



W.P.No.26000 of 2023

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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 18.08.2025

CORAM

THE HONOURABLE MR. JUSTICE P.DHANABAL

W.P. No.26000 of 2023
and W.M.P. No.25424 of 2023

The Registrar,
Vinayaka Mission University,
Sankari Main Road,
Ariyanoor, Salem - 636308.

... Petitioner

VS.

Dr. Annappa Swamy Davoji Roa

... Respondent

Prayer: This Writ Petition has been filed under Article 226 of the Constitution of India to issue a Writ of Certiorari, to call for the records pertaining to the P.G.No.32 of 2022 on the file of the Joint Commissioner Labour, Salem and the consequent A.G.A. No.108 of 2022 dated 18.05.2023 on the file of the Additional Commissioner of Labour, Coimbatore and to quash the same.

For Petitioner : Mr. V. Manohar

For Respondent : No Appearance



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ORDER

This writ petition is filed challenging the order passed by the learned Appellate Authority under the payment of Gratuity Act in A.G.A.No.108 of 2022 dated 18.05.2023 by confirming the order of the learned Controlling Authority under the payment of Gratuity Act in P.G. No.32 of 2022 dated 19.10.2022, wherein the respondent herein had filed a petition before the Controlling Authority under the payment of Gratuity Act and the same was allowed, by directing the petitioner to pay a sum of Rs.20,00,000/- to the respondent, which was challenged by the petitioner herein through an appeal in A.G.A.No.108 of 2022 and the same was dismissed by confirming the order of the Controlling Authority. Aggrieved by the said order, the present writ petition has been filed by the petitioner.

2. The learned counsel appearing for the petitioner would submit that the respondent herein was an employee in the petitioner institution and retired from service as on 05.09.2020 had claimed gratuity to the tune of Rs.20,00,000/-, thereby an application was filed before the Controlling

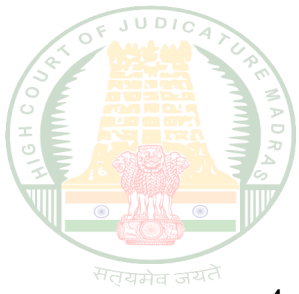


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Authority. The Controlling Authority without considering the objections raised by the petitioner and without any proof for continuous service of the respondent with the petitioner institution had passed an order for the maximum limit of benefit under the Payment of Gratuity Act, 1972. The Appellate Authority has also confirmed the order of the Controlling Authority by holding that, after 2009 amendment to the Payment of Gratuity Act, the educational institutions also come under the purview of the Gratuity Act from the year 1997. Merely based on the amendment of the Central Government, the notification dated 11.04.2018, the Authorities have passed the order. In fact the amendment of Central Government and the notification dated 11.04.2018 is only applicable to Central Public Sector Enterprises (CPSEs) and not applicable to the petitioner and therefore, the respondent is only entitled for a sum of Rs.10,00,000/- and he is not entitled to a sum of Rs.20,00,000/-. Therefore, the order passed by the Authorities under the Payment of Gratuity Act is liable to be quashed.

3. There is no representation for the respondent, in spite of service of notice and the name printed in the causelist, none appeared on behalf of the respondent.



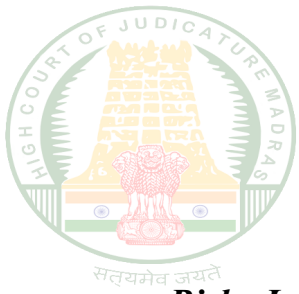
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4. This Court heard the petitioner side arguments and perused the records.

5. In this case, there is a dispute that the respondent was working under the petitioner's institution and retired from service as on 05.09.2020. Before the Controlling Authority under the Payment of Gratuity Act, the respondent filed an application stating that, he joined the duty in the petitioner's institution on 06.02.2006 in the Radiation Department and after completion of 15 years of service, he retired from service and his last pay drawn salary was Rs.2,33,000/- thereby he is entitled to a sum of Rs.20,16,346/- towards gratuity, but the said amount was not settled by the petitioner's institution.

6. As per the amendments, the educational institutions are also covered under the Payment of Gratuity Act from 03.04.1997 onwards. The petitioner herein being the respondent in the Gratuity Application, denied the entitlement of the respondent and the amendment made by the Central Government is not applicable to the Private institutions, therefore the respondent is only entitled only for a sum of Rs.10,00,000/- towards gratuity. However, the Controlling Authority after considering the judgment of the Hon'ble Supreme Court in



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Birla Institute of Technology vs. State of Jharkand and others, as per the

Section 2(e) of the Gratuity Act, the teachers are also entitled to gratuity under the Payment of Gratuity Act. Moreover, the Ministry of Labour & Employment issued a circular dated 29.03.2018 by enhancing the gratuity amount from Rs.10,00,000/- to Rs.20,00,000/-, thereby the Controlling Authority calculated and fixed Rs.20,00,000/- as the gratuity to the respondent. The learned Appellate Authority also confirmed the same.

7. The only contention of the petitioner is that the amendment of the Central Government will not be applicable to the private institutions, but the Authorities have only relied on the notification dated 29.03.2018 issued by the Ministry of Labour & Employment. It is an admitted fact that the respondent retired from service on 05.09.2020, whereas the payment of Gratuity Act has been amended by enhancing the maximum limit of gratuity from Rs.10,00,000/- to Rs.20,00,000/-, vide notification dated 29.03.2018 itself. The Government vide Notification No.S.O.1420 (E) dated 29.03.2018 has enhanced the gratuity ceiling under the Payment of Gratuity Act, 1972 from Rs.10,00,000/- to Rs.20,00,000/- with effect from 29.03.2018. Therefore, the question of applicability of the notification issued by the Central Government dated



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11.04.2018 is immaterial, once the Gratuity Act is amended by enhancing the gratuity ceiling limit from Rs.10,00,000/- to Rs.20,00,000/-, hence the respondent is entitled to the maximum gratuity ceiling amount as per the calculation made by the Authorities concerned.

8. As discussed supra, the respondent is entitled to the gratuity amount after the amendment of the Payment of the Gratuity Act, who retired from service as on 05.09.2020. Therefore, this writ petition has no merits and liable to be dismissed.

9. In the result, this writ petition stands dismissed and the petitioner is directed to comply with the order of the Authorities without any delay. Consequently, connected writ miscellaneous petition stands closed. There shall be no order as to costs.

18.08.2025

Index : Yes/No
Speaking order/non-speaking order
stn



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To

1. The Joint Commissioner Labour,
Salem.
2. The Additional Commissioner of Labour,
Coimbatore.



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P.DHANABAL, J.,

stn

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