, Kuralagam and another, (2002) 2 MLJ 557*** and applying the dictum laid down by this Court, had given a finding that since the amount withheld represented the amount under credit sales, the petitioner is entitled to the terminal benefits withheld with interest at the rate of 12% per annum from date of withholding of the amount till the date of payment.

8. The view taken by this court in the decision of ***V.N.Kulandaisamy Vs. Khadi and Village Industries Board, [(2002) 2 MLJ 557]***, is that the staff of the Board cannot be held responsible for the recovery of credit sales. Following the said decision, the learned Judge, directed the appellant-Cooptex to repay the amount withheld from the terminal benefits of the writ petitioner

with interest at the rate of 12% per annum from the date of withholding of the amount till the date of payment.

9. For the foregoing reasons, we find no merit in the grounds raised in this Writ Appeal. The order of the learned Judge does not call for any interference and the writ appeal is dismissed. No costs. Consequently, connected CMP is also dismissed.

(J.N.B,J.) (D.B.C, J.)
05.06.2023

Index : Yes / No
Internet : Yes
nvsri

To

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