IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 29-06-2026

CORAM

THE HON'BLE MR JUSTICE S. M. SUBRAMANIAM

AND

THE HON'BLE MR.JUSTICE N.SENTHILKUMAR

WA No. 1665 of 2026 AND
CMP NO. 15238 OF 2026

1. The Special Secretary to Government
Government of Tamil Nadu, Finance
Department, Secretariat, Fort St. George,
Chennai - 600 009.

2. The Director
Treasuries and Accounts Department, Chennai
- 600 035.

3. The Principal Resident Commissioner
Tamil Nadu House, New Delhi - 21.

..Appellants

Vs

1. M.Balasubramanian
Accounts Officer(Retd),
Office of the Principal Residence
Commissioner, Tamil Nadu House,
New Delhi-21.

2. The Accountant General (A and E)
Tamil Nadu,
361, Anna Salai,
Chennai - 600 018.

..Respondents

Prayer : Writ Appeal under Clause XV of the Letters Patent to set aside the order dated 03-12-2025 made in WP.No.1931 of 2023.

For Appellants :	Dr.R.Gouri, Government Counsel
For Respondent :	Mr.V.S.Jagadeesan for caveator for R1, Mr.T.Ravikumar for R2

Judgment

(Judgment of the Court was delivered by S.M.Subramaniam J.)

Heard the parties. Both the learned Government Counsel as well as Mr.V.S.Jagadeesan, learned counsel for the first respondent argued the matter for a considerable length of time and consented to pass final orders.

2. The writ order dated 03.12.2025 passed in W.P.No.1931 of 2023 is under challenge in the present writ appeal. The State preferred the present intra court appeal mainly on the ground that the Special Pay granted to the serving employees of Tamil Nadu House at New Delhi in the revised pay structure was implemented as per G.O.Ms.No.409 Finance (Allowances) Department dated 24.12.2018, which provides that the benefits of 20% Special Pay is applicable only with effect from 01.10.2017. However, the respondent who served as Accounts Officer at the Tamil Nadu Guest House

at New Delhi and retired from service on 30.06.2016 also claimed the said benefit of 20% Special Pay, which was rejected by the Government, which but allowed by the Writ Court.

3. The facts in brief would show that the first respondent is a retired Accounts Officer. He served in the Office of the Principal Resident Commissioner, Tamil Nadu House, New Delhi. He was initially appointed as Junior Assistant in Tamil Nadu Treasuries and Accounts Department on 14.05.1985 and promoted as Accountant, Sub Treasury Officer, Assistant Accountants Officer and finally as Accounts Officer. He attained the age of superannuation on 30.06.2016. The Government issued G.O.Ms.No.304, Finance (Pay Cell) Department dated 13.10.2017 granting enhancement of Special Pay. Similarly, based on the recommendations of the Official Committee, the Special Pay for the eligible employees was revised in terms of the aforesaid Government Order. Undoubtedly, the said Government Order would be applicable for grant of Special Pay to the pensioners. However, the said G.O.Ms.No.304 stipulates that the order shall take effect from 01.10.2017. Therefore, the said Government Order would not apply to the case of the respondent since he retired from service on 30.06.2016 prior to the implementation of the said Government Order.

4. Subsequently, the Government issued G.O.Ms.No.409, Finance (Allowances) Department dated 24.12.2018. The said government order would apply to the employees of Tamil Nadu House, New Delhi in the revised pay structure. Therefore, G.O.Ms.No.409 granting Special Pay would apply only to the serving employees and not the retired employees. As far as the retired employees are concerned, G.O.Ms.No.304 dated 13.10.2017 would apply and the case of the respondent is not falling under the said government order since he retired from service prior to the issuance of G.O.Ms.No.304 dated 13.10.2017.

5. Learned counsel for the first respondent / employee would submit that the said benefit of Special Pay has been granted to all the employees. However, the application submitted by the respondent seeking 20% Special Pay based on G.O.Ms.No.304 dated 13.10.2017 was rejected by the Government vide letter dated 24.05.2021 mainly on the ground that for the employees drawing Special Pay at the rate of percentage basis in the existing basic pay, their Special Pay has been halved ie., from 10% to 5%, 15% to 7.5% and 20% to 10% in the revised pay structure 2017 with effect from 01.10.2017.

6. Therefore, it is made clear that grant of Special Pay to pensioners would apply in respect of the employees retired after 01.10.2017. G.O.Ms.No.304 has been referred in the order impugned. Therefore the employees who retired from service prior to 01.10.2017 is not eligible to get the benefit of enhancement of Special Pay in terms of G.O.Ms.No.304 dated 13.10.2017.

7.The Writ Court, while considering the issues has not relied on the Government Order issued in G.O.Ms.No.409, Finance (Allowances) Department dated 24.12.2018. G.O.Ms.No.409 provides Special Pay and applicability of Special Pay to the employees of Tamil Nadu House at New Delhi. In the said government order itself, the Government referred G.O.Ms.No.304 dated 13.10.2017. Therefore, G.O.Ms.No.409 would apply to the serving employees and in respect of retired employees G.O.Ms.No.304 dated 13.10.2017 would apply. As per the said Government Order, the employees / officials who retired after 01.10.2017 alone are eligible for enhancement of Special Pay of 20% and the employees / officials who retired prior to 01.10.2017 are not eligible.

8. The learned Single Judge has made a finding in the order impugned that there is no financial implication if the benefit of 20% Special Pay is

granted. The said finding is not in consonance with the spirit of G.O.Ms.No.304 dated 13.10.2017 and G.O.Ms.No.409 dated 24.12.2018. Any excess pay or pension to the employees would result in unjust gain to them and a loss to the exchequer. That apart, it will result in cascading effect and several such retired employees, who retired prior to 01.10.2017 would also claim the same benefit.

9. Fixation of cut off date for implementation of the monetary benefits are well recognised by Courts. In the event of granting 20% Special Pay to the first respondent in the present case, all the retired officials prior to 01.10.2017 may claim similar benefits, which is not intended in the Government Order and if granted, it will result in huge financial loss to the Government. Special Pay is normally granted to the serving employees considering certain mitigating circumstances. In the present case, the employees of the Government of Tamil Nadu are transferred to New Delhi and therefore 20% Special Pay is granted as a special case to such employees.

10. The Writ Court has not considered this distinction regarding payment of Special Pay to the serving employees and retired employees and its applicability and cut-off date in the context of G.O.Ms.No.304 dated 13.10.2017 and G.O.Ms.No.409 dated 24.12.2018. Therefore, this Court is

inclined to interfere with the order passed by the Writ Court dated 03.12.2025 made in W.P.No.1931 of 2023 and the same is set aside. The Writ Appeal is allowed. No costs. Consequently, connected miscellaneous petition is closed.

(S.M.S.,J.) (N.S.,J.)
29-06-2026

Index: Yes/No
Speaking/Non-speaking order
Neutral Citation: Yes/No

KST

To

The Accountant General (A and E)
Tamil Nadu,
361, Anna Salai,
Chennai - 600 018.

S.M.SUBRAMANIAM J.
AND
N.SENTHILKUMAR J.

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