2026:MHC:4519

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Order QR

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 11-11-2026

CORAM

THE HON'BLE MR.JUSTICE C.KUMARAPPAN

Case QR

WP No. 19523 of 2024

CNR: {HCMA011234882024}

V.Rajarajeswari
W/o.K.Nagaraj,
Plot No.12, 4th Main Road,
VGN Mahalakshmi Nagar, Perumalagaram,
Thiruverkadu, Chennai-600 077.

..Petitioner(s)

Vs

1. The State Of Tamil Nadu
   Rep By Its Principal Secretary To Government,
   School Education Department, Fort St. George,
   Secretariat, Chennai-09.
2. The Chairman
   Teachers Recruitment Board, III Floor,
   Dr.MGR Centenary Building, DPI Campus,
   College Road, Chennai-06.
3. The Principal Accountant General (tamil Nadu)
   O/o.The Principal Accountant General
   AG's Office Complex, 361, Anna Salai,
   Teynampet, Chennai-18.

..Respondent(s)

Writ Petition filed under Article 226 of the Constitution of India, praying to issue a writ of Certiorarified Mandamus, to call for the records relating to the impugned Letter issued by the 1st Respondent in Letter No.301/Pa.Ka.1(1)/ 2024-1 dated 18.06.2024 and to quash the same and consequently, directing the respondents to pay interest for the belated settlement of Earned Leave,

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Unearned Leave for Private Affairs and Commutation, at the rate of 12 percent per annum from the date of retirement till date of payment within a time frame to be fixed by this Honble Court.

For Petitioner(s): Mr.G.Sankaran
Senior Counsel
for Mr.S.Nedunchezhiyan

For Respondent(s): Ms.Y.Kavitha
Additional Government Pleader for R1.
Mr.V.Stalin
Standing Counsel (TRB) for R2
Mr.P.Manorajan
Standing Counsel for R3
****

ORDER

This Writ Petition has been filed challenging the impugned letter dated 18.06.2024 issued by the 1st Respondent.

2.Heard the learned Senior Counsel appearing for the petitioner, the learned Additional Government Pleader appearing for the first respondent and the learned Standing Counsels appearing for the respondents 2 and 3.

3.The learned Senior Counsel appearing for the Petitioner would submit that the date of superannuation of the petitioner is on 31.07.2018. However, on that day, he was suspended and he was not permitted to retire from service. Subsequently, on 09.01.2023, a final order was passed dropping the charge against the petitioner and on the same day vide G.O.(1D) No.2, School

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Education Department, a Revocation of suspension order was passed and he was permitted to retire from service on reaching the date of superannuation on 31.07.2018. It is his submission that there was a huge delay in settling his terminal benefits. Though the respondent had settled the interest only with respect to the gratuity, in respect to the other amount they did not pay interest on the ground that there is no statutory necessity to pay the interest. The learned Senior Counsel relies upon the judgment of the Honorable Supreme Court in ***S.K.Dua Vs. State of Haryana and another*** reported in ***(2008) 3 SCC 44*** and the Division Bench Judgment of this Court in ***The Government of Tamil Nadu and another Vs. M.Deivasigamani [Writ Appeal No. 886 of 2007 dated 17.12.2008***. Hence, pray to allow the writ petition.

4. *Per contra*, the learned Standing Counsel appearing for the TRB and the learned Additional Government Pleader would contend that as per the statutory mandate, there is only a necessity to pay interest with respect to DCRG and in the case in hand, the petitioner was permitted to retire only during 2023 and immediately after the said order, within a short span of time, the petitioner's terminal benefits had been settled. Therefore, the question of granting interest does not arise. Hence, prayed to dismiss the writ petition.

5.I have given my anxious consideration to either side's submissions.

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6.The short point to be considered in the present writ petition is that, notwithstanding the fact that the permission for retirement granted on account of the disciplinary proceeding on a subsequent date, can the petitioner be entitled to have terminal benefits with interest from date of his superannuation?. In this regard, the learned counsel for the petitioner relies upon the judgment of the Hon'ble Supreme Court in ***S.K.Dua's case*** [cited supra], wherein the Honorable Supreme Court in Para 14 has observed as follows:-

> ***"14.*** *In the circumstances, prima facie, we are of the view that the grievance voiced by the appellant appears to be well founded that he would be entitled to interest on such benefits. If there are statutory rules occupying the field, the appellant could claim payment of interest relying on such rules. If there are administrative instructions, guidelines or norms prescribed for the purpose, the appellant may claim benefit of interest on that basis. But even in absence of statutory rules, administrative instructions or guidelines, an employee can claim interest under Part III of the Constitution relying on Articles 14, 19 and 21 of the Constitution. The submission of the learned counsel for the appellant, that retiral benefits are not in the nature of "bounty" is, in our opinion, well founded and needs no authority in support thereof. In that view of the matter, in our considered opinion, the High Court was not right in dismissing the petition in limine even without issuing notice to the respondents."*

7.According to the above ruling, notwithstanding any reference in the Statute, since the terminal benefits is not a bounty and would be termed as a property, the petitioner is entitled to have a claim for interest under Part III of

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the Constitution relying on Articles 14, 19 and 21 of the Constitution. Furthermore, he relies upon the Division Bench judgment in ***M.Deivasigamani's*** case [cited supra], wherein in a similar circumstance, if the delinquent is kept in service even after his date of superannuation and subsequently, if the disciplinary proceeding ended in dropping all the charges, then though the permissions for retirement was granted on a later date, the petitioner is entitled to have terminal benefits with interest from date of his superannuation. For ready reference, this Court deems it appropriate to extract Para 4, 5 and 6 of the judgment in ***M.Deivasigamani's*** case [cited supra]:-

