



BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 03.01.2022

CORAM:

WEB COPY

THE HONOURABLE MR.JUSTICE B.PUGALENDHI

W.P(MD)No.1536 of 2020

and

W.M.P.(MD)No.1242 of 2020

M/s.Tamil Nadu Civil Supplies Corporation,
Through its Regional Manager D.Thangavel
Regional Office,
Sipcot Campus,
Thoothukudi Post and District.

... Petitioner

versus

1. The Appellate Authority under the
Payment of Gratuity Act,
(Additional Commissioner of Labour)
Housing Board Office Building,
Ellis Nagar, Madurai - 625 016.
2. The Assistant Commissioner of Labour,
O/o. Assistant Commissioner of Labour,
Race Course Road,
Madurai.
3. M.Chinnadurai

... Respondents

Writ Petition filed under Article 226 of the Constitution of India, seeking for the issuance of Writ of Certiorarified Mandamus, to call for the records relating to the impugned order passed by the first respondent made in P.G.Appeal No.58/2019 dated 17.09.2019 confirming the order passed by the second respondent made in P.G.I.A.No.273 of 2017 dated 28.12.2018 and quash the same and direct the second respondent to refund the deposit amount of Rs.3,26,569/- made in P.G.I.A.No.273 of 2017 dated 28.12.2018 to the petitioner.

For Petitioner: Mr.R.Saravanan

For R1 and R2 : Mr.V.Nirmal Kumar
Government Avocate

For R3 : Mr.S.Arunachalam

**ORDER**

This writ petition is filed as against the order of the Appellate authority/Additional Commissioner of Labour, Madurai, passed in P.G.A.No.58/2019 dated 17.09.2019.

WEB COPY

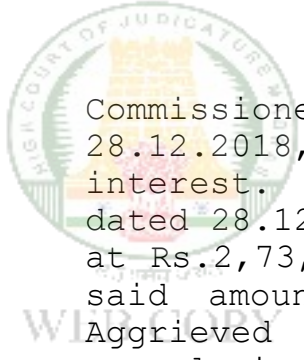
2. The third respondent M.Chinnadurai was appointed as Helper on 15.10.1985 in the delta region and after rendering 29 years of service, he retired from service on 31.10.2014. After retirement, he was not paid any gratuity amount. Therefore, he filed a petition before the Assistant Commissioner of Labour, Madurai, in P.G.I.A.No.273 of 2017 dated 28.12.2018, claiming gratuity amount of Rs.2,73,247/- along with 10% interest. The Assistant Commissioner of Labour, Madurai, vide order dated 28.12.2018, allowed the petition by fixing the gratuity amount at Rs.2,73,247/- and directed the petitioner Corporation to pay the said amount along with 10% interest to the third respondent. Aggrieved over the same, the petitioner Corporation preferred an appeal in P.G.A.No.58 of 2019 before the Appellate Authority, namely, the Additional Commissioner of Labour, Madurai. After hearing both sides, the Appellate Authority, vide order dated 17.09.2019, dismissed the appeal by confirming the order dated 28.12.2018 passed by the Assistant Commissioner of Labour Madurai, in P.G.I.A.No.273 of 2017. Challenging the order of dismissal dated 17.09.2019, the petitioner Corporation has filed the present writ petition.

3. The learned counsel for the petitioner submits that as per Section 2A(3) of the Payment of Gratuity Act, it is necessary that the employee should work for not less than 75 percent of the number of days on which the establishment was in operation during such period. But, the third respondent had not worked continuously for more than 75 percent of number of working days in every season and therefore, he is not entitled for the gratuity amount as claimed in the gratuity petition. He has also relied upon the Circular No.77 of 2007 dated 26.11.2007 issued by the Tamil Nadu Civil Supplies Corporation Limited, Chennai.

4. Per contra, the learned counsel appearing for the third respondent submits that the third respondent joined in the service on 15.10.1985 and after rendering 29 years of continuous service, he retired from service on 31.10.2014. Since he was in continuous service, the third respondent is entitled for the gratuity amount as claimed by him in the gratuity petition.

