



W.P(MD)No.15523 of 2023

WEB COPY BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 13.07.2026

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THE HONOURABLE MR.JUSTICE M.DHANDAPANI

W.P(MD)No.15523 of 2023

and

W.M.P(MD)No.13054 of 2023

Arulmigu Mariamman Temple,
Irukkangudi Through its
Assistant Commissioner/Executive Officer,
Virudhunagar District.

... Petitioner

Vs

1.The Joint Commissioner of Labour,
Bharathi Ula Road,
Madurai - 625 002.

2.Assistant Inspector of Labour,
Sivakasi I Circle.

3.P.Prabhakar,
Managing Partner,
New Security Force,
12, P.S.S. Complex, Rasi Nagar,
Trunk Road,
Tiruvanaikaval,
Trichy – 5.

... Respondents



W.P(MD)No.15523 of 2023

WEB COPY

PRAYER: Writ Petition filed under Article 226 of Constitution of India, to issue a Writ of Certiorari, calling for the records relating to the proceedings of the first respondent passed in Vazhakku No.MW 240/2022 dated 08.06.2023 and quash the same.

For Petitioner : Mr.S.Manohar

For Respondents : Mr.R.Ramasamy (R1 & R2)
counsel for State

: No appearance (R3)

ORDER

This Writ Petition has been filed challenging the impugned order passed by the first respondent in M.W.No.240 of 2022, dated 08.06.2023.

2.The learned counsel appearing for the petitioner submitted that the petitioner is a Temple governed by the provisions of the Tamil Nadu Hindu Religious and Charitable Endowments Act, 1959 (Tamil Nadu Act 22 of 1959). The petitioner Temple is one of the renowned temples in the State of Tamil Nadu. Owing to the large number of devotees visiting the Temple every day, and in order to ensure proper crowd control and efficient



W.P(MD)No.15523 of 2023

WEB COPY

administration, the petitioner Temple invited tenders for outsourcing security personnel by way of a paper publication dated 28.06.2017. The tender was floated under the two-cover system for engaging 20 watchmen, and the tender conditions were duly published. Pursuant thereto, five bidders participated in the tender process, and the third respondent was awarded the contract for supplying security personnel. An agreement was entered into between the petitioner Temple and the third respondent on 06.11.2017 for the period from 06.10.2017 to 30.06.2018. Thereafter, the agreement was extended from time to time. Owing to the COVID-19 pandemic, the continuation of the contract was ratified by the Commissioner, HR & CE Department, by proceedings dated 07.10.2021. As per the tender conditions, the outsourced personnel were to be paid a sum of Rs.13,731/- per month by the third respondent. The outsourced personnel do not form part of the sanctioned establishment of the petitioner Temple.

3.While so, the second respondent, after conducting an inspection and enquiry, filed a claim petition before the first respondent



W.P(MD)No.15523 of 2023

WEB COPY

under Section 20(2) of the Minimum Wages Act, 1948, in M.W.No.240 of 2022. The first respondent, by order dated 08.06.2023, held that there was a violation of the provisions of the Minimum Wages Act and directed payment of a sum of Rs.45,23,961/- towards the wage differential and further imposed compensation at ten times the said amount, thereby directing payment of a total sum of Rs.4,52,39,610/-. Aggrieved by the said order, the present Writ Petition has been filed.

4.The learned counsel for the petitioner further submitted that the petitioner Temple had admittedly entered into a contract with the third respondent for supply of security personnel. Under the terms of the contract, the responsibility to pay wages to the employees rested solely with the third respondent. Therefore, the petitioner cannot be treated as the employer of the security personnel. It is further submitted that the third respondent had undertaken to pay wages in accordance with the applicable minimum wages. However, the first and second respondents erroneously proceeded on the premise that the petitioner, being the principal employer, was solely liable



W.P(MD)No.15523 of 2023

WEB COPY

under Section 20(2) of the Minimum Wages Act, 1948, which finding is legally unsustainable. Accordingly, he prayed for setting aside the impugned order.

