

W.P(MD)Nos.12775 & 12841 of 2023

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BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

RESERVED ON : 01.07.2025

DELIVERED ON : 31.07.2025

CORAM:

THE HONOURABLE MR.JUSTICE R.VIJAYAKUMAR

W.P(MD)Nos.12775 & 12841 of 2023

and

W.M.P(MD)Nos.10782 & 10869 of 2023

W.P(MD)No.12775 of 2023:

The Management,
Cotton Research Station,
Tamil Nadu Agricultural University,
Srivilliputhur,
Virudhunagar District-626 125.

... Petitioner

Vs.

- 1.I.Pandian,
C/o.Virudhunagar District Manual Workers
Union, Regn.No.3822, Affiliated to CITU,
No.3/1115-2 Muthuramalingam Nagar,
Virudhunagar-626 001.
- 2.The Controlling Authority under Payment
of Gratuity Act 1972/the Deputy Commissioner
of Labour,
Office of the Joint Commissioner of Labour,
Race Course Colony,
Madurai-625 002.



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3.The Appellate Authority under Payment of
Gratuity Act 1972/the Additional
Commissioner of Labour,
TNHB Building, 1st Floor,
Ellis Nagar,
Madurai-625 016.

... Respondents

Prayer: Writ Petition filed under Article 226 of the Constitution of India, praying this Court to issue a Writ of Certiorarified Mandamus, calling for the records relating to the award, dated 30.05.2022 passed by the second respondent (Controlling Authority) in P.G.No.239/2019 and the order, dated 13.03.2023 passed by the third respondent (Appellate Authority) in PGA.No.15 of 2022 and quash the same and consequently, direct the second respondent to refund the deposited amount of Rs.3,08,903/- along with the accrued interest to the petitioner within a time limit to be fixed by this Court.

For Petitioner : Mr.A.Thirumurthy

For R-1 : Mr.S.Govindan

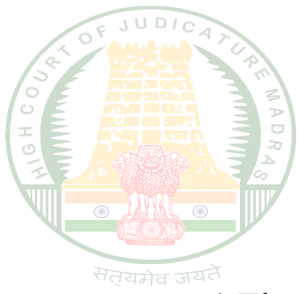
For R-2 & R-3 : Mr.G.V.Vairam Santhosh
Additional Government Pleader

W.P(MD)No.12841 of 2023:

E.Pandian

... Petitioner

Vs.



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- 1.The Management,
Cotton Research Station,
Tamil Nadu Agricultural University,
Srivilliputhur,
Virudhunagar District.
 - 2.The Authority under the Payment of
Gratuity Act/Deputy Commissioner of
Labour,
Office of the Additional Commissioner of Labour,
Madurai-2.
 - 3.The Appellate Authority under the Payment of
Gratuity Act/Additional Commissioner
of Labour,
Madurai-2.
- ... Respondents

Prayer: Writ Petition filed under Article 226 of the Constitution of India, praying this Court to issue a Writ of Mandamus, directing the second respondent to release the gratuity amount of Rs.1,89,606/- as ordered by the Appellate Authority under the Payment of Gratuity Act/Additional Commissioner of Labour by order, dated 13.03.2023 along with accrued interest which was deposited by the first respondent before the second respondent based on the orders of the second respondent, dated 30.03.2022 and to pass such further or other orders as this Court.

For Petitioner : Mr.S.Govindan

For R-1 : Mr.A.Thirumurthy

For R-2 & R-3 : Mr.G.V.Vairam Santhosh
Additional Government Pleader



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COMMON ORDER

W.P(MD)No.12775 of 2023 has been filed by the Management of Cotton Research Station, Tamil Nadu Agricultural University challenging the order passed by the third respondent herein under the Payment of Gratuity Act, 1972 confirming the order of the second respondent.

