



W.A(MD)No.1489 of 2025

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

WEB COPY

DATED: 17.06.2025

CORAM

**THE HONOURABLE MR.JUSTICE G.R.SWAMINATHAN
and
THE HONOURABLE MR.JUSTICE K.RAJASEKAR**

W.A(MD)No.1489 of 2025

and

C.M.P(MD)No.8653 of 2025

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

2.The General Manager,
Tamil Nadu State Transport
Corporation (Kumbakonam) Limited,
Trichy Region,
Trichy – 620 001.

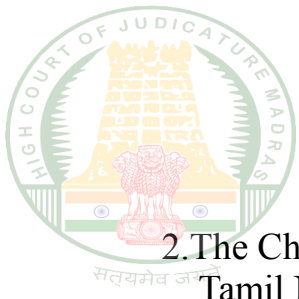
3.The General Manager,
Tamil Nadu State Transport
Corporation (Kumbakonam) Limited,
Karur Region,
Karur – 639 001.

... Appellants /
Respondents 1 to 3

Vs.

1.K.Senthilkumar

... 1st Respondent /
Petitioner



W.A(MD)No.1489 of 2025

2.The Chief Financial Officer,
Tamil Nadu State Transport
Corporation (Kumbakonam) Limited,
Kumbakonam.

... 2nd Respondent /
4th Respondent

Prayer: Writ Appeal filed under Clause 15 of the Letters Patent to set aside the order passed in W.P(MD)No.15712 of 2023 dated 14.08.2023.

For Appellants : Mr.S.C.Herold Singh
Standing Counsel

For Respondents : Mr.D.Sivaraman for R.1

JUDGMENT

(Judgment of the Court was made by **G.R.Swaminathan J.**)

The Management of TNSSTC, Kumbakonam Limited has filed this Writ Appeal questioning the order dated 14.08.2023 allowing W.P(MD)No.15712 of 2023 filed by the first respondent herein.

2.The first respondent herein joined the service of the management of the appellant corporation as Junior Engineer in the year 1987. He was subsequently promoted as Assistant Engineer and then as Senior Assistant Engineer. He took voluntarily retirement with effect from 31.10.2022. The



W.A(MD)No.1489 of 2025

only question that is the subject matter of the dispute is whether the employee /

writ petitioner herein is entitled to what is called as “VRS compensation”. The management took the stand that since the writ petitioner comes under supervisory category, he is not entitled to such compensation. The management would also add that VRS compensation is a creature of a 12(3) settlement and that those employees who are not covered by the said 12(3) settlement cannot claim VRS compensation. The writ petitioner therefore filed W.P(MD)No. 15712 of 2023 and the learned single Judge vide order dated 14.08.2023 allowed the writ petition.

3.Before us, the learned Standing Counsel for the corporation reiterated the objections.

4.We are not impressed by the arguments of the learned Standing Counsel. As rightly pointed out by the learned counsel for the writ petitioner, VRS compensation is paid more pursuant to G.O(Ms)No.2010 Transport Department dated 03.11.1987. For easy reference the entire GO is extracted below:



W.A(MD)No.1489 of 2025

GOVERNMENT OF TAMIL NADU

WEB COPY

ABSTRACT

STATE TRANSPORT UNDERTAKINGS – Special Scheme for Voluntary Retirement of employees for undertakings – Approval – Orders – Issued.

c-c

TRANSPORT DEPARTMENT

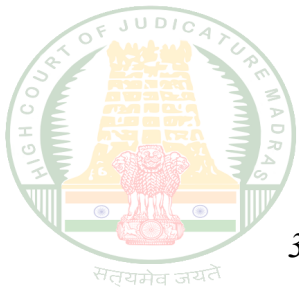
G.O.(Ms).No.2010

*Dated: the 3rd Nov.'87
Prabhava, Iyppasi 17,
Thiruvalluvar Aandu 2018*

ORDER:

The proposal to evolve a Voluntary Retirement Scheme for the staff of Transport Corporations has been engaging the attention of the Government for quite some time. When different Corporations brought up the issue before the respective Board of Directors, it was felt that it would be better to evolve a Common Scheme applicable to all the Corporations. Honourable Minister for Transport has also made an announcement on the floor of the Legislative Assembly on 6.4.87 that a Voluntary Retirement Scheme would be evolved for the staff of Transport Corporation.

2. The Voluntary Retirement scheme is applicable to persons of 50 years of age and 20 years of service. However, the Board can relax this in special and deserving cases, particularly in respect of drivers. For every year of service left for the retiring personnel, a lump sum of Rs.5000/- per year will be paid.



W.A(MD)No.1489 of 2025

3. After discussion of several 'All Managing Directors' meetings and after careful examination, the Government approve the Scheme for Voluntary Retirement of employees of State Transport undertakings appended to this order with immediate effect.

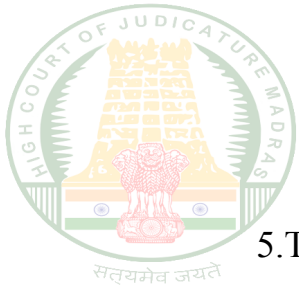
4. This order issues with the concurrence of the Finance Department - vide its U.O.No.4657/FS/P/87, dated 07.10.1987.

(BY ORDER OF THE GOVERNOR)

A.K.VENKARSUBRAMANIAN,

COMMISSIONER & SECRETARY TO GOVERNMENT

A mere look at the abstract of the GO would show that it is a special scheme for voluntarily retirement of employees of State Transport undertaking. It does not make any distinction between supervisory cadre and non-supervisory cadre. It also does not make any reference to any 12(3) settlement. Therefore, we have to necessarily hold that VRS compensation has to be paid to all the employees taking voluntary retirement. In this view of the matter, we decline to interfere. We hold that the writ petitioner is entitled to VRS compensation and the same shall be computed as per the applicable position.



W.A(MD)No.1489 of 2025

5.This Writ Appeal stands dismissed. There shall be no order as to costs.

WEB COPY

Consequently, connected miscellaneous petition is closed.

[G.R.S., J.] [K.R.S., J.]
17.06.2025

NCC : Yes / No
Internet : Yes / No
Index : Yes / No
MGA

To

The Chief Financial Officer,
Tamil Nadu State Transport
Corporation (Kumbakonam) Limited,
Kumbakonam.



WEB COPY



W.A(MD)No.1489 of 2025

G.R.SWAMINATHAN, J

and

K.RAJASEKAR, J.

MGA

W.A(MD)No.1489 of 2025

17.06.2025