



W.P.Nos.46880 to 46884 of 2006 & 17271 to 17274 of 2009

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 30.04.2025

CORAM :

THE HONOURABLE MR. JUSTICE M. DHANDAPANI

W.P.Nos.46880 to 46884 of 2006 & 17271 to 17274 of 2009

1.S.K.Rajagopal	... Petitioner in W.P.No.46880 of 2006
2.K.Shanmugam	... Petitioner in W.P.No.46881 of 2006
3.M.Ayyaswamy	... Petitioner in W.P.No.46882 of 2006
4.T.K.Venkatesan	... Petitioner in W.P.No.46883 of 2006
5.S.Padmanaban	... Petitioner in W.P.No.46884 of 2006

Vs.

1.Joint Commissioner of Labour/
Appellate Authority under the Payment of Gratuity Act, 1972,
Office of the Deputy Commissioner of Labour,
Dr.Balasundram Road,
Coimbatore – 18.

2.Assistant Commissioner of Labour/
Authority under the Payment of Gratuity Act, 1972,
Office of the Deputy Commissioner of Labour,
Dr.Balasundram Road,
Coimbatore – 18.

3.The Management,
Coimbatore District Central Co-operative Bank Ltd.,
State Bank Road,
Coimbatore – 18.

... Respondents in
W.P.Nos.46880 to 46884 of 2006

W.P.Nos.17271 to 17274 of 2009



W.P.Nos.46880 to 46884 of 2006 & 17271 to 17274 of 2009

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The Management of the

Coimbatore District Central Co-operative Bank Ltd.,

Coimbatore – 641 018.

... Petitioner in

W.P.Nos.17271 to 17274 of 2009

Vs.

1.Joint Commissioner of Labour/

Appellate Authority under the Payment of Gratuity Act, 1972,

Office of the Deputy Commissioner of Labour,

Dr.Balasundram Road,

Coimbatore – 18.

2.Assistant Commissioner of Labour/

Authority under the Payment of Gratuity Act, 1972,

Office of the Deputy Commissioner of Labour,

Dr.Balasundram Road,

Coimbatore – 18.

... Respondents 1 and 2

in W.P.Nos.17271 to 17274 of 2009

3.A.Eswaran

... 3rd respondent in

W.P.No.17271 of 2009

4.N.V.Deivasigamani (Deceased)

5.Sarathambal

6.Sakunthala ... Respondents 3 to 5 in W.P.No.17272 of 2009

[R4 & R5 are substituted as LR's of deceased R3 as per order

dt. 24.10.2019 made in M.P.No.1/2013 in W.P.No.17272/2009]

7.K.P.Thirunavakkarasan

... 3rd respondent in

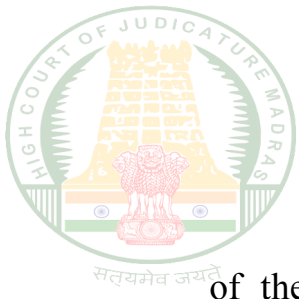
W.P.No.17273 of 2009

8.S.Arthanareeswaran

... 3rd respondent in

W.P.No.17274 of 2009

Prayer in W.P.No.46880 of 2006: Writ Petition filed under Article 226



W.P.Nos.46880 to 46884 of 2006 & 17271 to 17274 of 2009

of the Constitution of India for issuance of a Writ of Certiorarified Mandamus, calling for the records relating to the order of the first respondent in A.G.A.No.234 of 2004 dated 03.02.2006 and quash the same as illegal, arbitrary and unconstitutional and also in violation of principles of natural justice and to direct the 3rd respondent to pay the balance of gratuity amount of Rs.55,483/- with 10% interest from 31.12.2005, the date of retirement of the petitioner.

Prayer in W.P.No.46881 of 2006: Writ Petition filed under Article 226 of the Constitution of India for issuance of a Writ of Certiorarified Mandamus, calling for the records relating to the order of the first respondent in A.G.A.No.46 of 2005 dated 03.02.2006 and quash the same as illegal, arbitrary and unconstitutional and also in violation of principles of natural justice and to direct the 3rd respondent to pay the balance of gratuity amount of Rs.69,571/- with 10% interest from 30.06.2004, the date of retirement to the petitioner.

Prayer in W.P.No.46882 of 2006: Writ Petition filed under Article 226 of the Constitution of India for issuance of a Writ of Certiorarified Mandamus, calling for the records relating to the order of the first respondent in A.G.A.No.95 of 2005 dated 03.02.2006 and quash the same as illegal, arbitrary and unconstitutional and also in violation of principles of natural justice and to direct the 3rd respondent to pay the balance of gratuity amount of Rs.1,10,209/- with 10% interest from 30.06.2004, the date of retirement to the petitioner.

Prayer in W.P.No.46883 of 2006: Writ Petition filed under Article 226 of the Constitution of India for issuance of a Writ of Certiorarified



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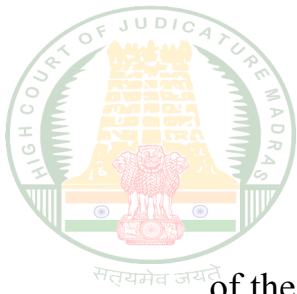
Mandamus, calling for the records relating to the order of the first respondent in A.G.A.No.241 of 2004 dated 03.02.2006 and quash the same as illegal, arbitrary and unconstitutional and also in violation of principles of natural justice and to direct the 3rd respondent to pay the balance of gratuity amount of Rs.62,091/- with 10% interest from 31.07.2002, the date of retirement to the petitioner.