2. According to the petitioner Management, the first respondent herein was engaged as a Helper in agricultural work as a casual labourer on sporadic basis depending upon the need of the day. The first respondent had stopped attending duty from 28.02.2018 onwards and he had approached the Controlling Authority under the Payment of Gratuity Act seeking gratuity. The second respondent has passed an order directing the petitioner Management to pay a sum of Rs.2,11,777/-. The Management had filed an appeal before the third respondent herein. The third respondent concurred with the second respondent with regard to the applicability of the Act but reduced the quantum of Gratuity to Rs.1,89,606/-. This order is under challenge in the present writ petition.

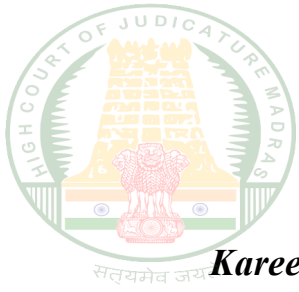


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3. The primary contention of the learned Counsel appearing for the petitioner Management is that, the petitioner was only a casual agricultural labourer engaged on a day to day basis and therefore, the Gratuity Act is not applicable to him. He further submitted that the petitioner Research Institution is an arm of the Tamil Nadu Agricultural University. The Research Station is not covered under the purview of the Tamil Nadu Shops and Establishments Act, 1947. This legal position has been upheld by this Court in a judgment reported in **1999 (3) LLJ 640 [Agricultural Research Station, Tamil Nadu Agricultural University, Velayuthapuram, Kovilpatti Vs. Commissioner of Labour, Madras and Another]**.

4. The learned Counsel appearing for the petitioner further submitted that the first respondent was engaged on a sporadic basis only for some of the days in a month. Therefore, he has not established that, he had completed 240 days in order to qualify himself to receive gratuity under the said Act. He relied upon the judgments of the Hon'ble Supreme Court reported in **2002 (3) SCC 25 [Range Forest Officer Vs. S.T.Hadimani]**, **2003 (2) SCC 212 [A.P.S.R.T.C and Another Vs. S.Narsagoud]** and **2005 (6) SCC 36 [A.P State Road Transport Corporation and Others Vs. Abdul**



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Kareem] in support of his contentions.

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5. The learned Counsel appearing for the first respondent workman submitted that he had been conferred with permanent status by way of an order of the Inspector of Labour on 31.01.2014. The writ petition filed by the Management has also been dismissed. However, writ appeal has been filed and the same is pending.

6. The learned Counsel appearing for the respondent further submitted that due to illegal disengagement, he had preferred I.D.No.85 of 1996 and the same was allowed and he was directed to be reinstated on 13.07.2009. In such circumstances, the contentions of the Management that the Tamil Nadu Industrial Establishments (Conferment of Permanent Status to Workmen) Act, 1981 or the labour legislations are not applicable to the institution are liable to be rejected.

7. The learned Counsel appearing for the respondents further submitted that the petitioner had completed 39 years of service and after his retirement, gratuity has not been paid by the petitioner Management.



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Though the Controlling Authority had fixed a particular amount, the same was reduced by the Appellate Authority, which shows the application of mind on the part of the Appellate Authority. Hence, he prayed for dismissing the writ petition.

8. I have carefully considered the submissions made on either side and perused the materials available on record.

9. The first respondent herein claims that he was engaged as a Helper in the Cotton Research Station coming under the administrative control of the Tamil Nadu Agricultural University from 01.08.1979 onwards. He further claims he had stopped working from 28.02.2018 onwards. Claiming gratuity, he had approached the authorities under the said Act. The only defence on the side of the Management is that the Payment of Gratuity Act is not applicable to the Cotton Research Station. The learned Counsel appearing for the petitioner has relied upon the judgment of this Court reported in **1999 (3) LLJ 640 [Agricultural Research Station, Tamil Nadu Agricultural University, Velayuthapuram, Kovilpatti Vs. Commissioner of Labour, Madras and Another]** in support of his contentions.



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10. When the first respondent herein was disengaged from services, he had filed I.D.No.85 of 1996 before the Labour Court, Madurai seeking reinstatement. The said petition was allowed by the Labour Court on 13.07.2009, directing reinstatement without back wages but with continuity of service. In compliance with the said order, the first respondent herein has been reinstated in service on 10.02.2010.

