



W.P.(MD)No.1341 of 2025

WEB COPY BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 09.04.2025

CORAM:

THE HONOURABLE MR.JUSTICE MUMMINENI SUDHEER KUMAR

W.P.(MD)No.1341 of 2025

and

W.M.P(MD)No.922 of 2025

The Management
Tamil Nadu State Transport Corporation,
Kumbakonam, Unit II,
Periamilaguparai,
Tiruchirappalli-620 003.

... Petitioner

Vs.

Wilfred Thinagar

... Respondent

PRAYER : Petition filed under Article 226 of the Constitution of India, to issue a Writ of Certiorari, calling for the records on the file of the Labour Court, Trichy pertaining to its proceedings C.P.No.18 of 2014 dated 09.01.2024 and quash the same.

For Petitioner : Mr.SC.Herod Singh

For Respondent : Mr.S.K.Mani



W.P.(MD)No.1341 of 2025

WEB COPY

ORDER

This writ petition has been filed by the petitioner's Corporation aggrieved by an order dated 09.01.2024 passed in C.P.No.18 of 2014, on the file of the learned Labour Court, Trichirappalli, whereby, an amount of Rs.1,99,512/- and another amount of Rs.12,80,683/- directed to be paid towards the earned leave salary and Provident Fund together with interest at the rate of 6% p.a. In addition to the above amounts, the learned Labour Court directed the petitioner's Corporation to pay the pension and pension arrears payable to the petitioner together with interest at the rate of 8% p.a., from the date of retirement till the date of the order passed in C.P.No.18 of 2014. Aggrieved by the said order, the petitioner approached this Court by filing the present writ petition contesting as against the amount that were granted in favour of the respondent towards Earned Leave Salary and the Provident Fund alone.

2. Heard Mr.SC.Herod Singh, learned counsel for the petitioner and Mr.S.K.Mani, learned counsel appearing for the respondent.



W.P.(MD)No.1341 of 2025

WEB COPY

3. The learned counsel for the petitioner contended that the respondent was only extended the benefit of notional service and continuity of service till the date of attaining the age of superannuation from the date of dismissal from the service and therefore, there was no earned leave accumulated by the respondent. He also further contended that though the respondent served for long years prior to the dismissal of his service, the respondent has not accumulated any Earned leave and therefore, even if the respondent was continued in service without there being any dismissal order, the respondent would not have been accumulated any leave and therefore, the respondent is not entitled to Rs.1,99,512/- as awarded by the Labour Court. He also further contended that the learned Labour Court erred in calculating the interest at the rate as fixed by the Union of India from time to time in respect of the Provident Fund amount beyond the date of superannuation of the petitioner and awarding the interest at the rate prescribed in Union of India in respect of the Provident Fund with compounding interest after 01.04.2013 is totally illegal and arbitrary. Thus, the learned counsel for the petitioner also disputed the amount that was awarded towards Provident Fund in favour of the respondent herein.



W.P.(MD)No.1341 of 2025

WEB COPY

4. On the other hand, the learned counsel for the respondent contended that once the respondent was treated deemed to have been reinstated and continued in service till attaining the age of superannuation on 31.03.2013 with all consequential benefits except back wages, whatever the respondent can acquire during that period of deemed service shall be deemed to have been accrued to the petitioner and therefore, the award of Earned Leave for the deemed service from the date of dismissal from the service till the date of superannuation, is in accordance with law.

5. Insofar as the award of interest beyond 01.04.2013 is concerned, the learned counsel for the respondent submitted that Provident Fund amount that was due and payable to the respondent on the date of superannuation i.e., on 31.03.2013 was withheld by the respondent and therefore, the petitioner is liable to pay interest at the rate prescribed by the Union of India from time to time.

6. This Court carefully considered the submissions made on either side and perused the entire materials on record.



W.P.(MD)No.1341 of 2025

WEB COPY 7. Insofar as the amount that was awarded for EL with interest 8% is concerned, this Court is of the considered view that the respondent is entitled for the said amount. It is because, had the respondent continued in service without there being any order of dismissal till the date of attaining the superannuation on 31.03.2013, there is every possibility for the respondent to accumulate the EL which he could have surrendered on the date of superannuation. Therefore, the petitioner cannot be deprived the same on the assumption that the respondent could not have accumulated such EL on the ground that the respondent is not having any such leave till the date of his dismissal from service. Once the respondent was directed to be treated to have been reinstated and continued till the age of superannuation with consequential benefits, except the back wages, the EL is also one such consequential benefit and the same cannot be denied.

8. Hence, this Court does not find any error or illegality in the award passed by the learned Labour Court awarding a sum of Rs.1,99,512/- together with interest towards earned leave salary.



W.P.(MD)No.1341 of 2025

WEB COPY 9. Insofar as the amount awarded towards Provident Fund to the tune of Rs.12,80,680/- is concerned as rightly contended by the learned counsel for the petitioner that the question of calculating the interest at the rates fixed by the Union of India from time to time for the Provident Fund awarded even after the age of the superannuation of the respondent is totally erroneous. Once the respondent attained the age of superannuation on 31.03.2013, the said amount would fall due and payable to the respondent. If there is no order of dismissal and he retired from service on 31.03.2013, the said amount would have been released in favour of the respondent. As per the calculation it comes to Rs.5,30,860.72/-, but the learned Labour Court while computing the said amount, went on adding the compounding interest from time to time at the rates fixed by the Union of India till 09.01.2024 and thereby arrived at Rs.12,80,683.38/-.

10. The question of awarding the interest that too, the compounding interest after the respondent attaining the age of superannuation does not arise. The entitlement of the respondent for payment of Provident Fund stood revived



W.P.(MD)No.1341 of 2025

WEB COPY

only by the virtue of the award passed by the Labour Court in I.D.No.142 of 2006, dated 26.02.2014. Therefore, the right of the respondent to claim interest on the belated payment of Provident Fund from the date of superannuation till the date of actual payment cannot be denied.

11. In the circumstances, this Court is of the considered view that the learned Labour Court erred in awarding the interest at the rates fixed by the Union of India from time to time for the Provident Fund and thereby, calculating the same on compounding interest basis and such calculation is totally illegal beyond 01.04.2013. Accordingly, the amount awarded is stand modified insofar as directing for payment of Provident Fund to the tune of Rs.12,80,683.38/- and the petitioner corporation shall pay a sum of Rs.5,30,860.72/- together with interest 6% from 01.04.2013 till the date of actual payment. The petitioner corporation is further directed to deduct the amount which were already paid to the respondent and pay the balance amount as expeditiously as possible, within a period of eight weeks from the date of receipt of a copy of this order.



W.P.(MD)No.1341 of 2025

WEB COPY12. The writ petition is disposed of with the above observations.

Consequently, connected miscellaneous petition is closed. There shall be no order as to costs.

09.04.2025

Neutral Citation: Yes / No

Index : Yes / No

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WEB COPY



W.P.(MD)No.1341 of 2025

MUMMINENI SUDHEER KUMAR, J.

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W.P.(MD)No.1341 of 2025

09.04.2025