> *"**4**. Pleadings disclose that the first respondent was due to retire on 31.01.1987, on attaining the age of superannuation. But, he was not allowed to retire on that day, on account of pending charges. On completion of the enquiry, he was dismissed from service in and by the proceedings of the District Collector, Periyar District, dated 03.09.1988. Thereafter, the petitioner filed an appeal before the Special Commissioner and Commissioner for Revenue Administration, Madras, which was rejected on 06.11.1988. Thereafter, the petitioner has preferred an appeal before the Government on 22.12.1988. Since no orders were passed by the Government, the petitioner was constrained to file O.A.No.943 of 1992 before the Tamil Nadu Administrative Tribunal, Madras for a direction, directing the Government to pass orders on his appeal. Pursuant to the order of the Tribunal, dated 17.02.1992, the Government, by its order in G.O. (2D) No.123 Revenue Department dated 18.11.1992, have set aside the order of dismissal and allowed the petitioner to retire from service. Though the respondent has preferred the statutory appeal in the year 1998, the Government have taken nearly four years to pass orders on the appeal. Though, the Government have*

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passed orders in 1992, exonerating him from the charges and allowed him to retire, pensionary and other benefits have been granted only in the year 1994, after two years. The District Collector, Erode, by impugned order, dated 18.11.1992, has disallowed interest for the belated payment of pension, Commutation of pension and other retiral benefits. However, he had recommended to the Government for sanction of interest amount of Rs.10,381/- for the belated payment of DCRG made to the first respondent, based on the Government Order in G.O.Ms.No.517, Finance (Pension), dated 12.06.1987 and G.O.Ms.No.818, Finance (Pension), dated 01.12.1988. Subsequently, G.O.(D) No.192, dated 13.04.2007, has been passed, sanctioning payment of Rs.11,890/-, towards interest on belated payment of Death cum Retirement Gratuity. But for the disciplinary action and erroneous dismissal, in normal course, the respondent would have retired from service on attaining the age of superannuation and granted pension and other retiral benefits.

***5**. In Dr.Uma Agarwal v. State of U.P., reported in (1999) 3 SCC 438, the Supreme Court held that, "....grant of pension is not a bounty but a right of the government servant. The Government is obliged to follow the Rules mentioned in the earlier part of this order in letter and in spirit. Delay in settlement of retiral benefits is frustrating and must be avoided at all costs. Such delays are occurring even in regard to family pensions for which too there is a prescribed procedure. This is indeed unfortunate. In cases where a retired government servant claims interest for delayed payment, the Court can certainly keep in mind the time-schedule prescribed in the Rules/Instructions apart from other relevant factors applicable to each case."*

***6**. The contention of the appellant that as per the Government norms, interest can be paid only on Death-cum-Retirement Gratuity, in case of delay and the same cannot be awarded to any other retiral benefits, is not tenable, in view of the decision of the Supreme Court in S.K.Due v. State of Haryana reported in 2008 (3) SCC 44. In the reported case, the appellant therein was served with three charge sheets/show cause notices in June 1998, few days before his retirement. However, he retired on*

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30.06.1998 on reaching the age of superannuation. He was paid provisional pension, but other retiral benefits were not given to him, which included commuted value of pension, leave encashment, gratuity, etc. They were withheld till the finalisation of disciplinary proceedings. While answering the issue as to whether the appellant therein was entitled to interest on delayed payment of retiral benefits, in the absence of any statutory rules/administrative instructions or guidelines, the Supreme Court, at Paragraph 14 of the judgment, held as follows:

> *"14. In the circumstances, prima facie, we are of the view that the grievance voiced by the appellant appears to be well founded that he would be entitled to interest on such benefits. If there are statutory rules occupying the field, the appellant could claim payment of interest relying on such rules. If there are administrative instructions, guidelines or norms prescribed for the purpose, the appellant may claim benefit of interest on that basis. But even in the absence of statutory rules, administrative instructions or guidelines, an employee can claim interest under Part III of the Constitution relying on Articles 14, 19 and 21 of the Constitution. The submission of the learned counsel for the appellant, that retiral benefits are not in the nature of "bounty" is, in our opinion, well founded and needs no authority in support thereof. In that view of the matter, in our considered opinion, the High Court was not right in dismissing the petition in limine even without issuing notice to the respondents."*

8.In the above ratio, in a similar circumstance, the Division Bench has held that notwithstanding the subsequent date of permissions for retirement, since the disciplinary proceeding ended, relieving the delinquent from all the charges, he is entitled to have interest from date of his superannuation. Even in the instant case, the disciplinary proceedings ended relieving the petitioner from

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all charges. Therefore, this Court finds all justifications to interfere with the impugned order dated 18.06.2024 and the first respondent is directed to settle the interest for the belated payment of Earned Leave, Unearned Leave for Private Affairs and Commutation at the rate of 6% per annum from the date of his retirement of payment till its actual payment. The above such interest is directed to be paid within a period of twelve (12) weeks from the date of receipt of a copy of this Order.

9.With the above directions, this Writ Petition stands allowed. No costs.

11-11-2026

Index: Yes
Speaking order
Neutral Citation: Yes

KMI
To

1. The State Of Tamil Nadu
   Rep By Its Principal Secretary To Government,
   School Education Department, Fort St. George,
   Secretariat, Chennai-09.
2. The Chairman
   Teachers Recruitment Board, III Floor, Dr.MGR Centenary Building,
   DPI Campus, College Road, Chennai-06.
3. The Principal Accountant General (Tamil Nadu)
   O/o.The Principal Accountant General AG'S Office Complex,
   361, Anna Salai, Teynampet, Chennai-18.

https://www.mhc.tn.gov.in/judis

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C.KUMARAPPAN, J.

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WP No. 19523 of 2024

11-11-2026

https://www.mhc.tn.gov.in/judis