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W.A. No.3200, 3201, 3203,3207, 3208 & 3213 of 2023

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 21.11.2023

CORAM:

THE HONOURABLE MR. JUSTICE S. VAIDYANATHAN

and

THE HONOURABLE MR. JUSTICE K.RAJASEKAR

W.A. No.3200, 3201, 3203, 3207, 3208 & 3213 of 2023

and

C.M.P. Nos.26173, 26176, 26178, 26181, 26182, 26220, 26221, 26229,
26231, 26257, 26258 of 2023

W.A. No.3200 of 2023:

The Madurantakam Cooperative Sugar Mills Ltd.
represented by its Managing Director Smt. S. Lakshmi
having office at Padalam 603 309
Kancheepuram District

Appellant

v

- 1 The Additional Commissioner of Labour
(Appellate Authority under the Payment of Gratuity Act, 1972)
DMS Compound
VI Floor
Teynampet
Chennai 600 018
- 2 The Assistant Commissioner of Labour (Additional Charge)
(Controlling Authority under the Payment of Gratuity Act, 1972)
Teynampet
Chennai 600 018
- 3 T. Kathirvelu
- 4 K. Vengappan
- 5 Chellappan
- 6 Selvaraj
- 7 Govindan
- 8 Sundar
- 9 Balu



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- 10 Govindaraj
11 Murugan
12 C. Mohan
13 Ramesh
14 M. Elumalai
15 K. Kuppusamy
16 K. Lakshmi
17 S. Chellam
18 A. Nagammal
19 V. Indrani
20 R. Bhavani
21 L. Nagammal
22 V. Gowri
23 S. Chinnammal
24 G. Yashodha
25 S. Chindamani
26 M. Dhanam
27 V. Chellam
28 R. Panchali
29 K. Parvathi
30 B. Valli
31 K. Ellammal
32 Chinnammal
33 G. Athiammal
34 M. Sulochana
35 M. Krishnaveni
36 D. Pattammal
37 V. Seetha
38 K. Kanniappan
39 M. Sumathi

Respondents

W.A. No.3201 of 2023:

The Madurantakam Cooperative Sugar Mills Ltd.
represented by its Managing Director Smt. S. Lakshmi
having office at Padalam 603 309
Kancheepuram District

Appellant

v



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- 1 The Additional Commissioner of Labour
(Appellate Authority under the Payment of Gratuity Act, 1972)
DMS Compound
VI Floor
Teynampet
Chennai 600 018
 - 2 The Assistant Commissioner of Labour (Additional Charge)
(Controlling Authority under the Payment of Gratuity Act, 1972)
Teynampet
Chennai 600 018
 - 3 N. Arumugam
 - 4 N. Muthusamy
 - 5 K. Rajasekaran
- Respondents

W.A. No.3203 of 2023:

The Madurantakam Cooperative Sugar Mills Ltd.
represented by its Managing Director Smt. S. Lakshmi
having office at Padalam 603 309
Kancheepuram District

Appellant

v

- 1 The Additional Commissioner of Labour
(Appellate Authority under the Payment of Gratuity Act, 1972)
DMS Compound
VI Floor
Teynampet
Chennai 600 018
- 2 The Assistant Commissioner of Labour (Additional Charge)
(Controlling Authority under the Payment of Gratuity Act, 1972)
Teynampet
Chennai 600 018
- 3 N. Venkatesan
- 4 G. Kathavarayan
- 5 G. Shanmugam
- 6 S. Rashya
- 7 E. Thulukkanam
- 8 K. Sundaresan



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- 9 C. Venu
- 10 P. Vedagiri
- 11 J. Jaganathan
- 12 P. Muralidoss
- 13 B. Rukmangathan
- 14 M. Chandrasekar
- 15 K. Manoharan
- 16 A. Padmanabhan
- 17 V. Kuppusamy
- 18 L. Kannabiran
- 19 P. Subramanian

Respondents

W.A. No.3207 of 2023:

The Madurantakam Cooperative Sugar Mills Ltd.
represented by its Managing Director Smt. S. Lakshmi
having office at Padalam 603 309
Kancheepuram District

