



W.P. No.36756 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

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DATED: 26.09.2025

CORAM:

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

W.P. No.36756 of 2025

and

W.M.P. No.41106 of 2025

G. Sagunthala

... 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

Prayer : Writ Petition filed under Article 226 of the Constitution of India praying to issue Writ of Declaration, declaring 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 her voluntary retirement on



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30.11.2021 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 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.R. Ramanlaal
Additional Advocate General
Assisted by
Mr.Yogesh Kannadasan
Spl. Govt. Pleader for R1
Mr.C. Rajakumar,
Standing Counsel for R2.

ORDER

This writ petition has been filed 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 her voluntary retirement on 30.11.2021 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 a time frame 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.

2. The petitioner joined the service of the 2nd respondent and retired from service, voluntarily on 30.11.2021. It is the contention of the petitioner



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that though pension was sanctioned, the respondents failed to pay commuted

value of pension and encashment of unearned leave on private affairs to her.

Under such circumstances, this writ petition has been filed with the aforesaid prayer.

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

4. Learned Standing Counsel appearing for the 2nd respondent submits that the 2nd respondent has addressed various letters to the 1st respondent for allotment of funds and the same has already been informed to the petitioner. Further, he submits that only on allocation of funds, the 2nd respondent will be in a position to settle the dues of the petitioner, as per seniority. Hence, he prays for issuance of appropriate directions by this Court in the above regard.

5. Mr.R. Ramanlal, learned Additional Advocate General assisted by Mr.Yogesh Kannadasan, learned Special Government Pleader appearing for the 1st respondent, would submit that due to financial crisis, the 1st respondent is unable to mobilize funds and steps will be taken shortly to sort out the



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grievance of the petitioner and considering the above factor, this Court may

WEB COPY issue appropriate directions to the respondents.

6. Based on the aforesaid submissions, it is evident that due to financial crisis, the retiral benefits / terminal benefits due to the petitioner have not been settled by the respondents. It could be seen that the petitioner retired from service prior to four years and the reason of financial distress cannot serve as a ground for making this kind of belated payment. Further, the pitiable plight of the petitioner (retired employee) has to be kept in mind and the aforesaid reason cited by the State for making payments belatedly cannot be countenanced.

7. In such view of the matter, the 1st respondent is directed to allot necessary funds to the 2nd respondent for settling dues to the petitioner, within a period of twelve 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 the petitioner forthwith with applicable interest.

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



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Index: Yes/No
Speaking/Non-speaking order
Neutral Citation : Yes/No
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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,
1st Floor,
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A.D. JAGADISH CHANDIRA, J.

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