



W.P.No.8102 of 2017

IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated:28.03.2024

Coram:

THE HONOURABLE MR. JUSTICE BATTU DEVANAND

Writ Petition No.8102 of 2017

P.Pitchaipillai

.. Petitioner

/versus/

1.The Management of Tamil Nadu
Civil Supplies Corporation,
Rep.by its Managing Director,
Head Office, Chennai-10.

2.The Manager(Administration)-I,
Tamil Nadu Civil Supplies Corporation,
Chennai.

3.The Regional Manager,
Chennai (South) Region,
Tamil Nadu Civil Supplies Corporation,
Chennai.

.. Respondents

Prayer: Writ Petition has been filed under Article 226 of the Constitution of India, praying to issue a Writ of Certiorarified Mandamus to call for the records from the 2nd respondent relating to the impugned order dated 19.01.2017 in Na.Ka.No.AE10/37728/2016 of the 2nd respondent, quash the same and consequently to direct the respondents to pay the petitioner's benefits of encashments of Earned



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Leaves of 240 days and Leaves on Personal Affairs of 90 days, with 18% interest p.a., and within a time frame as may be fixed by this Hon'ble Court, award costs.

For Petitioner :Mr.V.Ajoykhose

For R1 to R3 :Mr.C.Senthil Kumar

ORDER

Heard the learned counsel appearing for the petitioner and the learned Standing Counsel appearing for the respondents and also perused the records.

2.The learned counsel appearing for the petitioner submits that the petitioner was appointed in the first respondent Corporation as Bill Clerk on 10.09.1985. Subsequently, he got several promotions and finally, he promoted as Superintendent at the office of the third respondent. After completion of more than 29 years of the service, he was retired on 31.12.2024 on attaining superannuation, as per the order of the third respondent, dated 31.12.2014.



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3. The learned counsel also submits that the petitioner was entitled to get terminal benefits (i.e.) gratuity, encashment, earned leave etc. from the first respondent. The petitioner was paid the benefits namely, gratuity and GPF. But, he was not paid with the benefits of encashment of leave and leave on personal affairs by the respondents. The petitioner sent a representations dated 23.07.2016 and 31.09.2016 to the first respondent requesting to pay the said benefits. On 19.01.2017, the second respondent passed an order declining to pay the benefits. As the said order is illegal and unjust, the petitioner constrained to file the present writ petition impugning the order dated 19.01.2017 of the second respondent.

4. On behalf of the respondents, a counter affidavit has been filed. In the said counter affidavit, it is stated that the petitioner is entitled for an amount of Rs.4,32,003/- towards total leave encashment. After deducting the pending recovers and as per the consent letter given by the petitioner, the remaining net amount of Rs.3,91,624/- has been disbursed to the petitioner on 13.08.2020 through a cheque bearing No.677996, dated 13.08.2020.



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5. The learned counsel appearing for the petitioner accepted the receipt of the amount of Rs.3,91,624/- but, the learned counsel appearing for the petitioner contends that though the petitioner is entitled for the said amount at the time of his retirement, without any valid reason, the respondents withheld his terminal benefits which we have to be paid the earned leave and leave on private affairs. As such, there is a delay of 6 years in making the said payment and he contends that the petitioner is entitled for interest. The learned counsel for the petitioner has drawn the attention of this Court to an order dated 12.12.2019 in W.P.No.1702 of 2018 passed by the learned Single Judge of this Court.

6. In the relevant paragraphs of the said order are extracted hereunder:-

“8.It will be relevant to take note of the Judgment of this Court in *P.V.Mahadevan vs The Secretary to Government and another* reported in *2011 (2) CWC 401*. This Court had held that interest must be paid on belated payment of retirement benefits, even in cases where the delay was due to the pending charges, which was ultimately dropped at a later point of time.



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9. Reliance can also be placed on the latest Judgment of the Hon'ble Division Bench of this Court in ***M.Suceela Bai vs The Government of Tamil Nadu and others*** reported in **2019 (8) MLJ 129**, wherein the Division Bench has considered all the earlier Judgments and has held that an employee is entitled to claim interest on belated payment of retiral benefits, whatever may be the reason for the delay and even in the absence of statutory rules or guidelines.

10. It is clear from the above Judgments that whatever may be the reasons given by the respondents, the fact remains that there was a clear 4 year delay in settlement of the retiral benefits and therefore, it becomes very important to make the settlement at the earliest point of time. In this case, the petitioner did not even question on recovery that was made from him to the tune of Rs.1,67,864/-. The petitioner was only interested in getting whatever was due and payable to him as retirement benefits. If it had taken 4 years for the respondents to settle the retirement benefits, then it becomes the duty of the respondents to pay interest for the belated payment of the retiral benefits. The law on this issue is well settled.”

7. On perusal of the order stated supra, this Court is of the considered opinion that the said order is squarely applicable to the facts and circumstances of the present case. By following the said order, this



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Writ Petition is allowed with a direction to the respondents to pay interest at the rate of 6% for the sum of Rs.3,91,624/- from the date of retirement of the petitioner till the date of actual payment. The payment of interest shall be made within a period of six weeks from the date of receipt of a copy of this order.

8. There shall be no order as to costs.

28.03.2024

Index:yes/no
Speaking order/non speaking order
Neutral citation:yes/no
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BATTU DEVANAND,J.

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