Appellant

v

- 1 The Additional Commissioner of Labour
(Appellate Authority under the Payment of Gratuity Act, 1972)
DMS Compound
VI Floor
Teynampet
Chennai 600 018
- 2 The Assistant Commissioner of Labour (Additional Charge)
(Controlling Authority under the Payment of Gratuity Act, 1972)
Teynampet
Chennai 600 018
- 3 M. Elumalai
- 4 V. Muthu Krishnan
- 5 S. Thirumalai
- 6 R. Durai Raj
- 7 V. Venu
- 8 D. Dhanapal (Retd.)
- 9 N. Veeraraghavan
- 10 M. Govindaraj
- 11 A. Sundarambal
- 12 M. Thulukkanam



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- 13 P.E. Govindan (Retd.)
- 14 V. Perumal
- 15 M. Gopal
- 16 R. Dhanapal
- 17 M. Vedachalam
- 18 N. Kuselan
- 19 A. Kasthuri
- 20 R. Chakkaravarthi
- 21 M. Muthu
- 22 K. Raji
- 23 E. Perumal
- 24 S. Selvaraj

Respondents

W.A. No.3208 of 2023:

The Madurantakam Cooperative Sugar Mills Ltd.
represented by its Managing Director Smt. S. Lakshmi
having office at Padalam 603 309
Kancheepuram District

Appellant

v

- 1 The Deputy Commissioner of Labour
Controlling Authority under the Payment of Gratuity Act, 1972)
Teynampet
Chennai 600 018

- 2 R. Pasupathi
- 3 Pabel
- 4 P. Mari
- 5 P. Muthu
- 6 J. Krishnan
- 7 C. Kanniappan
- 8 T. Chokkalingam
- 9 M. Krishnan
- 10 V. Chinnapaiyan @ Chinnappan
- 11 A. Krishnan
- 12 P.K. Vijayakumar
- 13 A. Gunasundari
- 14 K. Elumalai
- 15 A. Muniammal
- 16 P. Madurai
- 17 N. Gnanamani



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- 18 Jaalammal
- 19 J. Thanikkachalam
- 20 V. Epsiviolate
- 21 R. Raji
- 22 M. Jayamani
- 23 S. Rajeswari
- 24 G. Bharathiraja
- 25 R. Vijayalakshmi
- 26 R. Rani
- 27 T. Kalavathi
- 28 E. Anjalatchi
- 29 A. Pachai Ammal
- 30 M. Venkatesan
- 31 D. Kanchana

Respondents

W.A. No.3213 of 2023:

The Madurantakam Cooperative Sugar Mills Ltd.
represented by its Managing Director Smt. S. Lakshmi
having office at Padalam 603 309
Kancheepuram District

Appellant

v

- 1 The Additional Commissioner of Labour
(Appellate Authority under the Payment of Gratuity Act, 1972)
DMS Compound
VI Floor
Teynampet
Chennai 600 018
- 2 The Assistant Commissioner of Labour (Additional Charge)
(Controlling Authority under the Payment of Gratuity Act, 1972)
Teynampet
Chennai 600 018
- 3 V. Mani
- 4 S. Kumar
- 5 S. Thiruvengadam
- 6 P. Jakkammal
- 7 K. Saraswathi
- 8 N. Durairaj
- 9 V. Ramesh



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10 M. Haridoss
11 R. Vedachalam
12 J. Venugopal
13 R. Harikrishnan
14 E. Ravi
15 B. Kothandaraman
16 B. Elumalai
17 G. Kannivelu
18 E. Samikannu
19 R. Chidambaram

Respondents

Writ Appeals filed under Clause 15 of the Letters Patent challenging the order dated 07.07.2023 passed in W.P. Nos.27331, 27553, 27530, 27324, 27520 and 27578 of 2018.

For appellants in
all writ appeals

Mr. Haja Nazeerudeen
Addl. Adv. General
assisted by Mr. P. Hari Babu

For private respondents in all writ appeals

Mr. P.B. Suresh Babu

COMMON JUDGMENT

(delivered by S. VAIDYANATHAN, J.)

Inasmuch as all these writ appeals emerge from a common order of a Single Bench, they are considered and decided by this common judgment.

