



W.P(MD)No.18130 of 2022

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BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 20.11.2025

CORAM:

THE HONOURABLE MR.JUSTICE B.PUGALENDHI

W.P(MD)No.18130 of 2022 and
WMP(MD) No.13228 of 2022

The Management,
Periyakottai Village Panchayat Office,
Periyakottai Post,
Dindigul Taluk and District.

At present:

The Village Panchayat President,
Periyakottai Village Panchayat Office,
Periyakottai Post,
Dindigul Taluk and District.

... Petitioner

Vs

- 1.The Joint Commissioner of Labour,
(Court of Joint Commissioner of Labour),
Appellate Tribunal - Payment of Gratuity Act 1973,
Tiruchirappalli.
- 2.The Deputy Commissioner of Labour,
Controlling Authority - Payment of Gratuity Act, 1973,
Dindigul.
- 3.The Block Development Office,
Dindigul Block Development Office,



W.P(MD)No.18130 of 2022

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Near Bus Stand,
Dindigul - 624 001.
4.P.Varadhan

...Respondents

PRAYER: Writ Petition filed under Article 226 of the Constitution of India, praying this Court to issue a Writ of Certiorari, calling for the records pursuant to the order passed by the 1st Respondent Appellate Tribunal - Payment of Gratuity Act 1973 in P.G.A. No. 23/2019 dated 03.11.2021, confirming the order passed by the learned Controlling Authority under Payment of Gratuity Act, 1973 (Deputy Commissioner of Labour), Dindigul i.e the 2nd Respondent in P.G.Case.No. 107/2018 dated 13.02.2019 and quash the same

For Petitioner	:No appearance
For R1 to R3	: Mr.S.Vinodh
	Government Advocate

ORDER

The President of the Periyakottai Village Panchayat, Dindigul has preferred this writ petition as against the orders passed by the Appellate Tribunal - Payment of Gratuity Act 1973/ first respondent in P.G.A. No.23 of 2019, dated 03.11.2021, confirming the order passed by the Controlling Authority under Payment of



W.P(MD)No.18130 of 2022

WEB COPY

Gratuity Act, 1973/the second respondent in P.G.No. 107 of 2018,
dated 13.02.2019

2.One P.Varadhan, an employee of the petitioner Panchayat/the fourth respondent herein, who joined in service on 01.06.1980 as a Sanitary worker has retired from service on 30.06.2017, thereby, he has rendered 37 years of service in the petitioner Panchayat. Therefore he sought for gratuity amount from the petitioner Panchayat by submitting an application and the same was forwarded to the Block Development Officer on 10.07.2018, as per Rule 7 of the Tamil Nadu Payment of Gratuity Act, 1972. Since no action has been taken, the employee has filed an application in P.G.No. 107 of 2018, before the second respondent, claiming gratuity for the period of his services rendered in the Village Panchayat. The Authority/the second respondent, by his order, dated 13.02.2019 has allowed the application and directed the petitioner Management to pay the gratuity amount of Rs.1,09,826/- along with 10% interest, for the period of his services rendered in the



W.P(MD)No.18130 of 2022

Panchayat. Aggrieved by that order, the Panchayat has preferred an appeal in P.G.A.No.23 of 2019, dated 03.11.2021, before the first respondent/Appellate Authority under the Payment of Gratuity Act. The Appellate Authority has dismissed the appeal and confirmed the order of the second respondent. Aggrieved over the same, the petitioner Panchayat has approached this Court by way of this writ petition in the year 2022.

3. When this writ petition is taken up for hearing today, there is no representation for the petitioner.

4. A representation has been made by the learned Government Advocate that pending this writ petition, the fourth respondent/the employee died. Therefore, this Court proceeded further with the available materials placed on record.



W.P(MD)No.18130 of 2022

WEB COPY

5.The fourth respondent claiming to be a sanitary worker in the petitioner Panchayat has claimed gratuity before the second respondent that he has rendered 37 years of service. The Panchayat has forwarded his application to the Block Development Officer to consider his application for gratuity. However, the same has not been considered and therefore he has approached the authority under the Gratuity Act and it was allowed and the same was also confirmed by the Appellate Authority.

6.The main contention in this writ petition is that the Panchayat is a separate entity constituted under the Tamil Nadu Panchayat Act, 1994 and therefore, it cannot be considered and construed under the meaning of an Establishment under the payment of Gratuity Act.

7.As per Section 2(f) of the Payment of Gratuity Act 1972, the term “employer” includes any local authority and the provision is extracted as under:



W.P(MD)No.18130 of 2022

“(f) "employer" means, in relation to any establishment, factory, mine, oilfield, plantation, port, railway company or shop-

.....

(ii) belonging to, or under the control of, any local authority, the person appointed by such authority for the supervision and control of employees or where no person has been so appointed, the chief executive office of the local authority,....”

8.The Central Government, vide notification in G.S.R No. 239 dated 08.01.1982 has made the provisions of the Payment of Gratuity Act applicable to local bodies employing more than 10 employees and the relevant notification is extracted as under:

“In exercise of the powers conferred by clause (c) of the sub-section (3) of section 1 of the Payment of Gratuity Act, 1972 (39 of 1972), the Central Government hereby specifies “local bodies” in which ten or more persons are employed, or were employed, on any day of the preceding twelve months, as a class of establishments to which the said Act shall apply with effect from the date of publication of this notification in the Official Gazette.”



W.P(MD)No.18130 of 2022

WEB COPY

9. Hence, the provisions of the Payment of Gratuity Act 1972 is applicable to the local bodies like Panchayats as well. Accordingly, the petitioner /Periyakottai Village Panchayat is liable to pay the gratuity amount to the fourth respondent as ordered and confirmed by the Controlling Authority and the Appellate Authority.

10. Though this Court has entertained this writ petition and granted a conditional interim order to deposit the entire amount determined by the Controlling Authority under the Payment of Gratuity Act 1972, dated 13.02.2019 together with interest, the petitioner Panchayat, who have obtained an interim order under the Payment of Gratuity Act have not prosecuted this writ petition any further.

11. In view of the above and considering the settled position of law as stated supra, this writ petition is dismissed. The petitioner is directed to pay the gratuity amount to the fourth



W.P(MD)No.18130 of 2022

WEB COPY

respondent or his legal heirs, as ordered and confirmed by the authorities within a period of four weeks from the date of receipt of a copy of this order. No costs. Consequently, connected Miscellaneous petition is closed.

20.11.2025

Index:Yes
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W.P(MD)No.18130 of 2022

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WEB COPY

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W.P(MD)No.18130 of 2022

B.PUGALENDHI, J.

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