



W.P.No.20106 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 12.02.2026

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THE HONOURABLE MR.JUSTICE M.DHANDAPANI

W.P.No.20106 of 2025

And

W.M.P.Nos.22683 of 2025 and 2972 of 2026

S.X.Aveleo

... Petitioner

Vs.

- 1 THE MANAGING DIRECTOR
TAMIL NADU CIVIL SUPPLIES
CORPORATION LTD.,
NO.12, THAMBUSAMY ROAD,
KILPAUK,
CHENNAI – 600 107.
- 2 THE SENIOR REGIONAL MANAGER
TAMIL NADU CIVIL SUPPLIES
CORPORATION LTD.,
COIMBATORE REGION,
COIMBATORE – 641 030.
- 3 THE REGIONAL MANAGER
TAMIL NADU CIVIL SUPPLIES
CORPORATION LTD.,
NILGIRIS REGION,
OOTY, NILGIRIS.
- 4 THE SENIOR REGIONAL MANAGER
TAMIL NADU CIVIL SUPPLIES
CORPORATION LTD.,
THIRUVARUR REGION,
THIRUVARUR – 610 004.

... Respondents



W.P.No.20106 of 2025

Prayer:

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Petition filed under Article 226 of the Constitution of India to issue a Writ of Certiorarified Mandamus calling for the records in the proceedings of the fourth respondent in செ.மு.ஆ.எண்.. SL5/12171/2021 dated 14.05.2024 and quash the same as illegal and consequently directing the fourth respondent to pay the amount of Rs.1,19,115/- and also direct the fourth respondent to pay 18% interest for the delayed payment of the earned and unearned leave balances to the petitioner.

For Petitioner : Ms.M.E.Rani Selvam
For Respondents : Mr.C.Selvaraj
Standing Counsel for TNCSC

ORDER

The petitioner has filed this writ petition seeking issuance of Writ of Certiorarified Mandamus calling for the records in the proceedings of the fourth respondent in செ.மு.ஆ.எண்.. SL5/12171/2021 dated 14.05.2024 and quash the same as illegal and consequently direct the fourth respondent to pay the amount of Rs.1,19,115/- and also direct the fourth respondent to pay 18% interest for the delayed payment of the earned and unearned leave balances to the petitioner.



W.P.No.20106 of 2025

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2.The learned counsel appearing for the petitioner submitted that the petitioner joined the service of the first respondent office on 03.02.1982 as Junior Assistant and was promoted as Assistant Manager (QC) on 30.08.2009 under the third respondent and attained superannuation on 30.09.2012. The petitioner while working as Assistant Quality Inspector, was responsible for transportation of paddy from Kumbakonam Railway Station, Thanjai Region to Mettupalayam Railway Station, Coimbatore Region. He was issued with a show cause notice on 03.08.1999, calling upon him to submit an explanation with regard to the recovery of a sum of Rs.28978.45 being 50% of the total loss caused to the respondent Corporation on account of transit of paddy in the month of November, 1992, wherein deficit of 1% weight was noticed and the value of the same was Rs.57,956.85.

3.The learned counsel appearing for the petitioner further submitted that the petitioner submitted his reply on 28.09.1999 stating that the loss was on account of the fact that when paddy was received, it was wet and in the transit, on account of drying up, the weight was reduced by 2%. In normal course, the reduction to that



W.P.No.20106 of 2025

extent is permissible on account of drying up of paddy. Thereafter, the second respondent passed order dated 22.10.1999 directing recovery of a sum of Rs.28,978.45 being 50% of the total loss. Challenging the same, the petitioner preferred appeal before the first respondent and the first respondent rejected the appeal. Aggrieved by the same, the petitioner preferred writ petition in W.P.No.2403 of 2002 before this Court and this Court vide order dated 08.11.2010 allowed the said writ petition and challenging the same, the respondents 1 and 2 preferred appeal in W.A.No.2185 of 2011 and the Hon'ble Division Bench of this Court vide judgment dated 27.11.2014 dismissed the said writ appeal.

4.The learned counsel appearing for the petitioner further submitted that at the time of retirement, the respondents withheld the petitioner's backwages of earned leave and unearned leave and seeking the same, the petitioner made representation to the respondents and since there was no response, the petitioner filed W.P.No.17949 of 2017 and pursuant to the order of this Court dated 21.01.2020 made in the said writ petition, the respondents released a sum of Rs.3,20,907/- and withheld a sum of Rs.1,19,115/- and



W.P.No.20106 of 2025

challenging the same the petitioner filed W.P.No.13327 of 2021 and pursuant to the order of this Court dated 27.11.2023, the impugned order was issued.

5.The learned counsel appearing for the petitioner further submitted that the amount of Rs.1,19,115/- was withheld without any provision of law that too by way of un-implemented punishment for stock deficit, transit loss. If it is so, the respondents ought to have concluded the disciplinary proceedings prior to retirement. The learned counsel further submitted that after retirement, there is no master and servant relationship and hence the impugned order is not sustainable one.