2 For the sake of clarity, the parties will be adverted to as per their rank in these writ appeals.



3 A bird's eye view of the facts leading to the institution of these writ appeals is as under:

The private respondents, on the ground that they were employed as cane farm labourers under the appellant mill, having completed 240 days of continuous service in a year and eligible for Gratuity benefits as per Section 2(e) and 2(A)1 of the Payment of Gratuity Act, 1972, preferred claim petitions before the second respondent (Controlling Authority) in 2012 seeking payment of Gratuity, which were allowed *vide* order dated 10.07.2015 granting 15 days Gratuity per year of service for the period of their employment along with interest @ 10% p.a. for delayed payment of Gratuity. The said order of the second respondent was appealed against by the appellant mill before the first respondent (Appellate Authority), who, *vide* order dated 22.03.2018, confirmed the order of the second respondent, assailing the correctness of which, the sugar mill preferred writ petitions, which were dismissed by the Single Bench *vide* common order dated 07.07.2023. Thereagainst, the sugar mill has preferred the instant writ appeals.

4 Heard Mr. Haja Nazeerudeen, learned Additional Advocate General representing Mr. P. Hari Babu, learned counsel for the appellant mill and Mr. P.B. Suresh Babu, learned counsel for the private respondents.



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The learned Additional Advocate General contended that:

- the appellant mill is a research-oriented one and the Payment of Gratuity Act, 1972, is not applicable to the appellant mill;
- the private respondents, who are so-called farm workers, are not entitled to Gratuity as the same is not applicable to them;
- at the most, the private respondents could be treated as seasonal workmen and they are not entitled to Gratuity for 15 days per year and in terms of clarificatory letter dated 12.05.2015, they would be entitled to only 7 days wages for every completed year of service and the said submission is without prejudice to his contention that neither G.O.(Ms.) No.15, Industries (MIC 2) Department dated 30.01.2005 nor the Payment of Gratuity Act, 1972, is applicable to the appellant mill.

6 The Controlling Authority and the Appellate Authority, based on the evidence produced before them, came to the conclusion that the Payment of Gratuity Act, 1972, is applicable to the appellant mill; it cannot be construed as a seasonal establishment and that the private respondents are entitled to Gratuity @ 15 days wages for every completed year of service.

7 It is to be noted that even though the appellant mill has taken a stand that the private respondents are casual labourers engaged on seasonal basis, no shred or iota of evidence was let in before the Controlling and



employed only seasonally. The contention of the appellant mill that the private respondents had not worked for the required number of days cannot be countenanced, as the documents are with the appellant mill and they should have produced all the documents when they take a plea that the private respondents had not completed 240 days of continuous service every year entitling them to get Gratuity. Since the appellant mill cannot be termed as a seasonal establishment and the private respondents also cannot be treated as seasonal workmen, the Payment of Gratuity Act, 1972, is applicable to the appellant mill and as a sequel, the private respondents are entitled to Gratuity in terms of the said Act.

8 Both the Controlling Authority and the Appellate Authority have rightly held that the private respondents are entitled to Gratuity @ 15 days wages for every completed year of service. The clarificatory letter dated 12.05.2015 issued by the Director of Sugar produced by the learned counsel for the appellant mill also is in favour of the private respondents.

9 As already adverted to above, since the appellant mill is not a seasonal establishment and there is no evidence to show that the private respondents were only seasonal labourers, we are of the view that the common



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respondents granting 15 days wages as Gratuity for every completed year of service and also interest @ 10% p.a. for delayed payment of Gratuity, is perfectly valid warranting no interference by us.

10 It is represented by the learned Additional Advocate General that pursuant to the orders of the second respondent, the entire amount has been deposited by the appellant mill, since deposit of the amount determined, is mandatory before filing an appeal.

11 Now that the order passed by the Single Bench confirming the orders passed by the Controlling Authority and the Appellate Authority is upheld by us, the amount lying in deposit shall be disbursed to the private respondents, within a period of one month from the date of receipt of a copy of this common judgment.

These writ appeals stand dismissed with the above direction. Costs made easy. Connected C.M.Ps. stand closed.

(S.V.N., J.) (K.R.S., J.)
21.11.2023

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S. VAIDYANATHAN, J.

and

K. RAJASEKAR., J.

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To

- 1 The Additional Commissioner of Labour
(Appellate Authority under the Payment of Gratuity Act, 1972)
DMS Compound
VI Floor
Teynampet
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- 2 The Assistant Commissioner of Labour (Additional Charge)
(Controlling Authority under the Payment of Gratuity Act, 1972)
Teynampet
Chennai 600 018

Common order in
W.A. No.3200, 3201, 3203,
3207, 3208 & 3213 of 2023

21.11.2023