

**(SHOW CAUSE NOTICE BEFORE ADMISSION)
IN THE HIGH COURT OF ANDHRA PRADESH AT AMARAVATI
(SPECIAL ORIGINAL JURISDICTION)**

WEDNESDAY, THE TENTH DAY OF DECEMBER
TWO THOUSAND AND TWENTY FIVE

:PRESENT:

**THE HONOURABLE SRI JUSTICE NYAPATHY VIJAY
WRIT PETITION NO: 34396 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 and Safety Management (NIFS), Near International Cricket Stadium, P.M.Palem Station Road, P.M. Palem, Visakhapatnam-530041 Represented by its Managing Director.
2. Shri Kandipilli Appa Rao, Aged 36 years, Residing at D.No. 30-4-38, Krishna Gardens, Dabagardens, Visakhapatnam

.... Respondents

WHEREAS the Petitioner above named through its Advocate SRI Pasala Ponna Rao, DEPUTY SOLICITOR GENERAL OF INDIA presented this Petition under Article 226 of the Constitution of India praying that in the circumstances stated in the affidavit filed therewith, the High Court may be pleased to issue an order or direction more particularly one in the nature of Writ of Certiorari, calling for the records pertaining to order dated Controlling Authority Under Payment of Gratuity Act, 1972 and Regional Order dated 08.10.2024 in Application No. 121/2022 on the file of the Labour Commissioner (Central)Visakhapatnam and quash the orders dated

08.10.2024 in Application No. 121/2022 as illegal, arbitrary, contrary to law and unconstitutional.

AND WHEREAS the High Court upon perusing the petition and affidavit filed herein and upon hearing the arguments of Sri Pasala Ponna Rao, DEPUTY SOLICITOR GENERAL OF INDIA Advocate for the Petitioner, directed issue of notice to the Respondents herein to show cause as to why this WRIT PETITION should not be admitted.

You viz:

1. The Managing Director, M/s National Institute of Fire Engineering and Safety Management (NIFS), Near International Cricket Stadium, P.M.Palem Station Road, P.M. Palem, Visakhapatnam-530041.
2. Shri Kandipilli Appa Rao, Aged 36 years, Residing at D.No. 30-4-38, Krishna Gardens, Dabagardens, Visakhapatnam

are be and hereby directed to show cause either appearing in person or through an advocate as to why in the circumstances set out in the petition and the affidavit filed therewith (copy enclosed) this WRIT PETITION should not be admitted.

IA NO: 1 OF 2025

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 08.10.2024 in Application No. 121/2022 on the file of the Hon'ble Controlling Authority Under Payment of Gratuity Act, 1972 & Regional Labour Commissioner (Central), Visakhapatnam, pending disposal of WP No. 34396 of 2025, on the file of the High Court.

The Court made the following: ORDER

Notice before admission, returnable in four weeks.

Ship Building Centre, Godavari Gate, Visakhapatnam represented by the Project Director, filed the above writ petition assailing the order dated 08.10.2024 in Application No.121/2022.

The 2nd 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 2nd Respondent.

Learned counsel for the Petitioner would submit that no relief was sought against the Petitioner herein (2nd Respondent in application). However, the authority directed the Petitioner being the Principal employer to pay the gratuity to the 2nd 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 1st 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 2nd Respondent herein. The authority failed to appreciate the fact that the Petitioner neither engaged nor terminated the 2nd 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 2nd Respondent herein and further direction to recover the amount from the 1st 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 08.10.2024 in Application No.121 of

2022 on the file of the Controlling Authority under Payment of Gratuity Act, 1972 & Regional Labour Commissioner (Central), Visakhapatnam until further orders.

SD/- T. SRINIVASA RAO
ASSISTANT 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 and Safety Management (NIFS), Near International Cricket Stadium, P.M.Palem Station Road, P.M. Palem, Visakhapatnam-530041.
3. Shri Kandipilli Appa Rao, Aged 36 years, Residing at D.No. 30-4-38, Krishna Gardens, Dabagardens, Visakhapatnam(2 & 3 by RPAD-
along with a copy of petition and memorandum of grounds)
4. One CC to SRI. Pasala Ponna Rao, DEPUTY SOLICITOR GENERAL OF INDIA Advocate [OPUC]
5. **One spare copy**

ksr

HIGH COURT

VN, J

DATED:10/12/2025

NOTICE BEFORE ADMISSION

WP.No.34396 of 2025

STAY

