



W.P. No.38231 of 2025

THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 13.10.2025

CORAM:

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

W.P. No.38231 of 2025

and

W.M.P. No.42727 of 2025

S. Rani

... 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 108

... 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 earned leave



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(HRA & CCA component) and encashment of unearned leave on private affairs to the petitioner consequent to her retirement on 31.03.2023 as illegal, arbitrary and contrary to law and consequently direct the respondents to pay commuted value of pension, encashment of earned leave (HR & CCA component) 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.Yogesh Kannadasan,
Spl. Govt. Pleader for R1
Mr.C. Rajakumar,
Standing Counsel for R2.

ORDER

This writ petition has been filed seeking for a declaration to declare the action of the respondents in not paying the commuted value of pension, encashment of earned leave (HRA & CCA component) and encashment of unearned leave on private affairs to the petitioner as illegal and also to direct the respondents to pay the same with interest.

2. The petitioner joined the service of the 2nd respondent and retired from service on attaining the age of superannuation on 31.03.2023 and thereafter, the



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petitioner was duly relieved from her service. Though the petitioner was sanctioned pension, the respondents failed to pay the commuted value of pension. Apart from the said amounts, the 2nd respondent ought to have settled the dues towards encashment of earned leave (HRA&CCA component) and encashment of unearned leave. However, the petitioner was not settled any amount including the sanctioned pension.

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 a letter to the 1st respondent for allotment of funds and the same was also 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 as well as to stipulate any time frame.



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5. Learned Special 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 grievance of the petitioner. However, he has no objection for issuance of appropriate directions by this Court in the above regard.

6. Based on the aforesaid submissions, it is evident that due to financial crisis, the retiral benefits / terminal benefits due to the petitioner were not settled. It could be seen that the petitioner herein retired from service prior to two years and the reason of financial distress cannot serve as a ground for making these kind of belated payments. Therefore, the said reason cannot be accepted by this Court and the financial position of the petitioner, who is a retired person has to be kept in mind.

7. In view of the above observations, 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.



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On such receipt, the 2nd respondent is directed to disburse the dues of the petitioner forthwith with applicable interest.

8. With the above directions, the writ petition is allowed. No costs.

Consequently, connected miscellaneous petition is also closed.

13.10.2025

Internet: Yes/No
Index: Yes/No
Speaking/Non-speaking order
dpq

(2/5)

To
1. The Principal Secretary to Government,
Government of Tamil Nadu
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2. The Chief Executive Officer,
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