



WEB COPY

WP No. 14996 of 2



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 17-04-2026

CORAM

THE HON'BLE MS. JUSTICE P.T. ASHA

WP No. 14996 of 2026

AND

WMP NO. 16211 OF 2026

Chinnaiyan
S/o.Kandasamy,
Former Secretary,
S.1234 Primary Agricultural Co-Operative Credit
Society Ltd.,
Seshanchavadi, Senthrajanpalayam Post,
Valapadi Taluk, Salem District.

Now residing at:
No.133, Ayya Goundar Street, Valapadi Taluk
Salem District.

..Petitioner

Vs

1. The Joint Registrar of Co-operative Societies
Joint Registrar of Co-Operative Societies Office,
Salem Zone, Salem District.
2. The Deputy Registrar of Co-operative Societies
Deputy Registrar of Co-Operative Societies Office,
Salem Zone, Salem District.
3. The President
S.1234 Primary Agricultural Co-operative Credit
Society Ltd.,
Seshanchavadi, Senthrajanpalayam Post,
Valapadi Taluk, Salem District.
4. The Secretary
S.1234 Primary Agricultural Co-Operative Credit
Society Ltd.,
Seshanchavadi, Senthrajanpalayam Post,
Valapadi Taluk, Salem District.

..Respondents



PRAYER : Writ Petition filed under Article 226 of the Constitution of India praying to issue a Writ of Certiorarified Mandamus calling for records relating to the impugned order passed by the 2nd respondent in Na.Ka.No.2649/2024/PACCS dated 07.10.2024, to quash the same, and consequently to direct the respondents to disburse the Provident Fund amount along with principal and accrued interest within the time frame fixed by this Court.

For Petitioner: Ms.Neelavathi P

For Respondents: Mr.K.Tamilvendan
Government Advocate for R1 to R4

ORDER

The writ petition has been filed seeking to quash the impugned order passed by the 2nd respondent in Na.Ka.No.2649/2024/PACCS dated 07.10.2024 and to direct the respondents to disburse the Provident Fund along with interest.

2. The petitioner was employed in the 3rd respondent Society as Secretary on 18.12.1978 and had retired from service on 31.03.2015 on attaining the age of superannuation. On the date of his retirement, the 3rd respondent had passed a Resolution, sanctioning the payment of retirement benefits viz., Earned Leave Salary (Leave Salary) of Rs.1,76,183/-, Provident Fund and Subscription Amount with interest of Rs.3,74,932/- and Gratuity Amount of Rs,5,19,771/-, to the petitioner. Despite the admitted liability and several representations, the respondent-Society had not been paid the petitioner the retirement benefits.



Therefore, the petitioner had submitted his representation to the respondents 2 to 4 on 16.09.2022, requesting to disburse his Provident Fund along with interest. The 2nd respondent vide proceedings dated 26.07.2024 had rejected the request of the petitioner alleging that the Society is in a poor financial condition.

3. Thereafter, the petitioner had approached the respondents both with oral and written representations. On 13.09.2024, the petitioner had submitted a representation which was rejected by the 2nd respondent vide impugned order dated 07.10.2024 stating that the 3rd respondent Society had not deposited the Employees Provident Fund amount either in the EPF Office or in the LIC, and further, they are not in a position to make the payment immediately to the petitioner, on account of the accumulated loss to the respondents, to the tune of Rs.1.68 crores, and that the same would be disbursed only when its financial position improves. The petitioner had waited till July 2025. Since the payment was not disbursed to him, he submitted yet another representation on 20.07.2025 and the same is pending. Hence, the petitioner is before this Court seeking to quash the impugned order of the second respondent dated 07.10.2024 and also to direct the respondents to disburse the Provident Fund.

4. Heard the learned counsel on either side and also perused the materials placed on record.



5. It is rather a strange reason that has been given by the 2nd respondent for rejecting the petitioner's request for disbursing the EPF amount to him. That the petitioner had contributed his share of Provident Fund has not been disputed, the employer is bound to pay his share of Provident Fund amount and also has to ensure that the same is invested judiciously. The failure on the part of the employer to deposit the sum either in the Employees Provident Fund Account or in LIC policies / deposits, cannot be a ground to deny the petitioner his rightful due. Financial incapacity cannot be an excuse for not disbursing the EPF amount. The employer is bound to deposit his share as well as the amount deducted from the employees account towards Provident Fund into the Employees Provident Fund Account. The fact that the 2nd respondent pleads financial incapacity clearly shows that they have not contributed their share of the Employees Provident Fund amount, which could also invite a penal action under the Employees' Provident Fund Act. Therefore, the writ petition is allowed and the impugned order is quashed and the respondents are directed to disburse the Provident Fund amount to the petitioner, which he is entitled to, on or before 28.06.2026. No costs. Consequently, connected miscellaneous petition is closed.



Post the writ petition for reporting compliance on 29.06.2026.

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Index: Yes/No

Speaking/Non-speaking order

Neutral Citation: Yes/No

DS

To:

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Joint Registrar of Co-Operative Societies Office
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