Prayer in W.P.No.46884 of 2006: Writ Petition filed under Article 226 of the Constitution of India for issuance of a Writ of Certiorarified Mandamus, calling for the records relating to the order of the first respondent in A.G.A.No.48 of 2005 dated 03.02.2006 and quash the same as illegal, arbitrary and unconstitutional and also in violation of principles of natural justice and to direct the 3rd respondent to pay the balance of gratuity amount of Rs.84,132/- with 10% interest from 30.06.2004, the date of retirement to the petitioner.

Prayer in W.P.No.17271 of 2009: Writ Petition filed under Article 226 of the Constitution of India for issuance of a Writ of Certiorari, calling for the entire records pertaining to the order in A.G.A.No.138 of 2008 dated 27.01.2009 confirming the order passed by the 2nd respondent in G.A.No.374 of 2002 dated 22.09.2003 herein and quash the same.

Prayer in W.P.No.17272 of 2009: Writ Petition filed under Article 226 of the Constitution of India for issuance of a Writ of Certiorari, calling for the entire records pertaining to the order in A.G.A.No.140 of 2008 dated 27.01.2009 confirming the order passed by the 2nd respondent in G.A.No.230 of 2003 dated 10.12.2003 herein and quash the same.

Prayer in W.P.No.17273 of 2009: Writ Petition filed under Article 226



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of the Constitution of India for issuance of a Writ of Certiorari, calling for the entire records pertaining to the order in A.G.A.No.137 of 2008 dated 27.01.2009 confirming the order passed by the 2nd respondent in G.A.No.361 of 2002 dated 22.09.2003 herein and quash the same.

Prayer in W.P.No.17274 of 2009: Writ Petition filed under Article 226 of the Constitution of India for issuance of a Writ of Certiorari, calling for the entire records pertaining to the order in A.G.A.No.139 of 2008 dated 27.01.2009 confirming the order passed by the 2nd respondent in G.A.No.375 of 2002 dated 22.09.2003 herein and quash the same.

W.P.Nos.46880 to 46884 of 2006

For Petitioner : M/s.R.Krishnasamy
No appearance

For Respondents : Mr.K.Surendran
Additional Government Pleader [R1 & R2]
Mr.S.Saravanan [R3]

W.P.Nos.17271 to 17274 of 2009

For Petitioner in : Mr.S.Saravanan
W.P.Nos.17271
to 17274 of 2009

For R1 & R2 in : Mr.K.Surendran
W.P.Nos.17271 Additional Government Pleader
to 17274 of 2009 M/s.R.Krishnasamy

For R3 in : No appearance
W.P.Nos.17271,
17273 & 17274
of 2009

For R3 to R5 in : No appearance



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W.P.Nos.46880 to 46884 of 2006 & 17271 to 17274 of 2009

W.P.No.17272 of
2009

COMMON ORDER

Though the above writ petitions were listed as different matters in the cause list, since the issue involved in both the writ petitions being one and the same, with the consent of the learned counsel appearing for both sides, these writ petitions were heard together and disposed of by this common order.

2. While the writ petitions in W.P.Nos.46880 to 46884 of 2006 have been filed by the workmen challenging the order passed by the authority under the Payment of Gratuity Act rejecting their claim for higher gratuity on the basis of the settlement arrived u/s 12(3) of the Industrial Disputes Act, 1947 (in short 'the ID Act') by setting aside the order passed by the controlling authority, the other writ petitions in W.P.Nos.17271 to 17274 of 2009 have been filed by the management questioning the order of the very same authority granting the benefit of higher gratuity to the workmen on the basis of the settlement entered into u/s 12(3) of the ID Act.



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3. In a nut shell, the authority on the one hand has rejected the plea for higher gratuity while on the other hand, has granted the plea for higher gratuity on the basis of the settlement which is put in issue before this Court.

4. When these matters are taken up for hearing today, it is brought to the notice of this Court that the very same issue with regard to entertainment of a petition for better terms of gratuity by the controlling authority was referred to the full bench of this court for a authoritative pronouncement in view of the divergent opinions expressed by the Division Benches of this Court and the full bench of this Court in the case of *The Management, RK 10, Virudhunagar District Central Co-operative Bank Limited, represented by the Managing Director, Madurai Road, Virudhunagar -Vs- The Authority under the Payment of Gratuity Act, Madurai [W.P(MD)No.4844 of 2017 etc., batch]*. The full bench of this Court, vide order dated 18.10.2024, after discussing the law on this subject has answered the reference as under :-

“73. In view of all the reasons, we answer



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Reference Nos.1 and 2 as follows :

(1) the Controlling Authority under Section 7(4) of the Payment of Gratuity Act, can entertain a claim for better terms of gratuity made by the employee under Section 4(5) of the Act.

(2) An employee would be entitled to gratuity for a period more than the total number of years that had been put in by him only in accordance with the terms of the settlement under Section 12(3) of the Industrial Disputes Act, 1947, or as provided under Section 4(5) of the Act under any award or agreement with the employer and not otherwise.”

5. In the present case, there is no quarrel that under the settlement u/s 12(3) of the ID Act, better terms of gratuity have been provided for the workmen and in the light of such a settlement, the decision of the full bench in the above mentioned case will stand enure to the benefit of the workmen to claim higher gratuity in terms of the settlement.

6. Accordingly, following the above decision of the full bench of this Court (stated supra), the writ petitions filed by the workmen in W.P.Nos.46880 to 46884 of 2006 seeking higher gratuity in terms of the



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settlement are allowed and the writ petitions in W.P.Nos.17271 to 17274 of 2009 filed by the management are dismissed. No costs.

30.04.2025

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

To

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Appellate Authority under the Payment of Gratuity Act, 1972,
Office of the Deputy Commissioner of Labour,
Dr.Balasundram Road,
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W.P.Nos.46880 to 46884 of 2006 & 17271 to 17274 of 2009

M.DHANDAPANI, J.

sp

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30.04.2025