6.The learned Standing Counsel appearing for the respondents submitted that the petitioner in his representation dated 17.09.2012 addressed to the third respondent requested to make recoveries from the encashment of earned leave towards statutory deduction if any ordered due to transit loss, stock deficit. Only after providing sufficient opportunity to the petitioner, the impugned order was passed.



W.P.No.20106 of 2025

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7. Heard the arguments advanced on either side and perused the materials available on record.

8. The petitioner joined the service of the first respondent office on 03.02.1982 as Junior Assistant and was promoted as Assistant Manager (QC) on 30.08.2009 under the third respondent and attained superannuation on 30.09.2012. The petitioner while working as Assistant Quality Inspector, was responsible for transportation of paddy from Kumbakonam Railway Station, Thanjai Region to Mettupalayam Railway Station, Coimbatore Region. He was issued with a show cause notice on 03.08.1999, calling upon him to submit an explanation with regard to the recovery of a sum of Rs.28978.45 being 50% of the total loss caused to the respondent Corporation on account of transit of paddy in the month of November, 1992, wherein deficit of 1% weight was noticed and the value of the same was Rs.57,956.85.

9. The petitioner submitted his reply on 28.09.1999 stating that the loss was on account of the fact that when paddy was received, it was wet and in the transit, on account of drying up, the weight was



W.P.No.20106 of 2025

reduced by 2%. In normal course, the reduction to that extent is permissible on account of drying up of paddy. Thereafter, the second respondent passed order dated 22.10.1999 directing recovery of a sum of Rs.28,978.45 being 50% of the total loss. Challenging the same, the petitioner preferred appeal before the first respondent and the first respondent rejected the appeal. Aggrieved by the same, the petitioner preferred writ petition in W.P.No.2403 of 2002 before this Court and this Court vide order dated 08.11.2010 allowed the said writ petition and challenging the same, the respondents 1 and 2 preferred appeal in W.A.No.2185 of 2011 and the Hon'ble Division Bench of this Court vide judgment dated 27.11.2014 dismissed the said writ appeal.

10.At the time of retirement, the respondents withheld the petitioner's backwages of earned leave and unearned leave and seeking the same, the petitioner made representation to the respondents and since there was no response, the petitioner filed W.P.No.17949 of 2017 and pursuant to the order of this Court dated 21.01.2020 made in the said writ petition, the respondents released a sum of Rs.3,20,907/- and withheld a sum of Rs.1,19,115/-. The amount of Rs.1,19,115/- by way of un-implemented punishment for



W.P.No.20106 of 2025

stock deficit, transit loss. However, disciplinary proceedings was not concluded prior to retirement. After retirement, there is no master and servant relationship.

11. Similar issue was considered by the Court in the case of ***K.Chandrasekaran Vs. Tamil Nadu State Transport Corporation and another [W.P.No.50670 of 2025, dated 05.01.2026]***, the relevant portion of which is extracted hereunder:

"8. The fact of the case are not in dispute. It is an admitted fact that the petitioner was appointed as a Driver in the year 1989 and retired on 30.11.2023 as a Selection Grade Driver. Prior to his retirement, the present impugned order was passed on 16.11.2023 to implement the unimplemented punishment and directed recovery of Rs.1,67,200/-. A similar issue was taken up for consideration before this Court in W.P No.2998 of 2017, in which, by its order dated 13.03.2024, it was held as follows:

10. A learned Single Judge of this Court by following the judgment of the Division Bench of Madurai Bench of Madras High Court in the case of State Transport Corporation rep. By Managing Director Vs. Senthil and another dated 15.06.2021 allowed the writ petition. The relevant paragraphs of the Division Bench



W.P.No.20106 of 2025

Judgment are extract hereunder.

7. The above condition states that the increment postponement orders

which could not be implemented prior to the superannuation of the employee can be implemented, but only in accordance with the Common Service Rules and the Standing Orders which are applicable to the organization. This question was considered in the case of J.Arumugam (supra), as first among the several issues and it was held that there is no provision in the Certified Standing Orders enabling the Management to pass orders of recovery as passed in the instant case. In fact, the Court held that the Common Service Rules are not applicable to the workmen and there is no Standing Order framed by the Management and only Certified Standing Orders are in vogue and the Certified Standing Orders do not provide for any such recovery. The operative portion of the judgment reads as follows:

"5. Before deciding the merits of the case, firstly, it has to be seen, as to, under which Rule, the workmen of the Management are governed by. It is admitted by the Management that the workmen are governed by Certified



