



W.P(MD)No.21785 of 2019

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

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DATED: 21.11.2025

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THE HONOURABLE MR.JUSTICE C.KUMARAPPAN

WP(MD)No.21785 of 2019

C.Kumar

...Petitioner

vs.

**1.The Managing Director (Administration),
Arasu Rubber Corporation,
Vadaseri, Nagercoil,
Kanyakumari District.**

**2.The Divisional Manager,
Arasu Rubber Corporation,
Keeriparai Division,
Kanyakumari District.**

...Respondents

Prayer: Writ Petition filed under Article 226 of Constitution of India, praying to issue a Writ of Certiorarified Mandamus calling for the records relating to the proceedings of the first respondent in Na.Ka.No.Pa1/5980/17, dated 19.12.2017 and quash the same and further direct the first respondent to settle the petitioner's retirement benefit, gratuity and earned leave encashment amount within a time limit fixed by this Court.

For Petitioner : Mr.PT.S.Narendravasan

**For Respondents : Mr.J.Ashok,
Additional Government Pleader
for Mr.P.Thilak Kumar,
Standing Counsel for R1 and R2**



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ORDER

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The present Writ Petition has been filed challenging the impugned proceedings of the first respondent in Na.Ka.No.Pa1/5980/17, dated 19.12.2017 and quash the same and to direct the first respondent to settle the petitioner's retirement benefits, namely, gratuity and earned leave encashment.

2. Heard both sides.

3. The learned counsel appearing for the petitioner would submit that the petitioner was employed in the second respondent Corporation as Special Grade Assistant and he was allowed to retire on 30.05.2016 and vide order dated 14.12.2016, he was sanctioned with pension with effect from June 2016. The learned counsel would submit that inspite of the petitioner's entitlement, his retirement benefits, namely, gratuity and earned leave encashment have not been settled. He would submit that since the respondents did not settle the amount, the petitioner was constrained to prefer W.P.(MD)No.19608 of 2017 before this Court and during the final hearing of the above Writ Petition, it came to light that the petitioner's representation has been considered and orders were passed on 19.12.2017 itself. Therefore, the above Writ Petition was dismissed as infructuous with



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liberty to the petitioner to challenge the orders passed by the first respondent on 19.12.2017, wherein, it is stated that a criminal case is pending against the petitioner and hence terminal benefits can be granted to him only based on the outcome of such criminal proceedings. Hence, the present petition.

4. The above contentions were totally objected by the learned Additional Government Pleader appearing for the respondents 1 and 2, who would submit that one Thomas Stanislaus De Rose has committed misappropriation in the payment of electricity charges thereby caused huge loss to the Corporation and that criminal proceedings is pending before the Vigilance and Anti Corruption Department and FIR was registered in Crime No.2 of 2017 under Sections 120(B), 465, 468, 471, 477(A) and 409 IPC and Sections 13(2) r/w 13(1)(c) of Prevention of Corruption Act, 1988 and the said case is under investigation. It is his specific submission that the delinquency committed by the petitioner and other employees came to light only after their retirement. Therefore, the respondents have preferred criminal proceedings against them. Hence, the question of settling other benefits, namely, earned leave encashment and gratuity does not arise at this stage and the same can be settled only after the outcome of the criminal proceedings.

5. I have given due consideration to the submissions made on either



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side.

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6. The main contention put forth by the learned counsel for the petitioner is the disciplinary proceedings against the petitioner ought to have been commenced during the subsistence of the petitioner's service. The petitioner was allowed to retire on 30.05.2016 on account of his superannuation. Therefore, as on the date of his retirement, no disciplinary proceedings or criminal proceedings were pending. Even the FIR cited by the respondents in the counter is of the year 2017. The learned Additional Government Pleader has also confirmed that the alleged delinquency came to light only after the retirement of the petitioner.

7. Therefore, this Court put a specific question as to what is the Rule position in settling gratuity and other terminal benefits in such circumstances. Both the counsel were not in a position to submit the relevant Rules before this Court. Therefore, this Court with no other option is constrained to proceed in accordance with the Tamil Nadu Pension Rules, 1978. According to the Tamil Nadu Pension Rules, 1978, no disciplinary proceedings can be initiated against the retired employee without the sanction of the Government and if at all, there is any loss on account of the delinquency, it should impact only the pension payment and not in other terminal benefits.



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8. In the present case, admittedly, the petitioner was already sanctioned with the pension and he is receiving the same without any hindrance. The FIR filed after the retirement of the petitioner will also, in no way, hamper the petitioner's entitlement for the terminal benefits, namely, gratuity and earned leave encashment. It is well settled principle of law that under Article 300A of the Constitution of India, the property right of the individual or employee cannot be denied contrary to the Rules. In the case on hand, the respondents though submit that the petitioner is covered by Arasu Rubber Corporation Service Rules, have not substantiated under which provision they are entitled to withhold the terminal benefits. Therefore, this Court is of the firm view that withholding of terminal benefits, namely, gratuity and earned leave encashment directly affects the petitioner's property right protected under Article 300A of the Constitution of India.

9. In view of the same, this Court finds all justification to interfere with the impugned proceedings of the first respondent in Na.Ka.No.Pa1/5980/17, dated 19.12.2017 and as a sequitur, the impugned proceedings is quashed. Consequently, the respondents are directed to settle the terminal benefits namely, gratuity and earned leave encashment to the petitioner with interest at the rate of 6% per annum from the date of retirement i.e., 30.05.2016 till the disposal of the amount and the respondents



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are expected to settle the same within a period of twelve (12) weeks from the date of receipt of a copy of this order.

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10. In the result, this Writ Petition is allowed. No costs.

21.11.2025

Index : Yes/No

NCC : Yes/No

Internet :Yes

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To

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