



W.P.No.39317 of 2016

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 29.03.2023

CORAM:

THE HONOURABLE MRS.JUSTICE V.BHAVANI SUBBAROYAN

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1. R.Ponnusamy
2. M.Moorthy
3. K.Chinnasamy
4. G.Raman
5. A.Murugesan
6. P.Baskaran
7. K.Chandran
8. R.Narayanan
9. K.G.Sukumar
10. R.Easwaran
11. K.Abdul Kaleel
12. P.Theerthagiri
13. N.Rajagopal
14. A.H.Kumar
15. S.Kulasekaran
16. B.Rajappan
17. V.Chandrasekaran
18. M.Raman
19. K.Dakshinamoorthy
20. S.Selvam

... Petitioners

Versus

1. Government of Tamil Nadu,
Represented by its Secretary,
Handlooms, Handicrafts,
Textile and Khadi Department
St.George, Secretariat, Chennai.



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2. The Director of Handlooms and Textiles
Kuralagam, Second floor,
Chennai – 600 108.

3. Managing Director,
The Krishnagiri District Co-operative Spinning Mills Ltd.,
S.A 108, Uthangarai – 63520
Uthangarai post and Taluk Krishnagiri.

...Respondents

Writ Petition filed under Article 226 of the Constitution of India, praying to issue a Writ of Mandamus, directing the respondents to pay the retirement benefits to the petitioners herein forthwith and without any delay together with interest at 24% per annum.

For petitioners : Mr.V.Raghavachari, Senior Advocate

For Respondents : Mr.T.Chezhian,
Additional Government Pleader

ORDER

This Writ Petition is filed for the issuance of a Writ of Mandamus, directing the respondents to pay the retirement benefits to the petitioners herein forthwith without any delay, together with interest at 24% per annum.

2. Heard the learned Senior Counsel appearing for the petitioner and the learned Additional Government Pleader appearing for the respondents.



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3. The petitioners were appointed in the District Cooperative Spinning Mills, Dharmapuri between the years 1984 – 1988 and their services were governed by the Special Regulations relating to the service conditions of the staff members of the Mills and they are eligible to get gratuity and leave salary for the period of service as per Rule 51 of the Rules framed under Payment of Gratuity Act, 1972. However, the Mill has not settled the gratuity and other benefits to the retired 20 staff members. The Government of Tamil Nadu has sanctioned various loans and advances to the Mills for its smooth functioning, whereas the respondents have paid very little amount as advance. The petitioners are getting very meagre amount towards pension and the Mill employees are covered under the Employees Provident Fund Organisation Scheme. Since the Provident Fund claim was not settled in full by the respondents, the petitioners had approached the respondents and made a representation on 15.10.2016 requesting them to pay the gratuity amount. Since, the respondents had not paid the amount, the petitioners have filed the present Writ Petition.



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4. The learned Senior Counsel appearing for the petitioners submitted that, the respondents have not settled the retirement benefits to the petitioners. Therefore, the petitioners made a representation dated 15.10.2016 to the third respondent to pay the gratuity amount and interest for the belated payment of retirement benefits. Despite that, the third respondent has not paid the same. Hence, he prays to give a direction to the respondents to pay the retirement benefits to the petitioners together with interest at 24% per annum. He further submitted that counter affidavit has not been filed by the respondents from the date of filing of this petition.

5. The learned counsel appearing for respondents fairly accepted the fact that the respondents have not settled the retirement benefits to the petitioners. He also submitted that the petitioners are entitled for interest only at the rate of 4% per annum for the belated payment.

6. In view of the above submissions, without expressing any opinion on the merits of the case, this Court is inclined to pass an order directing the respondents to pay the penal interest at the rate of 6% per annum for the belated payment of gratuity and other retirement benefits to the petitioners



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subject to their eligibility, within a period of six weeks from the date of receipt of a copy of this order and if any amount is to be recovered from them, deduct the same and pay the remaining eligible amount, if any.

7. With the above directions, the writ petition is disposed of. No order as to costs.

29.03.2023

Index : Yes/No
Speaking Order : Yes/No
Neutral Citation : Yes/No
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To

1. Government of Tamil Nadu,
Represented by its Secretary, Handlooms, Handicrafts,
Textile and Khadi Department
St.George, Secretariat, Chennai.
2. The Director of Handlooms and Textiles
Kuralagam, Second floor, Chennai – 600 108.
3. Managing Director,
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V.BHAVANI SUBBAROYAN, J.

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