5.The learned counsel for the petitioner further submitted that under Section 20(3)(i) of the Minimum Wages Act, 1948, where a claim arises out of payment of less than the minimum rates of wages, the Authority may direct payment of the amount by which the minimum wages payable exceed the amount actually paid, together with such compensation as it may think fit, not exceeding ten times the amount of such excess. Therefore, the statute only prescribes the upper limit of compensation and does not mandate imposition of compensation at ten times in every case. In the present case, the first respondent mechanically imposed the maximum compensation of ten times without assigning any specific reasons. It is further submitted that the petitioner is a public religious institution administered under the provisions of the HR & CE Act and is not a commercial establishment. The Temple is maintained only from the



W.P(MD)No.15523 of 2023

WEB COPY

contributions and offerings made by devotees. Therefore, the imposition of the maximum compensation is wholly disproportionate and liable to be interfered with.

6.Per contra, the learned counsel for State appearing for the respondents 1 and 2 submitted that under Section 20(3)(i) of the Minimum Wages Act, 1948, the competent Authority is empowered to award compensation not exceeding ten times the amount of the wage differential. According to the respondents 1 and 2, considering the facts and circumstances of the case, the Authority exercised its discretion in awarding compensation at ten times the wage differential. However, the learned counsel fairly submitted that the quantum of compensation is within the discretionary jurisdiction of this Court while exercising its powers under Article 226 of the Constitution of India, and this Court may pass appropriate orders regarding the compensation.



W.P(MD)No.15523 of 2023

WEB COPY

7. Though the name of the third respondent is printed in the cause list, none appeared on behalf of the third respondent either in person or through counsel. Hence, this Court proceeds to dispose of the Writ Petition on the basis of the available materials available on record.

8. This Court has carefully considered the rival submissions and perused the materials placed on record.

9. There is no dispute that the security personnel were engaged through the third respondent pursuant to a valid contract entered into with the petitioner Temple. Equally, there is no dispute that the employees concerned are entitled to receive wages in accordance with the Minimum Wages Act, 1948. The Authority has determined the wage differential payable at Rs.45,23,961/-. The grievance of the petitioner is confined to the imposition of compensation at ten times the said amount.

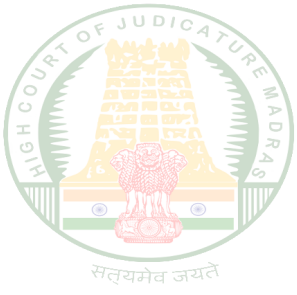


W.P(MD)No.15523 of 2023

WEB COPY

10. Section 20(3)(i) of the Minimum Wages Act, 1948, confers discretion upon the Authority to award compensation not exceeding ten times the amount of the wage differential. Thus, the statute prescribes only the maximum limit and does not require the Authority to invariably impose compensation at ten times in every case. The discretion has to be exercised judiciously, having regard to the facts and circumstances of each case.

11. In the present case, the petitioner Temple is a public religious institution governed by the provisions of the Tamil Nadu Hindu Religious and Charitable Endowments Act, 1959. The security personnel were engaged through a contractor under a valid outsourcing arrangement. Taking into consideration the nature of the institution, the manner in which the security personnel were engaged, and the absence of any material to show deliberate or wilful violation warranting imposition of the maximum compensation, this Court is of the considered view that the ends of justice would be met by reducing the compensation from ten times to one time of the wage differential determined by the Authority.



W.P(MD)No.15523 of 2023

WEB COPY

12. Accordingly, the order of the first respondent is modified to the extent that the compensation payable shall be restricted to one time of the wage differential, namely, Rs.45,23,961/-. The said amount shall carry interest at the rate of 6% per annum from the date of the order passed by the first respondent till the date of actual payment.

13. It is made clear that, upon payment of the aforesaid amount to the concerned employees, it is open to the petitioner, being the principal employer, to recover the amount from the third respondent, if the terms and conditions of the contract so permit, and in the manner known to law.

14. With the above modification, the Writ Petition is partly allowed. There shall be no order as to costs. Consequently, connected Miscellaneous Petition is closed.

13.07.2026

NCC : Yes / No

9/11



W.P(MD)No.15523 of 2023

WEB COPY Index : Yes / No

To

1.The Joint Commissioner of Labour,
Bharathi Ula Road,
Madurai - 625 002.

2.Assistant Inspector of Labour,
Sivakasi I Circle.



WEB COPY



W.P(MD)No.15523 of 2023

M.DHANDAPANI, J.

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W.P(MD)No.15523 of 2023

13.07.2026