



W.P.No.18460 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 04.11.2025

CORAM:

THE HONOURABLE MR. JUSTICE **G.K.ILANTHIRAIYAN**

W.P.No.18460 of 2025

and W.M.P.Nos.20676 and 20677 of 2025

S.Chandra Sekaran

... Petitioner

-Vs-

1. The Director and Superintendent,
Institute of Child Health and Hospital for Children,
Tamil Salai, at Halls Road, Egmore,
Chennai -600 008.
2. The Director and Professor (FAC),
Institute of Child Health and Hospital For Children,
Tamil Salai, at Halls Road, Egmore,
Chennai -600 008.
3. The Director of Medical Education and Research,
Kilpauk, Chennai -600 010.
4. Deputy Registrar of Co-Operative Societies, (Credit),
Deputy Registrar Credit Department,



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Kuralagam II Floor,
Chennai -600 108.

5. Institute of Child Health and Hospital For Children,
Employees Co-Operative Thrieff And Credit Society Limited,
Represented By Its President, Tamil Salai,
At Halls Road, Egmore,
Chennai -600 008.

6. R.Rangarajan,
Co-Operative Sub-Registrar/Executive Officer,
Institute of Child Health and Hospital For Children,
Employees Co-Operative Thrieff and Credit Society Limited,
Tamil Salai, at Halls Road,
Egmore, Chennai -600 008.

7. The Principal Accountant General (A and E),
No.361, Anna Salai, Teynampet,
Chennai, Tamil Nadu -600 018.

...Respondents

Prayer : Writ Petition filed under Article 226 of Constitution of India praying for the issuance of a Writ of Certiorarified Mandamus, calling for the records of the 6th respondent pursuant to the Impugned order dated 07.04.2025 and consequential order of the 2nd respondent dated 17.04.2025 in Na.Ka.No. 8380/Ne5/2024 and quash the same and consequently direct the 2nd respondent and the 6th respondent to release



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the entire accumulation of PF and Gratuity of the Petitioner together with interest at the rate of 12 percentage per annum for illegally withholding the same from 01.01.2025 and also direct them to pay the monthly pension immediately from 01.01.2025 along with interest at the rate rate of 12 percentage per annum for the delayed payment form 01.01.2025.

For Petitioner	: Mr.A.Kumar
For R1 to R3, R5	: Mr.M.Bindran Additional Government Pleader
For R4 and R6	: Mr.K.Tamilvendan Government Advocate
For R7	: Mr.P.Manorajan Standing Counsel

ORDER

This Writ Petition has been filed challenging the order passed by the 6th respondent dated 07.04.2025 and consequential order of the 2nd respondent dated 17.04.2025, thereby directing the petitioner to submit a written undertaking for deducting a sum of Rs.6,04,858/- from his DCRG benefits.



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2. Heard the learned counsel on either side and perused the materials available on record.

3. The petitioner had worked in the Institute of Child Health and Hospital for Children as Special Grade Lift Attendant and retired on 31.12.2024. While he was in service, in the year 2013, his colleague, one N.Kandasamy, borrowed a loan on 05.08.2013 from the fifth respondent, for which the petitioner stood as a guarantor. The usual practice was that one employee would stand as a guarantor for the loan obtained by another employee and vice versa. After borrowing the loan, the said N.Kandasamy died in the year 2017. His wife had pre-deceased him. However, the 5th and 6th respondents did not take any steps to recover the loan amount from the family of the deceased or from the petitioner who had stood as a guarantor for the said loan. In fact, the petitioner requested the 5th and 6th respondents not to claim any loan amount from him. On the



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said request, by the communication dated 24.01.2018, by the 5th and 6th respondents informed the petitioner that the loan amount would be adjusted from the amount payable to the deceased N.Kandasamy and thereafter, steps would be taken to discharge the petitioner from the loan liability. However, the 5th and 6th respondents did not send any communication to recover the loan amount either from the family of the borrower or from the guarantor viz., the petitioner herein.

4. After the retirement of the petitioner, he was paid all terminal benefits except DCRG. When the petitioner requested to settle the DCRG, he was informed, by the order impugned in this writ petition dated 17.04.2025 that he must execute an undertaking affidavit consenting to deduction of the loan amount from his DCRG. Further, the deceased N.Kandasamy was not paid with any benefits due to his demise.



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5. A perusal of the counter filed by the second respondent as well as the submissions made by the learned Additional Government Pleader appearing for the respondents 1 to 3 and 5 reveals that a sum of Rs.6,04,858/- remains due towards the loan borrowed by the deceased N.Kandasamy, along with interest. After his demise, there are no surviving legal heirs. Therefore, the benefits of the deceased could not be settled to anybody.

6. A perusal of records also reveals that the borrower N.Kandasamy had not reported duty from 08.03.2016. Therefore, a police complaint was lodged and notice was issued to the brother of the deceased N.Kandasamy. He submitted a reply dated 24.10.2017 enclosing the death certificate of the said N.Kandasamy, along with the death certificate of his wife. However, the 5th and 6th respondents failed to recover any loan



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amount from any legal heirs of the deceased N.Kandasamy. They also failed to verify whether any legal heirs of the deceased were available. Only when the petitioner claimed his DCRG benefits, the 5th and 6th respondents woke up and restrained the 7th respondent from disbursement of DCRG benefits to the petitioner and also directed the petitioner to give consent to recover the loan amount from his DCRG benefits.

7. The learned counsel appearing for the 7th respondent submitted that DCRG benefits cannot be disbursed without any claim and so far, no claim has been made in respect of the benefits of the deceased N.Kandasamy. He also sought time to file a counter, since the petitioner has made specific allegations against the 7th respondent for not disbursing the retirement benefits and the pensionary benefits.

8. In view of the above, the further claim of the 5th and 6th



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respondents is now barred by limitation. After a period of eight years, the 5th and 6th respondents cannot now direct the petitioner to give consent for deduction the loan amount from his DCRG benefits. Therefore, the orders impugned in this writ petition cannot be sustained and are liable to be quashed.

9. Accordingly, the impugned order dated 07.04.2025 passed by the 6th respondent and the consequential order of the 2nd respondent dated 17.04.2025 in Na.Ka.No. 8380/Ne5/2024 are hereby quashed.

10. The 7th respondent is directed to disburse the DCRG benefits and other eligible benefits to the petitioner, forthwith. Further, though there is no claim in respect of DCRG benefits of the deceased N.Kandasamy, the eligible amount relating to the deceased has to be adjusted to the loan borrowed by him. Accordingly, the 5th and 6th respondents are directed to communicate the exact loan dues along with



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relevant records, such as Service Register of the deceased N.Kandasamy, to the 7th respondent. On receipt of the same, the 7th respondent is directed to disburse the eligible amount of the deceased N.Kandasamy to the 5th and 6th respondents herein.

11. Accordingly, this writ petition stands allowed. Consequently, connected Miscellaneous petitions are closed. No costs.

04.11.2025

Internet: Yes

Index : Yes/No

Neutral Citation: Yes/No

Speaking/Non Speaking order
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To

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Institute of Child Health and Hospital for Children,

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