11. The first respondent had approached the Inspector of Labour, Madurai seeking conferment of permanent status. The application was allowed on 31.01.2014, directing the Management to confer permanent status upon the first respondent. The Management had preferred W.P(MD)No.9319 of 2014 and the same was dismissed on 02.09.2022. The Management has challenged the said order in W.A(MD)No.617 of 2023 and an order of interim stay has been granted and the same is pending.

12. The authority under the Tamil Nadu Industrial Establishments (Conferment of Permanent Status to Workmen) Act has found that the petitioner is under regular employment from October 1984 onwards. The

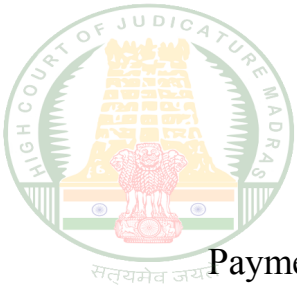


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Labour Court in I.D.No.85 of 1996 has found that the first respondent was kept out of employment between 23.12.1988 and 09.02.2010, for which back wages need not be paid. The petitioner has stopped attending duty from 28.02.2018 onwards. These dates and events would clearly establish the fact that, there cannot be any dispute that the petitioner has completed five years of service and qualified to receive gratuity under the Act.

13. As far as the contentions of the Management that the Payment of Gratuity Act is not applicable is concerned, even as per the averments in the writ affidavit, the petitioner was engaged as a casual agricultural labourer and he was not on a regular workman. When the petitioner Management has not appointed any regular employee but has extracted work from casual employees on a day to day basis, cannot contend that, they are Government Institutions and hence, exempted from the purview of the said Act. Such a contention could be raised, only when a regular employee makes a claim under the Payment of Gratuity Act. That apart, the Management has chosen to comply with the order of reinstatement passed by the Labour Court in I.D.No.85 of 1996. In such circumstances, the legal contention raised with regard to the maintainability of an application before the authority under the

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Payment of Gratuity Act cannot be countenanced.

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14. Though the Controlling Authority has ordered payment of gratuity to an extent of Rs.2,11,777/-, the Appellate Authority has rightly reduced the same to Rs.1,89,606/- after considering the date of engagement and the period that has to be excluded during non employment period. In such circumstances, this Court does not find any error or illegality to interfere in the order of the authorities under the Act.

15. In view of the above said deliberations, there are no merits in the writ petition. W.P(MD)No.12775 of 2023 stands dismissed.

16. W.P(MD)No.12841 of 2023 has been filed by the employee seeking a Mandamus to release the gratuity amount as per order, dated 13.03.2023 passed by the Appellate Authority under the Payment of Gratuity Act.

17. In view of the dismissal of the writ petition filed by the Management, W.P(MD)No.12841 of 2023 stands allowed.

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18. To summarize, this Court is inclined to pass the following orders:

a) W.P(MD)No.12775 of 2023 stands dismissed.

b) W.P(MD)No.12841 of 2023 stands allowed, directing the second respondent in W.P(MD)No.12841 of 2023 to release the gratuity amount of Rs.1,89,606/- along with accrued interest. There shall be no order as to costs. Consequently, connected Miscellaneous Petitions stand closed.

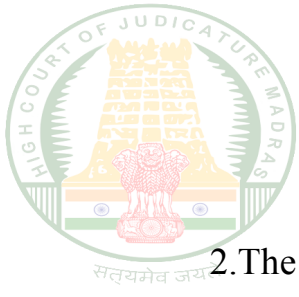
31.07.2025

NCC : Yes / No
Index : Yes / No
Internet : Yes
BTR

To

1.The Controlling Authority under Payment
of Gratuity Act 1972/the Deputy Commissioner
of Labour,
Office of the Joint Commissioner of Labour,
Race Course Colony,
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2.The Appellate Authority under Payment of
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3.The Management,
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R.VIJAYAKUMAR, J.

BTR

Order made in
W.P(MD)Nos.12775 & 12841 of 2023

31.07.2025