



W.P.No.37221 of 2015

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 14.03.2025

CORAM :

THE HONOURABLE MR. JUSTICE M. DHANDAPANI

W.P.No.37221 of 2015

and

M.P.No.1 of 2015

M/s.India Cine Agencies,
Represented by its Partner,
V.Alarmelu,
A 31, 32, 33, PIPDIC Industrial Estate,
Sedarapet, Puducherry.

... Petitioner

Vs.

1.The Labour Commissioner cum the Authority
Under the Payment of Wages Act, 1936 at Puducherry,
Puducherry.

2.The Principal District Judge – Appellate Authority,
Under the Payment of Wages Act, 1936 at Puducherry,
Puducherry.

3.S.A.Savarimuthu

... Respondents

Prayer: Writ Petition filed under Article 226 of the Constitution of India for issuance of a Writ of Certiorari, calling for the records on the file of the second respondent relating to the impugned order dated 01.10.2015 in P.W.A.No.6 of 2014 and quash the same.

For Petitioner : Mr.T.Sai Krishnan



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For Respondents : Mr.V.Vasanthakumar
Additional Government Pleader
(Puducherry) [R1 & R2]
Mr.K.Elango [R3]

ORDER

The petitioner impugns the order passed by the appellate authority under the Payment of Wages Act, Puducherry in P.W.A.No.6 of 2014 dated 01.10.2015.

2. The issue involved in this writ petition lies in a narrow compass. The 3rd respondent was working as a permanent worker as driver under the petitioner employer between 2005 to 2013. Dispute arises between the parties and they parted ways through a settlement reached u/s 12(3) of the Industrial Disputes Act, 1947 (in short 'the I.D. Act'). As per the settlement, the petitioner agreed to pay a sum of Rs.75,000/- by way of demand draft. However, the breakup of amount was not given, namely whether Rs.75,000/- included salary, perks and other benefits like overtime wages. The 3rd respondent accepted the final settlement. Later, when he asked for breakup, the petitioner was not forthcoming. Having realized that the charges for the services rendered for overtime has not



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been paid, the 3rd respondent approached the petitioner. The petitioner stated that the 12(3) settlement covers the entire dues and having agreed for the same, the 3rd respondent was not justified requesting for overtime charges. The 3rd respondent approached the authority under the Payment of Wages Act. The said authority declined the prayer. Aggrieved by the same, the 3rd respondent preferred an appeal before the appellate authority who passed an order directing the petitioner to pay overtime payment to the 3rd respondent. Challenging the same, the present writ petition is filed.

3. Learned counsel for the petitioner submitted that 12(3) settlement covers all the charges payable to the employee and having accepted the same without a murmur, it is not open to the employee to now turn around and ask for overtime payment. He further submitted that the appellate authority was not justified in directing payment of overtime charges. Hence, he prayed that the impugned order may be set aside.

4. Learned counsel appearing for the 3rd respondent contended that the 3rd respondent entered into 12(3) settlement only under a bonafide belief that the petitioner/employer would include all the charges due and



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payable to him. However, the petitioner did not give any breakup for the said Rs.75,000/-. On realizing that overtime charges have not been included in the said sum of Rs.75,000/- the employee made a request for the same. Though the authority under the Payment of Wages Act declined the said prayer, the appellate authority has rightly awarded the same. Therefore, the said order does not require any interference.

5. Heard the learned counsel appearing for the parties and also perused the materials available on record.

6. This court is in complete agreement with the findings arrived at by the appellate authority. The petitioner failed to provide breakup charges for the sum accepted in the 12(3) settlement. On realizing that overtime payment has not been paid, the 3rd respondent sought for the same, since it is his legal right. The authority under the Payment of Wages Act declined the same on the grounds that the final settlement reached u/s 12(3) of the I.D. Act cannot be questioned under the Payment of Wages Act. However, the appellate authority has set it right by observing that the appellate authority has jurisdiction to direct the petitioner/employer to pay the overtime charges irrespective of the fact



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that the 3rd respondent/workman has received amount u/s 12(3) of the

WEB COPY Act.

7. I do not see any error or illegality in the said order warranting interference and hence, I am not inclined to interfere with the same. Accordingly, this Writ Petition is dismissed and the petitioner is directed to honour the direction of the appellate authority and pay the 3rd respondent a sum of Rs.2,06,783/- without interest as full and final settlement within a period of four (4) weeks from the date of receipt of a copy of this order. No costs. Consequently, the connected writ miscellaneous petition is closed.

14.03.2025

Index : Yes / No

Speaking order / Non-speaking order

Neutral Citation Case : Yes / No

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To

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M.DHANDAPANI, J.

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