



W.P.No.26053 of 2012

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 08.08.2024

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THE HONOURABLE Mr. JUSTICE C.KUMARAPPAN

W.P.No.26053 of 2012

S.Velusamy

... Petitioner

Vs

1.Tamil Nadu State Transport Corporation (Coimbatore) Ltd.
Rep. by its Managing Director
Mettupalayam Road, Coimbatore

2.The General Manager
Tamil Nadu State Transport Corporation (Coimbatore) Ltd.
Erode Region, Sennimalai Road
Erode-1

3.The Branch Manager
Tamil Nadu State Transport Corporation (Coimbatore) Ltd.
Erode II Branch, Pallipalayam
Namakkal District

... Respondents

Writ Petition filed under Article 226 of the Constitution of India praying for issuance of a writ of Declaration declaring that the action of the respondents in ordering for recovery of Rs.3,22,632/- from the petitioner towards non-implemented punishment of increment cuts and pay reduction etc., imposed on the



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petitioner and also in refusing to settle petitioner's pension benefits on the ground that the petitioner did not pay the recovery amount of Rs.3,22,632/- as illegal, arbitrary and violative of Article 14 of Constitution of India and consequently direct the respondents to settle the petitioner's terminal benefits including gratuity, provident fund accumulation, encashment of leave and other attendant retiral benefits together with interest at the rate of 12% p.a. payable to the petitioner w.e.f. 01.02.2011 till the date on which the above benefits are settled to the petitioner.

For Petitioner : Mr.V.Ajay Khose
For Respondents : Mr.M.Murali Vinodh
Standing Counsel

ORDER

In essence, the instant writ petition has been filed challenging the inaction on the part of the respondents in settling the terminal benefits to the petitioner.

2. The brief facts which give rise to this writ petition are that the petitioner joined as Driver in Jeeva Transport Corporation Ltd., Erode, on 14.07.1980 and after rendering 31 years of service, he attained the age of superannuation of 31.01.2011. Though he was permitted to retire on 31.01.2011, his pension



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benefits have not been settled till date. However, he came to know that the respondents did not settle his terminal benefits on account of non-implemented increment cuts and pay reduction, etc. Further, the 2nd respondent orally informed the petitioner that he is liable to pay Rs.3,22,632/- due to non-implemented increment cuts and payment reduction and only after the said payment, he would become eligible for terminal benefits such as Gratuity, Provident Fund, *etc.* The petitioner made several representations to the respondents seeking settlement of his terminal benefits. Since no action was taken on those representations, the petitioner has filed the instant writ petition.

3. Learned Standing Counsel appearing for the respondents would submit that the petitioner did not approach them claiming terminal benefits, and that the very contention of the petitioner that the respondents had denied to settle his terminal benefits on account of the fact that Rs.3,22,632/- was ordered to be recovered from him, due to non-implemented punishment and increment cuts, is baseless. Hence, prayed to dismiss the writ petition.

4. I have given my anxious consideration to the submissions made on either



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5. The learned counsel appearing for the petitioner would rely upon the judgment in *The State Express Transport Corporation (Tamil Nadu) Ltd., Rep. by its Managing Director, Pallavan Salai, Chennai and Others Vs. G.Senthil and Another (W.A.[MD].No.1270 of 2020 decided on 15.06.2021)*, wherein, a Division Bench of this Court, in unequivocal terms, has held that there is no provision in the Certified Standing Orders of the respondents to pass orders, at the verge of retirement or after retirement, proposing to recover the unimplemented orders of punishment of postponement of increment and that such an attempt is wholly without jurisdiction. It is appropriate to extract the relevant portion from the said judgment :

“10. In the light of the above legal principle and having found that there is no provision in the Certified Standing Orders to pass orders of recovery at the verge of retirement or after retirement proposing to recover the unimplemented orders of punishment of postponement of increment, is wholly without jurisdiction. Hence, for the reasons set out by the learned Single Bench as well as the reasons which we have observed supra, the order passed in the writ petition does not call for interference. The learned Single Bench has allowed the writ petition as prayed for, which would mean that the respondent-workman is also entitled to claim interest at 18% per annum. In our considered view, 18% interest would be too exorbitant and we are of the view that a time frame can be fixed for the respondent-Management to settle the amount of Rs.75,900/- and accordingly



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directed to pay the said sum within a period of 12 weeks, failing which, the Management is directed to settle the amount together with the interest at the rate of 6% per annum from the date of order passed in the writ petition, namely, 28.07.2020, till the claim is settled.”

6. The aforesaid judgment of the Division Bench applies to the facts of the instant case. Therefore, this Court is of the firm view that non-settling of the terminal benefits citing non-implementation of punishment of increment cuts and pay reduction imposed is illegal. Thus, the petitioner is entitled to an order of direction against the respondents to settle the terminal benefits with applicable interest.

7. In the result, the instant writ petition is allowed with a direction to the respondents to settle the terminal benefits to the petitioner, within a period of three months from the date of receipt of a copy of this order. No costs.

08.08.2024

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Index : Yes/No

Neutral Citation : Yes/No



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C.KUMARAPPAN, J.

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To

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