



W.P.No.31060 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated : 20.08.2025

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THE HONOURABLE Ms. JUSTICE P.T. ASHA

W.P.No.31060 of 2025
and W.M.P.No.34816 of 2025

M.Manikandan

... Petitioner

Vs

1.Government of Tamil Nadu

Rep. By its Principal Secretary to Government
Handlooms, Handicrafts, Textiles and Khadi Department
Fort St. George,
Chennai 600 009.

2.The Chief Executive Officer,

Tamil Nadu Khadi and Village Industries Board
Kuralagam,
Chennai 600 108.

... Respondents

Prayer: Writ Petition filed under Article 226 of the Constitution of India praying to issue a Writ of Declaration, declaring that the action of the Respondents in not paying the commuted value of pension, death cum retirement gratuity, encashment of earned leave and encashment of unearned leave on private affairs to the petitioner consequent to his retirement on 30.06.2024 as illegal, arbitrary and contrary to law and



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consequently direct the respondents to pay commuted value of pension, death cum retirement gratuity, encashment of earned leave and encashment of unearned leave on private affairs to the petitioner within the time frame stipulated by this Hon'ble Court along with interest at the rate of 10% per annum from the date when the terminal benefits became due till the date of actual disbursement.

For Petitioner : Mr.Balan Haridas

For Respondents : Mr.G.Nanmaran,
Spl. Government Pleader for R1
Mr.C.Rajakumar,
Standing Counsel for R2

ORDER

The above writ petition has been filed to declare that the action of the respondents in not paying the commuted value of pension, death cum retirement gratuity, encashment of leave and encashment of unearned leave on private affairs to the petitioner after his retirement, is illegal, arbitrary and contrary to law and also to direct the respondents to pay his above entitlements along with 10% interest per annum, within the time frame fixed by this Court.

2. The petitioner had joined the service of second respondent as



Grade II Helper on 28.10.1987 and had retired on 30.06.2024, and had been receiving his pension amounts regularly. The only grievance of the petitioner is that, even after a lapse of one year, the second respondent had failed to pay his entitlements namely commuted value of pension, death-cum-retirement gratuity, encashment of earned leave (part of the amount paid) and encashment of unearned leave on private affairs etc., and the details of the same are tabulated hereunder:

<i>Sl. No.</i>	<i>Description</i>	<i>Amount (Rs.)</i>
1.	Commutated Value of Pension	9,68,530.00
2.	Death cum Retirement Gratuity	14,62,725.00
3.	Encashment of Earned Leave (Balance payable)	72,000.00
4.	Encashment of Unearned Leave on private affairs	2,92,950.00

In this regard, the petitioner had submitted his representation to the respondents on 26.11.2014, requesting to settle his terminal benefits, to which, he received a reply from the second respondent stating that due to financial crunch they are not in a position to release the amounts. However, the petitioner was informed that the second respondent had addressed the issue to the first respondent for allotment of funds to enable them to pay the terminal benefits of its retired staff members. The petitioner would also



contend that since he was deprived of his terminal benefits for more than a year, the respondents are liable to pay interest at the rate of 10% per annum for the delayed payments.

3. Heard the learned counsel appearing for the petitioner and the learned Special Government Pleader appearing on behalf of the first respondent and the learned Standing Counsel appearing for the second respondent.

4. The learned Special Government Pleader appearing for the first respondent would submit that the request of the second respondent for allotment of funds, is under consideration. The learned Standing Counsel appearing for the second respondent would submit that on receipt of funds from the first respondent, the second respondent who settle the terminal benefits due to petitioner and to the other retired employees of its organization at the earliest.

4. Taking into account the above submissions of the learned counsel appearing for the State, the first respondent is directed to allocate the funds



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in favour of the second respondent within a period four weeks from the date of receipt of a copy of this order. On receipt of the same, the second respondent is directed to disburse the dues to the petitioner forthwith along with applicable interest.

5. With the above directions, the writ petition is allowed. No costs. Consequently, connected miscellaneous petition is closed.

20.08.2025

Index : Yes / No
Neutral Citation : Yes / No
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To :

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- 2.The Chief Executive Officer,
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P.T. ASHA, J.

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