



W.P.No.31369 of 2013

**IN THE HIGH COURT OF JUDICATURE AT MADRAS**

DATED : 17.12.2025

CORAM :

**THE HON'BLE MR.JUSTICE D.BHARATHA CHAKRAVARTHY**

W.P.No.31369 of 2013

The Management,  
Coimbatore District Central Cooperative Bank Ltd.,  
Rep. by its General Manager,  
Bank Road, Coimbatore.

.. Petitioner

**Versus**

1. The Assistant Commissioner of Labour,  
(Controlling Authority under Payment of Gratuity  
Act),  
O/o.Deputy Commissioner of Labour,  
Coimbatore.

2. V.Natarajan  
3. S.Gopalakrishnan  
4. R.Velusamy  
5. S.Ekanathamoorthy  
6. P.N.Ramanandham  
7. P.Gunasekaran  
8. A.Siluvai Rathinam  
9. M.Ragupathy

.. Respondents

**Prayer :** Writ Petition filed under Article 226 of the Constitution of India, pleased to issue a Writ of Certiorari, to call for the records relating to the impugned common order passed by the first respondent, dated 25.09.2013 in G.A.Nos.23 & 24 of 2012 and G.A.No.36 to 41 of 2012 and quash the same.



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For Petitioner : Mr.D.Shanmugaraj Sethupathi

For Respondents : Mr.A.M.Ayyadurai,  
Government Advocate, for R1

: No Appearance for RR-2 to 9

### **ORDER**

This Writ Petition is filed by the management, Coimbatore District Central Cooperative Bank Limited, with a prayer to call for the records relating to the common order passed by the first respondent, dated 25.09.2013 in G.A.Nos.23 and 24 of 2012 and G.A.Nos.36 to 41 of 2012 and to quash the same.

2. The learned Counsel for the petitioner would submit that these are the cases in which the employees of the management, after receiving their gratuity amount, had claimed for additional gratuity which has been allowed by the authority. The claim of the workmen is with reference to the manner of calculation of the number of years for the purpose of gratuity. If 26 days are to be reckoned as a month and the gratuity is calculated, then, if the balance four days is carried forward and consolidated, the management will be liable to pay additional gratuity and on that basis, the gratuity was calculated and ordered to be paid.



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Challenging the similar orders, Writ Petitions were filed before this Court

which were ultimately referred to a Full Bench. The following questions

were referred to be answered by the Full Bench:-

“9. It is under these circumstances that the following three questions of law had been referred to be considered by a Full Bench:-

“(i) Whether 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 that Act?

(ii) Whether an employee would be entitled to gratuity for a period more than the total number of years that have been put in by him?

(iii) Whether the period during which an employee has worked in a primary agricultural co-operative society has to be taken into account while determining his entitlement for gratuity for his service in the concerned District Central Co-operative Bank when the appointment to the former had been made by the ad hoc committee of the latter?”

3. After considering the issues in detail, the Full Bench held as

follows:-

“Reference No.1:

Whether 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 that Act?

Answer:

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 that Act.

Reference No.2:

Whether an employee would be entitled to gratuity for a period more than the total number of years that have been put in by him?

Answer:

An employee would be entitled to gratuity for a period more than the total number of years that have been put in by him, provided a Settlement under Section 12(3) or 18(1) of the Industrial Disputes Act, 1947, or an award or agreement or contract between the employer and employees provides for better terms of gratuity and there is a mutually binding agreement that for calculation of gratuity, 26 days will be reckoned as month not only for arriving at pay, but also for calculation



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of length of service and not otherwise.

Reference No.3:

79. Whether the period during which an employee has worked in a Primary Agricultural Co-operative Society has to be taken into account while determining his entitlement for gratuity for his service in the concerned District Central Co-operative Bank when the appointment to the former had been made by the adhoc committee of the latter?

80. The issue is not answered and the matters are referred back to the respective Courts, since we have not been presented with conflicting decisions rendered between Division Benches.”

Aggrieved thereby, the management has filed S.L.P.(C).Nos.17562 to 17574 of 2025 and the Hon’ble Supreme Court of India had granted an order directing the parties to maintain status *quo* as on the date of the order of the Hon’ble Supreme Court of India.

4. Thereafter, it is stated that there in yet another connected matter which was pending before the Madurai bench of this Court in W.P. (MD).No.4452 of 2013 etc., (batch cases), relating Virudhunagar District Central Cooperative Bank limited and on 09.09.2025, the Court, after considering the situation, disposed of the Writ Petitions by stating that the management would ultimately follow the directions of the Hon’ble Supreme Court of India in respect of the respondents involved in the said Writ Petitions also. The operative portion in paragraph No.6 is extracted hereunder:-

“6. Since the issue is pending before the Hon’ble Supreme Court, the pendency of these writ petitions before this Court would not serve any purpose. Therefore, all these writ petitions are closed with a



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direction to the Management to settle the amount if any, as per the orders of the Hon'ble Supreme Court, to the private respondents/employees, within a period of six weeks from the date of receipt of the orders of the Hon'ble Supreme Court. No costs. Consequently, connected miscellaneous petitions are closed.”

5. In view thereof, the same course can be followed in the present Writ Petition also. This Writ Petition is disposed of on the same terms by directing the management can settle the amounts to the respondents herein as per the final orders that may be passed by the Hon'ble Supreme Court of India within a period of six weeks from the date of receipt of the orders of the Hon'ble Supreme Court of India. There shall be no order as to costs. Consequently, connected miscellaneous petition is closed.

17.12.2025

Neutral Citation : no  
grs

To

The Assistant Commissioner of Labour,  
(Controlling Authority under Payment of Gratuity  
Act),  
O/o.Deputy Commissioner of Labour,  
Coimbatore.



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**D.BHARATHA CHAKRAVARTHY, J.**

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