



WEB COPY



W.P.No.31989 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated : 26.08.2025

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THE HONOURABLE Ms. JUSTICE P.T. ASHA

W.P.No. 31989 of 2025

&

W.M.P.No. 35835 of 2025

M.Sumathi

...Petitioner

Vs.

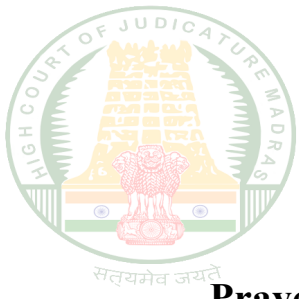
1.Government of Tamil Nadu

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,
1st floor, Chennai House,
Chennai-600 104

...Respondents



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Prayer: Writ Petition is filed under Article 226 of the Constitution of India for issue of Writ of Declaration, declaring that the action of the respondents in not paying the death cum retirement gratuity, commuted value of pension, encashment of earned leave and encashment of unearned leave on private affairs to the petitioner consequent to his retirement on 30.09.2021 as illegal, arbitrary and contrary to law and consequently direct the respondents to pay death cum retirement Gratuity, commuted value of pension, encashment leave of earned leave and encashmen of unearned leave on private affairs and further direct the respondent to pay interest at the rate of 10% p.a., on the delayed payment of death cum retirement gratuity, commuted value of pension and encashment of earned leave and encashment of unearned leave on private affairs to the petitioner within the time frame stipulated by this Court along with interest at the rate of 10 percent per annum from the date when the terminal benefits became due till the date of actual disbursement.



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W.P.No.31989 of 2020

For Petitioner : Mr. Balan Haridas

For Respondents : Mr. C.Rajakumar
Standing Counsel

ORDER

The Writ Petition is filed for the following relief:

“declaring that the action of the respondents in not paying the death cum retirement gratuity, commuted value of pension, encashment of earned leave and encashment of unearned leave on private affairs to the petitioner consequent to his retirement on 30.09.2021 as illegal, arbitrary and contrary to law and consequently direct the respondents to pay death cum retirement Gratuity, commuted value of pension, encashment leave of earned leave and encashmen of unearned leave on private affairs and further direct the respondent to pay interest at the rate of 10% p.a., on the delayed payment of death cum retirement gratuity, commuted value of pension and



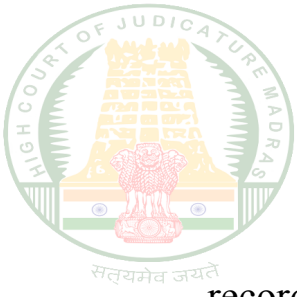
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encashment of earned leave and encashment of unearned leave on private affairs to the petitioner within the time frame stipulated by this Court along with interest at the rate of 10 percent per annum from the date when the terminal benefits became due till the date of actual disbursement”.

2. The petitioner joined the service of the respondent Board and retired from the service on attaining the age of superannuation. After retirement, the respondents failed to pay the commuted value of pension and death cum retirement gratuity. Apart from the said amounts the 2nd respondent ought to have settled dues towards encashment of earned leave and encashment of unearned leave. However, the petitioner was not settled with any amount including the sanctioned amount.



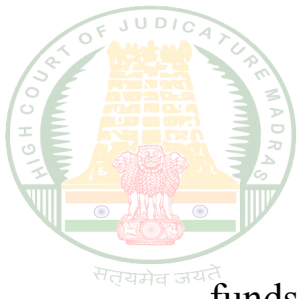
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3. Heard the learned counsels on the either side and perused the records.

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4. The learned Standing Counsel appearing on behalf of the respondents would submit that due to financial crisis the 2nd respondent addressed the 1st respondent for allotment of funds. The 2nd respondent also replied that immediately after allotment of funds from the 1st respondent, the petitioner will be settled with all benefits. However, so far the 1st respondent has failed to allot the funds to the 2nd respondent to settle the terminal benefits to its employees. If the 1st respondent allots funds to the 2nd respondent, the 2nd respondent can settle the dues to the retired employees.

5. Such a defense on the part of the State is unpalatable more particularly when they have utilised the service of the petitioner.



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6. In view of the above, the 1st respondent is directed to allot the funds in favour of the 2nd respondent within a period of four weeks from the date of receipt of a copy of this order. On receipt of the same, the 2nd respondent is directed to disburse the dues to the petitioner forthwith with applicable interest.

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

26.08.2025

Index : Yes/No
Internet : Yes/No
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To

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