



W.A.No.2578 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 16.10.2025

CORAM :

THE HONOURABLE MR. JUSTICE M.S. RAMESH
AND
THE HONOURABLE MR. JUSTICE R.SAKTHIVEL

W.A.No.2578 of 2025
and CMP.No.20596 of 2025

The General Manager,
Krishnagiri District Co-operative Milk
Producer's Unit,
Kanagamutlu Village,
Salem Main Road,
Krishnagiri-635 002

... Appellant

Vs.

1.The Appellate Authority /Additional
Commissioner of Labour,
(Appellate Authority under the payment of
Gratuity Act, 1972),
Coimbatore.

2.The Assistant Commissioner of Labour,
(Controlling Authority under the payment
of Gratuity Act, 1972),
Office of the Deputy Commissioner of Labour,
Salem.

3.M.Vivekanathasamy

... Respondents



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PRAYER: Appeal is filed under Clause 15 of the Letters Patent, praying to set aside the order dated 19.02.2024 made in W.P.No.28844 of 2023.

For Appellant : Mr.S.Silambanan, Senior Counsel
For Mr.I.John Arockiadas

For Respondents : Mr.G.Ameedius
Government Advocate for R1&R2
Mr.M.L.Manigam for
Mr.M.E.Raniselvam for R3

JUDGMENT

(Judgment of this Court was delivered by M.S.RAMESH.J)

This Writ Appeal has been filed to set aside the order dated 19.02.2024 made in W.P.No.28844 of 2023.

2.The only ground on which the gratuity amount has been denied to the third respondent herein is in light of the special by-laws of the Appellant Co-operative Milk Producer's Society.

3.According to the learned counsel for the appellant, the by-laws specifically provide for recovering the amount due to the Co-operative Society from the gratuity amount payable to its employees, and that the



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society is governed solely by the by-laws and the provisions of the Payment of Gratuity Act, 1972 will not apply.

4. We are not in agreement with the said contention. The payment of gratuity in respect of establishments covered under the Payment of Gratuity Act is regulated under the provisions therein. It is a settled proposition of law that the by-laws of any society or other body cannot override or dilute the provisions of a statutory law. As such, the contention of the learned counsel for the appellant before us, cannot be legally sustained.

5. The Authority under the Act had rightly directed payment of gratuity amounting to Rs.10,00,000/-, along with interest at the rate of 10%, in view of the 3rd respondent's legal entitlement under the Act.

6. The learned Single Judge, while passing final orders in the Writ Petition filed by the Co-operative Society, has also placed reliance on the entitlement of the third respondent under the Payment of Gratuity Act, and had rejected the claim of the society with regard to their stand taken under the by-laws.



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7.We do not find any illegality or other infirmity in these findings.

Accordingly, the Writ Appeal stands dismissed. Consequently, there shall be a direction to the appellant to forthwith comply with the order passed by the Joint Commissioner of Labour, Coimbatore in AGA No.27 of 2020 dated 21.10.2021 within a period of two (2) weeks from the date of receipt of a copy of this order. No Costs. The connected miscellaneous petition is closed.

[M.S.R., J] [R.S.V.,J]
16.10.2025

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



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To

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M.S.RAMESH, J.
and
R.SAKTHIVEL, J.



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