



WP(MD)No.17550 of 2024

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

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Dated : 06.08.2026

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**THE HONOURABLE MR. JUSTICE M.DHANDAPANI**

WP(MD)No.17550 of 2024

and

WMP(MD)Nos.15093 and 15096 of 2024

The Management,  
A.854, Madurai Corporation Employees Co-operative  
Thrift and Credit Society Ltd.,  
No.39, Vellaipillaiyar Kovil Street,  
S.S.Colony, Madurai-625 010.

... Petitioner

Vs.

1 The Appellate Authority /  
Additional Commissioner of Labour,  
Under Payment of Gratuity Act 1972,  
Madurai.

2. The Controlling Authority/Deputy Commissioner of Labour,  
Under Payment of Gratuity Act 1972,  
Office of the Joint Commissioner of Labour,  
Madurai-2.

3. M.Sethuramalakshmi

... Respondents

Prayer: Writ Petition is filed under Article 226 of the Constitution of India, praying this court to issue a Writ of Certiorari, call for the records in the order passed in P.G.A.No.11 of 2023 dated 05.04.2023 on the file of the 1<sup>st</sup> respondent and also in the order passed in P.G.No.257 of 2019 dated 22.12.2022 on the file of the 2<sup>nd</sup> respondent and quash the same.



**WP(MD)No.17550 of 2024**

For Petitioners : Mr.S.Kumar  
For R1 & R2 : Mrs.K.R.Shivashankari  
Additioal Government Pleader  
For R3 : Mr.T.Ravichandran

### **ORDER**

The prayer in this writ petition is to issue a Writ of Certiorari, to call for the records in the order passed in P.G.A.No.11 of 2023 dated 05.04.2023 on the file of the 1<sup>st</sup> respondent and also in the order passed in P.G.No.257 of 2019 dated 22.12.2022 on the file of the 2<sup>nd</sup> respondent and quash the same.

2. Learned counsel appearing for the petitioner submitted that the 3<sup>rd</sup> respondent while in service has passed a bill for terminal benefits of an employee without following Rules and thereby caused a loss of Rs. 2,05,438/- to the petitioner's Society. He further submitted that the 3<sup>rd</sup> respondent has also given an undertaking stating that the above amount can be deducted from her terminal benefits. Hence, the petitioner had withheld the gratuity payable to the 3<sup>rd</sup> respondent. However, the 3<sup>rd</sup> respondent has filed a petition before the appropriate authority and got orders for payment of gratuity. Hence, the petitioner has filed this writ petition.



WP(MD)No.17550 of 2024

WEB COPY

3. Learned counsel appearing for the petitioner would submit that the authority under the Payment of Gratuity Act 1972 has no jurisdiction to entertain the claim made by the 3<sup>rd</sup> respondent in view of Sections 152 to 154 of the Tamil Nadu Co-operative Societies Act 1983. In this regard, he would also rely upon a decision of the Division Bench of this Court in *The Management vs. M.Kaliyaperumal [W.A(MD)Nos.1809, 2034, 2035 & 2037 of 2025 dated 26.08.2025]* and submitted that the authority under the Payment of Gratuity Act has no jurisdiction to entertain the application filed by the 3<sup>rd</sup> respondent.

4. Learned counsel for the 3<sup>rd</sup> respondent did not dispute the above proposition regarding the jurisdiction of the authority under the Payment of Gratuity Act.

5. Heard both sides and perused the materials available on record.

6. The relevant portion of the judgment in *M.Kaliyaperumal's case (supra)* is extracted hereunder:

*"10.The Central Co-operative Bank is a registered Cooperative Society under the Tamil*



WEB COPY



WP(MD)No.17550 of 2024

*Nadu Cooperative Societies Act, 1983, which is a special enactment. The Special Act will prevail over the general law. Therefore, in the present case, the Tamil Nadu Cooperative Societies Act, 1983 would be applicable for maintenance and payment of gratuity to the employees and thus the provisions of the Act, 1972, which is a general law, cannot have any application as far as the Central Co-operative Bank is concerned. It is also made clear that the Central Co-operative Bank is maintaining a gratuity fund and a scheme its bye-laws, in association with the Life Insurance Corporation of India. The said gratuity scheme is more beneficial than that of the benefits accorded under the Act, 1972.*

*11.If at all the employees are eligible to avail the benefit of gratuity for their services rendered in the Primary Agricultural Co-operative Societies, their claims should have been made against the management of such societies and certainly not against the Central Co-operative Bank since their absorption in the Central Cooperative Bank was subject to the conditions stipulated in G.O.Ms.331, Co-operation, Food and Consumer Protection Department dated 05.12.1988. These conditions*



*were accepted by the employees and they have given undertakings. Hence, the petitions filed under the Act, 1972 before the authority, after a lapse of 10 to 15 years from the date of retirement, are not maintainable and without jurisdiction."*

7. The issue raised in this writ petition is no longer *res integra* in the light of the above said judgment. It is seen from the record that the gratuity amount of the 3<sup>rd</sup> respondent has been withheld only on the ground of audit objection. This Court is of the view that the gratuity amount cannot be withheld for a prolonged period. The petitioner has to take a decision in this regard. Hence, the petitioner is directed to take a decision with regard to the entitlement of the gratuity amount to the 3<sup>rd</sup> respondent within a period of two weeks from the date of receipt of a copy of this order. If the 3<sup>rd</sup> respondent is aggrieved by the decision to be taken by the petitioner, she may prefer an appeal under section 152 of the Tamil Nadu Co-operative Societies Act 1983 within a period of two weeks thereafter. Thereafter, the 3<sup>rd</sup> respondent may also file a revision under Section 153 of the Act if she is aggrieved by the decision of the appellate authority.



WP(MD)No.17550 of 2024

8. In the result, the Writ Petition stands allowed. No costs.

Consequently, connected miscellaneous petitions are closed.

**06.08.2026**

Index : Yes / No  
Neutral Citation : Yes / No  
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WEB COPY



WP(MD)No.17550 of 2024

**M.DHANDAPANI, J.**

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ORDER MADE IN  
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