



WP(MD)No.29528 of 2023

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 17.12.2025

CORAM:

THE HONOURABLE MR.JUSTICE **B.PUGALENDHI**

WP(MD)No.29528 of 2023
and
WMP(MD)No.25490 of 2023

S.Nagarajan

...Petitioner

Vs

- 1.The Additional Chief Secretary to
Government of Tamil Nadu,
Transport Department, Secretariat,
Chennai – 09.
- 2.The Tamil Nadu State Transport
Corporation Department (Kumbakonam) Ltd,
Represented by its Managing Director,
No.27, Railway Station New Road,
Kumbakonam.
- 3.The General Manager,
The Tamil Nadu State Transport
Corporation (Kumbakonam) Ltd,
Karaikudi Region,
Karaikudi.
- 4.The Administrator,
The Tamil Nadu Transport Corporation
Employees Pension Fund Trust,
Thiruvalluvar Illam,
Pallavan Salai, Chennai – 02.

...Respondents



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Prayer: Writ Petition filed under Article 226 of the Constitution of India to issue Writ of Certiorarified Mandamus, calling for the records pertaining to the impugned Government letter issued by the 1st respondent in Ref. No.2048/E1/2022-2 Transport (E1) Department dated 17.02.2023 quash the same in so far as restricting the payment of revised pension prospectively and freezing rate of Dearness Allowance at present rates and in so far as not giving any direction to 2nd respondent to pay other terminal benefits to the petitioner including difference amounts in Gratuity, Leave Salary, Commuted Value of Pension based on the revised salary payable to him as on the date of his retirement as per pay revision given under 14th wage revision settlement signed under section 12(3) of the I.D.Act dated 24.08.2022 and consequently directing the respondents to pay the petitioner, difference amounts in gratuity, Leave Salary and Commuted Value of pension and Pension with arrears based on such wages payable to him as on the date of his retirement that is as on 31.07.2021 in terms of the above settlement along with interest at the rate of 6 percent per annum within a time frame as may be fixed by this Court.

For Petitioner : Mr.A.Rahul
For Respondent : Mr.G.V.Vairam Santhosh,
No.1 Additional Government Pleader
For Respondent : Mr.K.Ramaiah
Nos.2 and 3
For Respondent : Mr.S.C.Herold Singh
No.4



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ORDER

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The petitioner is a retired selection grade conductor, who retired from service on 31.07.2021 on attaining the age of superannuation. The trade union of the transport corporation employees and the respondent corporation have entered into a settlement under Section 12(3) of the Industrial Disputes Act 1947 on 24.08.2022 providing retrospective wage revision with effect from 01.09.2019. However, the 1st respondent vide the impugned letter dated 17.02.2023 has restricted the payment of revised pension prospectively and freezing the rate of dearness allowance at present rate. As against the same, this writ petition has been filed.

2.The learned counsel for the petitioner submits that the petitioner is entitled for revised pension from the date of his retirement on 31.07.2021. However, the revised pension has been paid to the petitioner only from February 2023 as per the impugned letter of the 1st respondent. Hence, he is entitled for arrears of revised pension from 31.07.2021 till January 2023. It is further submitted that the terms of the settlement arrived under Section 12(3) cannot be restricted by the 1st respondent by



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issuing a letter to the respondent corporation. He has also relied on the orders passed by this court in WP(MD)Nos.8910 of 2014, dated 25.06.2024.

3.Heard the learned counsel on either side and perused the materials placed on record.

4.A perusal of the materials reveals that the trade union of transport corporation employees and the respondent corporation have entered into a wage settlement agreement under Section 12 (3) of the Industrial Disputes Act 1947. As per this settlement dated 24.08.2022, the salary payable has been revised with notional effect from 01.09.2019. As per Rule 15 of the Tamil Nadu State Transport Corporation Employees Pension Fund Rules, the last drawn basic pay shall be the salary to be considered for the purpose of calculating pension payable. As the last drawn salary has been revised in terms of the wage revision settlement dated 24.08.2022, the petitioner is entitled to revised pension from the date of his retirement onwards. Therefore, the letter of the 1st respondent directing the payment of revised pension with prospective



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effect is against the prevailing rules and the settlement arrived under Section 12(3) of the Industrial Disputes Act 1947.

5.It is also pertinent to note that the impugned letter of the 1st respondent dated 17.02.2023 was already quashed by this court in W.P(MD)Nos.8910, 8972, 9009, 10208 & 11540 of 2024 vide order dated 25.06.2024 and the relevant portion is extracted as under:

“9. As the pension has also been revised under the terms of the 14th wage revision settlement and Rule 15 of the Tamil Nadu State Transport Corporation Employees Pension Fund Rules, the last drawn basic salary shall be the salary to be taken for calculating pensions. As the last drawn salary has been revised in terms of the 14th wage revision settlement, the impugned letter cannot restrict the benefits. The respondents are directed to revise the monetary benefits and the difference in the revised pension which is payable from the date on which the revised monetary benefits were given to the working employees under the 14th wage revision settlement.

10. Accordingly, these Writ Petitions are allowed to the extent indicated above by quashing the impugned letter, dated 17.02.2023 and the respondent Corporation is directed to pay the difference in the benefits in respect



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of Gratuity and Encashment of Leave salary, commuted value of pension and monthly pension with arrears from the date of retirement, as per wage settlement, dated 24.08.2022 along with dearness allowance. This amount shall be paid within a period of six (6) months from the date of receipt of a copy of this order. The respondent Corporation has to make out the differential payment with interest at the rate of 6% per annum to be computed from the date of the petitioners' retirement till the date of payment.”

6.In view of the above, this writ petition is disposed with a direction to the respondent corporation to settle the revised pension and other benefits payable to the petitioner from the date of his retirement, as per the wage settlement dated 24.08.2022, within a period of two months from the date of receipt of a copy of this order together with 6% interest per annum. No costs. Consequently connected miscellaneous petition is closed.

17.12.2025

DSK



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To

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Chennai – 09.
- 2.The Tamil Nadu State Transport
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B.PUGALENDHI.J.,

DSK

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