



W.A.(MD).No.85 of 2025

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

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DATED: 21.01.2025

CORAM

**THE HONOURABLE MR.JUSTICE M.S.RAMESH
AND
THE HONOURABLE DR.JUSTICE A.D.MARIA CLETE**

W.A.(MD).No.85 of 2025
and
C.M.P.(MD).No.472 of 2025

1.The Principal Secretary/Industries Commissioner,
Director of Industries and Commerce,
Mandavelipakkam,
R.A.Puram,
Chennai - 28.

2.The Assistant Director (Industries Co-operatives),
District Industries Centre,
Tirunelveli - 11.

3.The General Manager,
District Industries Centre,
Tirunelveli - 11.

... Appellants/Respondents

Vs.

P.Kamatchiraj

... Respondent/Writ Petitioner

PRAYER: Writ Appeal filed under Clause 15 of Letters Patent, praying to set aside the order made in W.P.(MD).No.2886 of 2015 dated 27.10.2022 and allow the Writ Appeal.



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For Appellants : Mr.S.Shaji Bino
Special Government Pleader
For Respondent : Mr.R.Murali

JUDGMENT

(Judgment of the Court was made by M.S.RAMESH,J.)

This Writ Appeal has been filed against the order of the learned Single Judge in W.P.(MD).No.2886 of 2015 dated 27.10.2022.

2. On the premise that the respondent herein has caused loss to the appellants, his retirement benefits were not disbursed, when he retired from service on 30.04.2013. When the respondent herein had challenged the non-disbursement of the retirement benefits before the Writ Court in W.P. (MD).No.2886 of 2015, the learned Single Judge, through order dated 27.10.2022, had directed the appellants to deduct a sum of Rs.5,50,000/- (Rupees Five Lakh Fifty Thousand only) from the entire retirement benefits and disburse the balance amount together with interest at the rate of 7.5% per annum. The said order is assailed in this intra-Court appeal.

3. Admittedly, the surcharge proceedings was pending when the respondent herein had reached the age of superannuation on 30.04.2013 and no



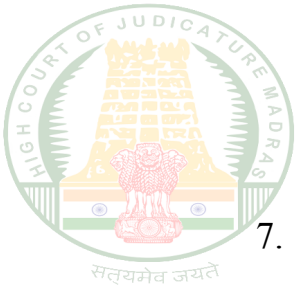
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final orders were passed. Likewise, there were no other final orders passed in the disciplinary proceedings, holding the respondent herein as liable for any loss that has occurred to the Department. In service jurisprudence, withholding of the retirement benefits, without any order of punishment, is impermissible.

4. In the light of the above legal position, the Writ Court had exercised its discretion, enabling the appellants to withhold a sum of Rs.5,50,000/- alone and directed the disbursement of the retirement benefits together with interest. In our view, such exercise of discretion cannot be found fault with. However, the learned Single Judge had determined the rate of interest at 7.5% per annum.

5. Among the various grounds raised in the present appeal, the appellants have also questioned the percentage of interest levied by the Writ Court. In our considered view, if the interest rate is reduced to 6%, the ends of justice could be secured.

6. Accordingly, the order passed in the Writ Petition in W.P.(MD).No.2886 of 2015 dated 27.10.2022, insofar as it levies interest at the rate of 7.5% per annum, is modified as 6% per annum. All other observations, findings and directions issued in the order passed in W.P.(MD).No.2886 of 2015 dated 27.10.2022 shall remain intact.



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7. With the above modification, this Writ Appeal stands disposed of.

There shall be no order as to costs. Consequently, connected miscellaneous petition stands closed.

(M.S.R.,J.) (A.D.M.C.,J.)
21.01.2025

NCC : Yes / No
Index : Yes / No
Internet : Yes / No
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