5. Heard the learned counsel appearing on either side and also perused the materials available on record.

6. The third respondent joined as Helper on 15.10.1985 in the delta region and after rendering 29 years of service, he retired from service on 31.10.2014. After retirement, he was not paid any gratuity amount. Therefore, he filed a petition before the Assistant



Commissioner of Labour, Madurai, in P.G.I.A.No.273 of 2017 dated 28.12.2018, claiming gratuity amount of Rs.2,73,247/- along with 10% interest. The Assistant Commissioner of Labour, Madurai, vide order dated 28.12.2018, allowed the petition by fixing the gratuity amount at Rs.2,73,247/- and directed the petitioner Corporation to pay the said amount along with 10% interest to the third respondent. Aggrieved over the same, the petitioner Corporation preferred an appeal in P.G.A.No.58 of 2019 before the Appellate Authority, namely, the Additional Commissioner of Labour, Madurai. After hearing both sides, the Appellate Authority, vide order dated 17.09.2019, dismissed the appeal by confirming the order dated 28.12.2018 passed by the Assistant Commissioner of Labour Madurai, in P.G.I.A.No.273 of 2017. Challenging the order of dismissal dated 17.09.2019, the petitioner Corporation has filed the present writ petition on the ground that District Purchase Centre is in operation only at the time of harvesting season and the services of the third respondent were availed only for a limited period and therefore, the third respondent is not entitled for the gratuity amount as claimed by him in the gratuity petition. It is also the case of the petitioner Corporation that the third respondent had not served for more than 75% of number of working days during the seasonal employment and therefore, the third respondent is not entitled for the gratuity amount as claimed by him in the gratuity petition.

7. Section 2-A of the Payment of Gratuity Act defines "continuous service", which reads as follows:

"2A. Continuous service.-

(1)

(2)

(3) where an employee, employed in a seasonal establishment, is not in continuous service within the meaning of clause (1), for any period of one year or six months, he shall be deemed to be in continuous service under the employer for such period if he has actually worked for not less than seventy-five per cent of the number of days on which the establishment was in operation during such period."

8. Based on the above provisions, the Tamil Nadu Civil Supplies Corporation Limited, Head Office, Chennai, issued a circular in No.77/2007 dated 26.11.2007 that the seasonal employees, namely, the Bill Clerks, Helpers and Watchmen, who are employed in the procurement centres, are eligible for gratuity under the Payment of Gratuity Act, 1972.

9. In the said circular, the eligibility of gratuity for seasonal employees is given, which reads as follows:

"II. Seasonal Employees:

a) Eligibility: Gratuity shall be payable to a seasonable employee on the termination of his employment after he has rendered continuous service for not less



- 1) on his superannuation, or
- 2) on his retirement or resignation or
- 3) on his death or disablement due to accident or
decease

Provided that the completion of continuous service of 5 years shall not be necessary, where the termination of the employment of any seasonal employee is due to death or disablement. The seasonal employee is eligible to get gratuity at the rate of 7 days wages for each season. [Section 4(2) of Payment of Gratuity Act 1972] subject to a ceiling of Rs.3,50,000/- (Section 4(3) of Payment of Gratuity Act, 1972)."

10. As per clause (b) in the column of Seasonal Employees (given in the said circular), a seasonal employees shall be deemed to be in continuous service in TNCSC, for such period if he has actually worked for not less than 75% of the number of days on which the seasonal establishment was in operation during such period.

11. Admittedly, the third respondent rendered service in the petitioner Corporation from 15.10.1985 to 31.10.2014. According to the petitioner Corporation, the third respondent had not served for more than 75% of number of working days during the seasonal employment and therefore, the third respondent is not entitled for the gratuity amount as claimed by him in the gratuity petition. In order to substantiate the same, the petitioner Corporation has not placed any material before this Court.

12. The fact remains that the services of the third respondent have been utilized continuously from the year 1985 to 2014. In the absence of any material that in certain years, the third respondent had not attended work for 75% of number of working days in every season, this Court is not inclined to entertain this writ petition.

13. Accordingly, the writ petition is dismissed. No costs. Consequently, consequently, connected miscellaneous petition is closed.

Sd/-

Assistant Registrar (CS-III)

// True Copy //

/ /2022

Sub Assistant Registrar

Note : In view of the present lock down owing to COVID-19 pandemic, a web copy of the order may be utilized for official purposes, but, ensuring that the copy of the order that is presented is the correct copy, shall be the responsibility of the advocate/litigant



To

1. The Appellate Authority under the
Payment of Gratuity Act,
(Additional Commissioner of Labour)
Housing Board Office Building,
Ellis Nagar, Madurai - 625 016.

2. The Assistant Commissioner of Labour,
O/o. Assistant Commissioner of Labour,
Race Course Road,
Madurai.

+1 CC to M/s.SPL GP (SR-208[F] dated 04/01/2022)

+1 CC to M/s.R.SARAVANAN, Advocate (SR-265[F] dated 05/01/2022)

W.P (MD)No.1536 of 2020

03.01.2022

12/12

OGY

MS/22.03.2022/5P.5C