W.P.No.20106 of 2025

Standing Orders, framed for the employees of the Management/Corporation by the Appellate Authority under the Industrial Employment (Standing Orders) Act 1946 (supra), but, contrary to the same, the impugned orders of recovery were passed by the Management, by following the provisions of the Common Service Rules, viz., Rule 4 (1) (e). Pitted with this position, the learned counsel for the Management submitted that the Management has no option, except, to opt for Rule 4 (1) (e) of the Common Service Rules, for, the workmen suffered punishment of withholding of increment, which could not be given effect to, as the workmen did not have the requisite remaining years of service. That apart, such a remedy is not found in the Certified Standing Orders. This submission is untenable, for the reason that, when the Management has admitted that the workmen are governed by the Rules framed under the Certified Standing Orders, in violation to the same, it cannot follow Rule 4 (1) (e) of the Common Service Rules, by invoking Clause 25 (1) (iv) (b) of the Certified Standing Orders. Therefore, we have no hesitation to hold that the orders passed by the Management, recovering three times the monetary value



W.P.No.20106 of 2025

equivalent to the amount of increment, are without jurisdiction, as there is no such provision in the Certified Standing Orders, enabling the Management to pass such orders. Therefore, on that ground, the impugned orders are required to be set aside."

8. Therefore, the contention of the appellant~Management that Clause 8 of the 12(3) Settlement provides for passing such an order in an Organisation, is stated to be rejected. Clause 8 cannot be used as a tool or a source of power to recover money from the workman, especially, when the Settlement only states that it can be done so, if there is a provision under the Common Service Rules or the Standing Orders.

9. Furthermore, the question as to whether the Management would be entitled to implement orders of postponement of increment, which was not implemented during the period when the workman was in service, was also considered in the case of J.Arumugam (supra) and it was held that the same cannot be done and it will be without jurisdiction. The operative portion of the judgment reads as follows:



W.P.No.20106 of 2025

"37. One more important aspect, which we wish to point out is that, the Management cannot plead ignorance of the fact that, on the date, when punishment was imposed on the workmen, the punishment was not capable of being implemented as workmen did not have the required remaining years of service. If that is so, the Management cannot take shelter under the explanation contained Clause 4 (1) (e) to suit its own convenience, and the workmen cannot be put in a disadvantageous position. In such circumstances, the Management cannot rely on the decision of the Hon-ble Supreme Court in Kshetrabasi Mohanti (supra) where, the Hon-ble Supreme Court considered the correctness of the order by substituting the punishment for a candidate, who was still in service. There, it was a case, where, it was not possible for the Corporation to implement the punishment, but, the case on hand, is a case, where, the Corporation was fully aware of remaining years of service in respect of each of the workmen, yet, chose to pass such orders of recovery. Thus, the Management, having failed to convert the punishment of stoppage of increment to that of order of recovery of monetary value, when the workmen were in



W.P.No.20106 of 2025

service, it cannot turn around and say that those orders could be implemented by invoking Clause 25 (iv) (b) of the Certified Standing Orders."

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 or 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 directed to pay the said sum within a period of 12 weeks, failing which, the Management is directed to settle the amount



W.P.No.20106 of 2025

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.

11. On perusal of the above judgment, it is clear that the respondents are not empowered under Standing Orders who passed orders for recovery at the verge of the retirement proposing to recover the unimplemented orders of punishment of postponement of increment, is wholly without jurisdiction and the said decision is squarely applicable in the present case also. Accordingly, by following the judgment stated supra, this Court is inclined to issue following orders:

'(i) The order bearing No.E7/2155/TNSTC (Salem)/2015 dated 02.04.2015 passed by the first respondent is hereby quashed; and

(ii)The respondents are directed to pay all terminal benefits for which the petitioner is legally entitled for, within a period of six weeks from the date of receipt of a copy of this order. "

9.Applying the ratio laid down by the Hon'ble



W.P.No.20106 of 2025

Division Bench of Madurai Bench of Madras High Court, this writ petition stands allowed and the impugned order of the 2nd respondent dated 16.11.2023, is set aside. The respondents are directed to pay a sum of Rs.1,67,200/- to the petitioner, without any interest, within a period of four weeks from the date of receipt of a copy of this order. In default, the respondent Corporation shall be liable to pay interest at the rate of 6% per annum."

12.Applying the ratio laid down in the decision cited supra, this writ petition is allowed and the proceedings of the fourth respondent dated 14.05.2024 is set aside. The respondents are directed to disburse the amount of Rs.1,19,115/- to the petitioner, within a period of four weeks from the date of receipt of a copy of this order, failing which, the respondents shall pay interest at the rate of 6% per annum from the date of the petitioner's retirement to till date (12.02.2026).

13.The writ petition is allowed. No costs. Consequently, the connected miscellaneous petitions are closed.

12.02.2026

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Index: Yes/ No Speaking Order: Yes/ No NCC: Yes/ No

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W.P.No.20106 of 2025

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To

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CORPORATION LTD.,
NO.12, THAMBUSAMY ROAD,
KILPAUK,
CHENNAI – 600 107.
- 2 THE SENIOR REGIONAL MANAGER
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M.DHANDAPANI,J.
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