



W.P.No.36126 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 25.09.2025

CORAM:

THE HON'BLE MR.JUSTICE **A.D.JAGADISH CHANDIRA**

W.P.No.36126 of 2025

and

WMP.No.40373 of 2025

K.P.Mathialagan

...Petitioner

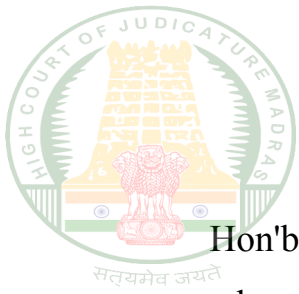
Vs.

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

Writ Petition filed under Article 226 of the Constitution of India, to issue a Writ of Declaration, to declare the action of the respondents in not paying the commuted value of pension and encashment of unearned leave on private affairs to the petitioner consequent to his retirement on 30.06.2016 as illegal, arbitrary and contrary to law and consequently direct the respondents to pay commuted value of pension and encashment of unearned leave on private affairs to the petitioner within the time frame stipulated by this



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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.

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For Petitioner : Mr.Balan Haridas

For Respondents : Mr.K.Surendran, AGP, for R1
: Mr.C.Rajakumar, St.C, for R2

ORDER

This writ petition has been filed seeking to declare the action of the respondents in not paying the commuted value of pension and encashment of unearned leave on private affairs to the petitioner consequent to his retirement on 30.06.2016, as illegal and to consequently, direct the respondents to pay the same along with interest at the rate of 10% p.a.

2. Mr.K.Surendran, learned Additional Government Pleader takes notice on behalf of the 1st respondent, Mr.C.Rajakumar, learned Standing Counsel takes notice on behalf of the 2nd respondent. In view of the consent expressed by the learned counsel on either side, this Writ petition is taken up for final disposal at the admission stage itself.

3. The case of the petitioner is that he joined the services of the 2nd



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respondent on 10.12.1984 and he subsequently, retired from service as a

Khadi Inspector on 30.06.2016, after attaining the age of superannuation.

Though, the 2nd respondent, vide order dated 19.12.2018 sanctioned pensionary benefits, he failed to pay the other benefits such as, commuted value of pension and encashment of unearned leave on private affairs.

Aggrieved by the same, the petitioner made a representation before the respondents on 22.08.2025, seeking to clear his dues. However, as the same evoked no response, the petitioner has come up with this Writ petition.

4. Heard the learned counsel appearing on the either side and perused the materials placed before this Court.

5. Learned Standing Counsel appearing for the 2nd respondent submits that only on allocation of funds by the 1st respondent, the 2nd respondent will be in a position to settle the dues of the petitioner, as per his seniority. Hence, he prays for issuance of appropriate directions by this Court as well as to stipulate any time frame.



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6. Learned Additional Government Pleader appearing for the 1st

respondent submitted that due to financial crisis, the 1st respondent is unable to mobilize funds and steps will be taken shortly, to sort out the grievances of the petitioner. However, he has no objection for issuance of appropriate directions by this Court in the above regard.

7. Based on the aforesaid submissions, it is evident that due to financial crisis, the retirement benefits / terminal benefits due to the petitioner were not settled. It could be seen that the petitioner reached the age of superannuation as early as on 30.06.2016 and the reason of financial distress cannot serve as a ground for making this kind of belated payments. Therefore, the said reason cannot be accepted by this Court and the financial position of the petitioner, who retired from service, has to be kept in mind.

8. In such view of the matter, the 1st respondent is directed to allot necessary funds to the 2nd respondent for settling the dues of the petitioner, within a period of six (6) weeks from the date of receipt of a copy of this order. On such receipt, the 2nd respondent is directed to disburse the dues of



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the petitioner forthwith along with 6% interest per annum.

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9. With the above directions, this Writ petition stands allowed. No costs. Consequently, the connected Miscellaneous petition is closed.

25.09.2025
(5/5)

skt

Index : Yes/No
Speaking order : Yes/No
NCC : Yes/No

To:

1. The Principal Secretary to Government,
Government of Tamil Nadu,
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.



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