



W.A.(MD).Nos.799 to 814, 816 and 818 to 823 of 2020

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

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DATED: 18.06.2025

CORAM

**THE HONOURABLE MR.JUSTICE S.M.SUBRAMANIAM  
AND  
THE HONOURABLE DR.JUSTICE A.D.MARIA CLETE**

W.A.(MD).Nos.799 to 814, 816 and 818 to 823 of 2020  
and

C.M.P.(MD).Nos.4537 to 4539, 4541 to 4548, 4550, 4551 to 4554,  
4557, 4559 to 4562, 4564, 4565, 6729 to 6736,  
6738 to 6745 and 6750 to 6756 of 2020

**W.A.(MD).No.799 of 2020**

The Managing Director,  
The Thanjavur District Central-  
Cooperative Bank Limited,  
Thanjavur.

... Appellant/2<sup>nd</sup> Respondent

Vs.

1.M.Duraisamy

... 1<sup>st</sup> Respondent/Applicant

2.The Assistant Commissioner of Labour (Gratuity),  
O/o.Deputy Commissioner of Labour,  
Tiruchirappalli – 20.

... 2<sup>nd</sup> Respondent/1<sup>st</sup> Respondent

**PRAYER:** Writ Appeal filed under Clause 15 of Letters Patent, to set aside the order passed by the learned Judge in Review Application (MD) No.132 of 2019 in W.P.(MD)No.16197 of 2017 dated 05.02.2020.



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For Appellant : Mr.D.Shanmugaraja Sethupathi  
For R-1 : Mr.G.M.Xavier  
For R-2 : Mr.S.P.Maharajan  
Special Government Pleader  
(In all cases)

### **COMMON JUDGMENT**

**(Judgment of the Court was made by S.M.SUBRAMANIAM, J.)**

These Writ Appeals have been instituted against the common order passed in the Review Applications in REV.APLW(MD).Nos.132 to 151 and 154 to 156 of 2019 dated 05.02.2020.

2. The Writ Appeals have been instituted by the Thanjavur District Central Cooperative Bank Limited, a Co-operative Society registered under the Tamil Nadu Co-operative Societies Act, 1983. Admittedly, the respondent employees were initially appointed by the elected Chairman of the then Adhoc Committee on consolidated pay basis. Further, the respondents were not appointed against a sanctioned post in the time scale of pay. They continued as a consolidated pay employee for a considerable length of time.

3. The learned counsel for the appellant would submit that these consolidated pay employees were deputed to serve in Primary Co-operative



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Societies. Based on their representations, the Government issued

G.O.Ms.No.331, Cooperation, Food and Consumer Protection Department dated 05.12.1988, absorbing these consolidated pay employees in the Central Cooperative Banks. The said Government Order in unambiguous terms states that the persons recruited by Adhoc Committee are absorbed in sanctioned posts in the time scale of pay. One of the conditions stipulated in the Government Order states that “the adhoc employees of Primary Agricultural Credit Societies are entitled to receive all the service benefits such as pay, other allowances, gratuity, leave, provident fund etc., to the benefits into which they are appointed only from the date of their joining duty in the services of the Central Cooperative Bank”. These employees admitted the said conditions stipulated in the said Government Order and served as Central Cooperative Bank employee till their retirement.

4. The learned counsel for the appellant would submit that after a lapse of more than 10 years, the retired employees approached the Controlling Authority under the Gratuity Act with a claim that their consolidated pay service rendered in Primary Cooperative Societies is also to be reckoned as qualifying service for calculating the gratuity amount. Jurisdiction point was raised mainly on the ground that the Central Cooperative Bank has got Gratuity Scheme of its own



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under Section 79 of the Tamil Nadu Co-operative Societies Act, which was approved by the Registrar of Co-operative Societies. The Gratuity Scheme is more beneficial than the benefit under the Gratuity Act. However, the claim of the respondents are that the consolidated pay service is also to be calculated for the purpose of grant of gratuity.

5. The litigation had taken several rounds and it was referred to Full Bench and the references raised were answered. Now the matters are listed before the Division Bench for consideration.

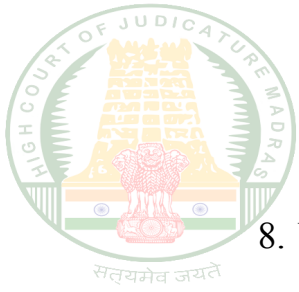
6. Hearing the respective learned counsels appearing on behalf of the parties to the *lis* and perusal of the orders would reveal that no adjudication on merits had been undertaken either by the Controlling Authority or by the Appellate Authority under the Gratuity Act. The appellant has raised jurisdiction point in the context of Section 79 of the Tamil Nadu Co-operative Societies Act. The respondents would oppose by stating that their consolidated pay service in the Primary Cooperative Societies is also to be taken into consideration. This is a disputed question of fact between the parties, which deserves an adjudication with reference to the original documents, service records, etc. Such an adjudication cannot be undertaken in a writ proceedings. Since the Full Bench has answered the references, it is unnecessary for this



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Division Bench to again consider those legal points, which have to be considered by the Controlling Authority and the Appellate Authority in the context of the facts established between the parties. However, the facts regarding the eligibility of consolidated pay employee for reckoning the period of service rendered in the Primary Cooperative Societies for calculation of gratuity is to be considered by the Controlling Authority after conducting an elaborate adjudication based on the original documents, service records, etc.

7. In view of the fact that so far no factual adjudications are done before the Controlling Authority under the Gratuity Act and the matters are taken by way of Writ Petitions, Review Applications only on certain legal principles and the Full Bench also answered the references, this Court is of the considered view that the matters are to be remanded back to the Controlling Authority for an adjudication of issues on merits and in accordance with law. Thus, the impugned orders passed in REV.APLW(MD).Nos.132 to 151 and 154 to 156 of 2019 dated 05.02.2020 and the orders passed in W.P.(MD).Nos.16192 to 16195, 16197 to 16201 and 16396 to 16409 of 2017 dated 06.02.2018 are set aside. The matters are remanded back to the Controlling Authority under the Gratuity Act, who in turn is requested to complete the adjudication on merits and in accordance with law as expeditiously as possible.



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8. With the above direction, these Writ Appeals are allowed. There shall

be no order as to costs. Consequently, connected miscellaneous petitions are closed.

**(S.M.S.,J.) (A.D.M.C.,J.)**  
**18.06.2025**

NCC : Yes / No  
Index : Yes / No  
Internet : Yes / No  
Lm

To  
The Assistant Commissioner of Labour (Gratuity),  
O/o.Deputy Commissioner of Labour,  
Tiruchirappalli – 20.



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**S.M.SUBRAMANIAM,J.**  
**and**  
**DR.A.D.MARIA CLETE,J.**

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