

IN THE HIGH COURT OF ANDHRA PRADESH AT AMARAVATI

MONDAY, THE FIFTH DAY OF MAY

TWO THOUSAND AND TWENTY FIVE

:PRESENT:

THE HONOURABLE SRI JUSTICE SUBBA REDDY SATTI



IA No. 1 OF 2025

IN

WP NO: 9620 OF 2025

Between:

Ship Building Centre, Godavari Gate Varuna Block, Naval Base Post  
Visakhapatnam – 530014, Rep. by the Project Director.

...Petitioner

AND

1. M/s. National Institute Of Fire Engineering & Safety Management (NIFS), Near International Cricket Stadium, P.M.Palem Station Road, P.M. Palem, Visakhapatnam-530041 Represented by its Managing Director.
2. Shri Yallapu Ramu Naidu, S/o Chinna Rao, aged 44 years, residing at D.No. 2-65, Susarla Colony, Baji Junction, Gopalapatnam Visakhapatnam - 530027.

...Respondents

Counsel for the Petitioner: Sri. PASALA PONNA RAO,

(DEPUTY SOLICITOR GENERAL OF INDIA)

Counsel for the Respondents: - - -

Petition under Section 151 CPC., is filed praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to suspend the Order dated 04.10.2024 in Application No. 112/2022 on the file of the Controlling Authority Under Payment of

Gratuity Act, 1972 & Regional Labour Commissioner (Central), Visakhapatnam.

The court while directing issue of notice to the Respondents herein to show cause as to why this application should not be complied with, made the following order.(The receipt of this order will be deemed to be the receipt of notice in the case).

**The Court made the following ORDER:**

**Ship Building Centre, Godavari Gate, Visakhapatnam represented by the Project Direction, filed the above writ petition assailing the order dated 04.10.2024 in Application No.112/2022.**

**The 2<sup>nd</sup> respondent filed an Application before the Controlling Authority under the Payment of Gratuity Act, 1972 & Regional Labour Commissioner (Central), Visakhapatnam under Sub-rule (1) of Rule 10 of Payment of Gratuity (Central) Rules, 1972 initially against the Managing Director, M/s National Institute of Fire Engineering & Safety claiming gratuity amount. Later, the petitioner was impleaded as 2<sup>nd</sup> respondent.**

**Learned counsel for the petitioner would submit that no relief was sought against the petitioner herein (2<sup>nd</sup> respondent in application). However, the authority directed the petitioner being the Principal employer to pay the gratuity to the 2<sup>nd</sup> respondent herein along with simple interest at 10% per annum, which shall accrue from the date it is payable i.e. 31.12.2017 till it is actually paid by the petitioner i.e. Ship Building Centre and to recover the same from the 1<sup>st</sup> respondent.**

**Learned counsel would submit that the authority failed to consider the fact that there is no employer and employee relationship between the petitioner and 2<sup>nd</sup> respondent herein. The authority failed to appreciate the fact that the petitioner neither engaged nor terminated the 2<sup>nd</sup> respondent herein.**

**Whether the findings of the Controlling authority directing the petitioner herein i.e. Ship Building Centre to pay the Gratuity amount to the 2<sup>nd</sup> respondent herein and further direction to recover the amount**

from the 1<sup>st</sup> respondent, by the proceedings impugned is sustainable, requires examination.

Given the facts and circumstances, there shall be stay of further proceedings pursuant to order dated 04.10.2024 in Application No.112 of 2022 on the file of the Controlling Authority under Payment of Gratuity Act, 1972 & Regional Labour Commissioner (Central), Visakhapatnam until further orders.

Sd/- K.TATA RAO  
DEPUTY REGISTRAR

//TRUE COPY//

SECTION OFFICER

To,

1. The Controlling Authority under Payment of Gratuity Act, 1972 & Regional Labour Commissioner (Central), Visakhapatnam.
2. The Managing Director, M/s. National Institute Of Fire Engineering & Safety Management (NIFS), Near International Cricket Stadium, P.M.Palem Station Road, P.M. Palem, Visakhapatnam-530041
3. Shri Yallapu Ramu Naidu, S/o Chinna Rao, aged 44 years, residing at D.No. 2-65, Susarla Colony, Baji Junction, Gopalapatnam Visakhapatnam - 530027. (Addressee Nos. 2 & 3 BY RPAD)
4. One CC to Sri. PASALA PONNA RAO, DEPUTY SOLICITOR GENERAL OF INDIA, Advocate [OPUC]
5. One spare copy

HIGH COURT

SRS, J

DATED:05/05/2025

LIST THE MATTER AFTER FOUR (4) WEEKS.

ORDER

IA No. 1 OF 2025  
IN  
WP.No.9620 of 2025

STAY

