



BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 16.12.2020

CORAM:

WEB COPY

THE HONOURABLE MR.JUSTICE S.M.SUBRAMANIAM

W.P. (MD) .No.5157 of 2013

and

MP (MD) No.2 of 2013

and

WMP (MD) No.4445 of 2016

1.V.Venkatesan
2.C.Selva Raj
3.S.Nagarajan
4.R.Kesavan
5.D.Baby Soundaram

... Petitioners

-Vs-

1.The Joint Registrar/Liquidator,
28, Madurai Urban Co-operative Bank Limited,
32, Naicker New Street,
Madurai 625 001.

2.The Divisional Manager,
The Life Insurance Corporation of India,
(LIC of India), Sellur,
Madurai 625 002.

... Respondents

Prayer: Writ Petition filed under Article 226 of the Constitution of India, to issue a Writ of Mandamus, to direct the first respondent to pay the gratuity amount eligible to the petitioners with 10% interest.

For Petitioners: Mr.V.O.S.Kalaiselvam

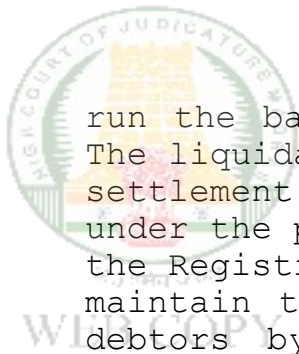
For Respondents: Mr.G.Karthick
for M/s.T.Lajapathi Roy (for R1)

Mr.G.Prabhu Rajadurai (for R2)

ORDER

The relief sought for in the present writ petition is to direct the first respondent to pay the gratuity amount eligible to the petitioners with 10% interest

2.All the petitioners were employed in the Madurai Urban Co-operative Bank Limited. Due to large scale irregularities and malpractices, the Reserve Bank of India has cancelled the license to



run the bank. The bank transaction was stopped from August 2003. The liquidator was appointed for the purpose of recovery of dues and settlement of liabilities etc., Once the liquidator is appointed under the provisions of the Tamil Nadu Co-operative Societies Act by the Registrar of Co-operative Societies, then, the liquidator has to maintain the affairs of the society and settled the creditors and debtors by following the procedures contemplated. Section 138 stipulates for appointment of liquidator and Section 141 of the Act contemplates bar of legal proceedings and accordingly, when a liquidator has been appointed, no suit or other legal proceeding shall lie or be proceeded with against the liquidator as such or against the society or any member thereof on any matter touching the affairs of the registered society, except by leave of the Registrar and subject to such terms as he may impose.

3.As far as the present writ petition is concerned, the relief sought for is to direct the first respondent to pay the gratuity. The first respondent is the liquidator of Madurai Urban Co-operative Bank Limited. The Madurai Urban Co-operative Bank is not a "State" within the meaning of Article 12 of the Constitution of India. Even otherwise also the proceedings of the liquidator cannot be now and interfered with in view of the fact that the petitioners are also entitled to receive the benefits proportionately only after finalising the assets and liabilities of the bank by the liquidator. Thus, the liquidator has to settle the creditors and debtors as well as to pay the benefits of the employees based on the book of accounts and the assets and liabilities.

4.Under these circumstances, the petitioners are bound to approach the competent authorities as well as the liquidator for the purpose of redressing their grievances. Contrarily, this Court cannot be issued a direction to settle the service benefits only to these employees. In this view of the matter, the petitioners are at liberty to approach the competent authority for redressal of their grievances.

5.With these liberty, the writ petition stands disposed of. No costs. Consequently, connected miscellaneous petitions are closed.

Sd/-

Assistant Registrar

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/ /2020

Sub Assistant Registrar(CS)



Sji

TO:

The Joint Registrar/Liquidator,
28, Madurai Urban Co-operative Bank Limited,
32, Naicker New Street,
Madurai 625 001.

+1 CC to M/s.T.LAJAPATHI ROY, Advocate (SR-25862[F] dated 17/12/2020)

+1 CC to M/s.G.PRABHU RAJADURAI, Advocate (SR-25980[F] dated 17/12/2020)

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MJ (CO)

NR (30/12/2020) 3P : 4C