



W.P.No.37656 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

WEB COPY

DATED: 08.10.2025

CORAM:

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

W.P.No.37656 of 2025 and
WMP No.42143 of 2025

N.Muthaiah

...Petitioner

Vs.

1. The 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, 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 on his retirement on 31.03.2020 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



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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.

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For Petitioner : Mr.Balan Haridas

For Respondents : Mr.R.Ramanlaal,
Additional Advocate General assisted by
Mr.Yogesh Kannadasan,
Special Government Pleader for R1
Mr.C.Rajakumar,
Standing Counsel for R2

ORDER

This writ petition has been filed seeking a 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 on his retirement on 31.03.2020 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. Mr.Yogesh Kannadasan, learned Special Government Pleader who



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is led by Mr.R.Ramanlaal, learned Additional Advocate General takes notice on behalf of the first respondent and Mr.C.Rajakumar, learned Standing Counsel takes notice on behalf of the second respondent.

3. 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.

4. When the matter was taken up for hearing, the learned counsel for the petitioner brought to the notice of this Court the orders passed by this Court on 03.09.2025 in W.P.No.31848 etc., batch of 2025, wherein, this Court had directed the 1st respondent to allot necessary funds to the 2nd respondent for settling dues to the petitioners therein within a period of six weeks and on receipt of the same, the 2nd respondent was directed to disburse the dues to the petitioners therein along with applicable interest.

5. Learned Special Government Pleader for the State and the learned



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Standing Counsel for the second respondent did not dispute the above submission made by the learned counsel for the petitioner.

6. This Court perused the order passed in W.P.No.31848 etc., batch of 2025, wherein, this Court has held as under :-

7. Based on the aforesaid submissions, it is evident that due to financial crisis, the retiral benefits / terminal benefits due to the petitioners were not settled. It could be seen that the petitioners herein were retired from service prior to four years 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 petitioners, who were retired personnel's financial position have 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 dues to the petitioners, within a period of six 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 petitioners forthwith with applicable interest.

7. The aforesaid decision is squarely applicable to the facts of the



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present case.

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8. Accordingly, this writ petition stands disposed of with a direction to the 1st respondent to allot necessary funds to the 2nd respondent for settling dues to the petitioner, within a period of six 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 of the petitioner forthwith along with applicable rate of interest. There shall be no order as to costs. Consequently, connected miscellaneous petition is closed.

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Index : Yes/No
Speaking order : Yes/No
Neutral Citation : Yes/No

A.D.JAGADISH CHANDIRA, J.



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- To:
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 2. The Chief Executive Officer,
Tamil Nadu Khadi and Village Industries Board,
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